

**American Bar Endowment
Board of Directors Meeting**

**Wednesday, June 12th thru
Saturday, June 16th, 2024**

.....
**The Charleston Place
Charleston, South Carolina**
.....

Our Vision: Making a difference by funding programs that advance the American justice system and the rule of law.

Our Mission: To generate funds for the support of law-related public service, educational, and research programs by building and sustaining the Legal Legacy Fund and by sponsoring insurance and other programs for the legal profession that encourage charitable giving.

**ABE BOARD OF DIRECTORS MEETING
JUNE 12 TO JUNE 16, 2024
THE CHARLESTON PLACE
CHARLESTON, SOUTH CAROLINA**



SCHEDULE OF ALL EVENTS & MEETINGS

The American Bar Endowment Board of Directors meetings will take place at The Charleston Place, an iconic landmark in the heart of Charleston's historic district just steps from some of the city's best independent shops, the City Market, museums, historic sites and art galleries.

All times below are listed in the Eastern Time Zone, please adjust accordingly for your locations.

Zoom Information

Note that the Zoom link will be used for the duration of the meeting

Join Zoom Link: <https://zoom.us/j/5386655245?pwd=eGxtYW1rdVAxb0FzOHVidWN0VW43UT09>

Meeting ID: 538 665 5245

Passcode: 426153

Wednesday, June 12

6:00 p.m. to 7:30 p.m.

Welcome Reception

The Charleston Place, Thoroughbred Club, Lobby Level

Recommended Dress: Coastal Casual

The Welcome Reception will be held in the Thoroughbred Club, The Charleston Place's very own living room lounge on the lobby level. Cocktails and substantial hors d'oeuvres will be served.

7:30 p.m. and on

Dinner on Own

Please make your own arrangements for dinner. We recommend making reservations as soon as possible, as restaurants are in high demand

8:00 a.m. to 9:30 a.m. **ABE Board, Spouses/Guests Breakfast**
The Charleston Place, Charleston Grill, Lobby Level

9:30 a.m. to 1:30 p.m. **Spouses/Guests Activity: Photography Walk and Tour of Nathaniel Russell House, followed by lunch at Slightly North of Broad**

9:30 a.m. to 12:00 p.m **ABE Board Meeting**
Riviera Theater, Academy Room
located across the street from The Charleston Place, on King Street

9:30 a.m. to 11:30 a.m	A. <u>Entity Reports</u>	<u>Action</u>	<u>Page No.</u>
	1. Report of the ABE President - Howard H. Vogel		Oral
	Approval of Louisville Minutes	Approval	6
	Report of the Directors Nominating Committee	Information	13
	Report of the Officers Nominating Committee	Information	14
	2. Report on ALIP - Lee Edmon		Oral
	Approval of the Minutes (by the ALIP board)	Approval	15
	3. AEFC Pension Report - Randy Noel	Information	16
	4. Report of the YLD - Josephine M. Bahn and Tamara Nash	Information	Oral
	5. Report of the ABA Officers:		
	ABA President - Mary Smith	Information	Oral
	ABA Treasurer - Fritz Langrock	Information	25
	6. Report of the ABE Executive Director - Dana Sturtz Hill	Information	Oral

12:00 p.m. to 1:00 p.m. **ABE Board Lunch**
The Charleston Place, Charleston Grill, Lobby Level

1:00 p.m. to 5:00 p.m. **ABE Board Meeting**
Riviera Theater, Academy Room
located across the street from The Charleston Place, on King Street

2:00 p.m. to 3:00 p.m. **Spouse/Guest Activity: Tour of Heyward-Washington House**

1:00 p.m. to 3:00 p.m.	B. <u>Insurance Committee</u> - Randall D. Noel, Vice Chair, Patricia Lee Refo	<u>Action</u>	<u>Page No.</u>
	Michelle A. Behnke, Robert M. Carlson, Hon. Lee S. Edmon, Hon. Lora J. Livingston		
	1. Minutes	Approval	32
	2. NYL Report - Dan O'Brien & Maridsa Otero	Discussion	34
	3. EMM Benefits Update	Information	55
	4. Reserves	Information	58

3:00 p.m. to 4:30 p.m.	C. <u>Communications Committee</u> - Tommy D. Preston, Jr., Chair, Tracy A. Giles, Vice Chair,	<u>Action</u>	<u>Page No.</u>
	Roberta D. Liebenberg, Patricia Lee Refo, Fritz Langrock, and Deborah Enix-Ross		
	1. Report from ZeisGroup - Joe Schonhoff	Discussion	59

6:15 p.m. to 9:30 p.m. **Reception and Dinner**
Meet in hotel lobby for shuttle transfer to Cannon Green Cannon Green/Wild Common, The Garden Room
103 Spring Street

The Thursday Reception and Dinner will be held in The Garden Room, a private event space adjacent to the Wild Common Restaurant.

Recommended Dress: Coastal Casual

8:00 a.m. to 9:30 a.m. **ABE Board, Spouses/Guests Breakfast**
The Charleston Place, Charleston Grill, Lobby Level

9:00 a.m. to 12:00 p.m. **ABE Board Meeting**
Riviera Theater, Academy Room
located across the street from The Charleston Place, on King Street

9:00 a.m. to 11:30 a.m.	D. <u>Finance Committee</u> - Michelle A. Behnke, Chair, Hilarie Bass, Vice Chair, Tracy A. Giles, Kevin Shepherd, and Randall D. Noel	<u>Action</u>	<u>Page No.</u>
	1. Report from Chair - Michelle A Behnke		
	Approval of Minutes	Approval	84
	2. Plante Moran Report [Executive Session]	Discussion	Supplemental
	3. Marquette Report - Jamie Wesner		
	May 31, 2024 Monthly Update	Information	87
	March 31, 2024 Quarterly Update	Information	106
	Portfolio & PNC Custodial Relationship Update	Information	197
	Levine Leichtman Opportunity	Approval	209
	4. FY2024 Audit Recommendation - Michelle Behnke	Approval	213
	5. Executive Director Update - Dana Sturtz Hill		
	Report on FY 2024 Results through 3.31.24	Discussion	238
	FY 2025 Proposed Budget	Approval	245

9:15 a.m. to 11:30 a.m. **Spouses/Guests Activity: Private Historic Walking Tour**

12:00 p.m. to 1:30 p.m. **ABE Board, Spouses/Guests Lunch**
The Charleston Place, Charleston Grill, Lobby Level

2:00 p.m. to 4:00 p.m. **Lecture by Elizabeth Gay, Executive Director of the Huguenot Society of South Carolina; Tour of Charleston Library Society Special Collections**

We will gather in the Reading Room of the historic Charleston Library Society. After 275 years, the Charleston Library Society remains the oldest cultural institution in the South and the second oldest circulating library in the country. A unique presentation connecting Huguenot history and culture in colonial Charleston will be led by Elizabeth Gay. Elizabeth's primary Huguenot ancestors are Benjamin Marion and Thomas Guerin, and she has been a member of the Huguenot Society for thirty-eight years.

The Huguenot Society of South Carolina has over 1,500 members with descendants from almost 700 French Protestant (Huguenot) refugees. These men and women left France, or in some instances, another country, prior to the Edict of Toleration in 1787.

Following Elizabeth's presentation, we will briefly hear from the Library Society's digital historian. Afterwards, we will have the distinct honor of viewing the Library's Special Collections, which house some of the Lowcountry's greatest cultural treasures including more than 20,000 rare books and archives. Among the treasures are correspondence from George Washington and Alexander Hamilton, Dubose Heyward's manuscripts for Porgy & the jaw-dropping illustrated volumes of Pierre-Joseph Redouté.

Recommended Dress: Casual/Comfortable Attire

4:00 p.m. to 6:30 p.m. **On Own at Leisure**
Group may return to the hotel or use the time to explore or shop on their own

6:30 p.m. to 9:30 p.m. **ABE Board Reception and Dinner Sponsored by New York Life**
The Charleston Place, Palmetto Garden Room and Courtyard

Recommended Dress: Business Attire, ties not required for the gentleman

8:00 a.m. to 9:30 a.m. **ABE Board, Spouses/Guests Breakfast**
The Charleston Place, Charleston Grill, Lobby Level

9:00 a.m. to 12:00 p.m. **ABE Board Meeting**
Riviera Theater, Academy Room
located across the street from The Charleston Place, on King Street

Recommended Dress: Coastal Casual

9:00 a.m. to 10:45 a.m.	E. <u>Grants Committee</u> - Hon. Lora J. Livingston, Chair, Patricia Lee Refo, Vice Chair, Josephine M. Bahn, Bob Carlson, Roberta D. Liebenberg, Kevin L. Shepherd	<u>Action</u>	<u>Page No.</u>
	1. FJE Report - Orlando Lucero (Chair-FJE Council) & Lea Snipes	Information	247
	2. ABF Report - Jimmy Goodman and Mark Suchman	Information	264
	3. Opportunity Grant Presentation - Lana Kleiman	Information	275
	4. Report of Committee Chair - Lora Livingston		
	Minutes	Approval	304
	ABE and International Grants	Discussion	Oral
	Future Considerations	Discussion	Oral
10:45 a.m. to 11:30 a.m.	F. <u>Strategic Planning Committee</u> - Tracy Giles, Chair, Hon. Lee S. Edmon Hilarie Bass, Michelle A. Behnke, Hon. Lora J. Livingston, Tommy Preston		
	1. ABA Insurance Update	Discussion	Oral
	2. Future Considerations		
	Review of ABE Vision and Mission Statement	Discussion	306
	ABE: Tax Exempt Status Overview	Information	307
11:30 a.m. to 12:00 p.m.	G. <u>Concluding Matters</u>		
	1. Executive Session	Discussion	Oral

12:00 p.m **ADJOURNMENT**

5:45 p.m. to 8:30 p.m. **Dinner at High Cotton**
10 minute walk Main Dining Room, 199 East Bay Street

Recommended Dress: Coastal Casual

Appendix:

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ALIP BOD Office Contact List	Reference	355
ALIP BOD Residential Contact List	Reference	356
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**American Bar Endowment
Board of Directors Meeting
The Charleston Place
Charleston, South Carolina
June 12-16, 2024**

Attendee List

ABE Board of Directors, Staff & Guests

Howard & Lynn Vogel
Lora Livingston & Eric Kennedy
Hilarie Bass
Tommy & Felicia Preston, Jr
Michelle & Darrell Behnke
Bob Carlson
Lee Edmon
Tracy Giles
Randy & Lissa Noel
Patricia Refo & Don Bivens
Kevin Shepherd
Fritz Langrock
Deborah Enix-Ross
William & Kappy Hubbard
Lana & Steve Kleiman
Julie Moore
Dana Sturtz Hill
Izzy Eisen
Pam Bronkema

American Bar Association

Mary Smith*
Orlando Lucero*
Lea Snipes

American Bar Foundation

Jimmy & Debby Goodman
Sandra Chan & Gary Yoshimura
Mark Suchman

Marquette Assoc.

Jamie Wesner

New York Life Insurance Co.

Daniel O'Brien
Maridsa Otero
Raghu Rangachar*

SASS

David & Marianne Armstrong

YLD Liaison

Josephine Bahn

ZeisGroup

Joe Schonhoff

**Virtual Attendee*

**Minutes of the Board of Directors Meeting
American Bar Endowment
February 6, 2024**

The Board of Directors of the American Bar Endowment held a regular meeting February 6, 2024 at the 21c Museum Hotel in Louisville, Kentucky. Directors in attendance for all or a portion of the meeting were:

Howard H. Vogel, *President*
Hon. Lora J. Livingston, *Vice President*
Hilarie Bass, *Treasurer*
Tommy Preston, *Secretary**
Michelle A. Behnke
Fritz Langrock, *Ex-Officio*

Tracy A. Giles
Kevin L. Shepherd
Robert M. Carlson
Hon. Lee Edmon
Patricia Lee Refo
Deborah Enix-Ross, *Ex-Officio*

Also present, either in person or virtually, for all or a portion of the meeting were:

Dave Armstrong, *SASS Associates*
Joe Schoenhoff, *ZeisGroup*
James Wesner, *Marquette Associates*
Mary Smith, *ABA President**
Josephine A. Bahn, *YLD Representative*

Dana Sturtz Hill, *ABE Executive Director*
Izzy Eisen, *ABE Staff*
Orlando Lucero, *FJE Chair*
Lea Snipes, *FJE Director*
Jimmy Goodman, *ABF President*
Mark Suchman, *ABF Executive Director*

**Virtual Attendee*

I. Reports

A. Report of the ABE President

Mr. Vogel welcomed the members and guests of the Board to Louisville. He went through a quick agenda, then directed everyone's thoughts to the Board members and guests who were not able to attend. He then directed the attention of the members of the Board to the minutes of the October 31, 2024 meeting of the ABE Board of Directors and requested a motion to approve the minutes. A motion was made, seconded, and the minutes were approved.

B. Report of the ALIP President

Judge Edmon reported that there has not been any movement with ALIP and it remains dormant, but that we are simply keeping it "active" in terms of state filings, etc., for any future possibilities.

C. Report of the ABA President

Ms. Smith gave her updates on the ABA, discussing the Taskforce for American Democracy, the Presidential Speaker Series, trying to increase the national visibility of the ABA, and the strategic planning process that the ABA is newly pursuing.

D. Report of the ABA Treasurer

Mr. Langrock first shared that the ABA Board had approved a \$45 across the board dues increase at the house the previous day, noting that half of the increased revenue would be dedicated to ABA programming

and product improvement and the other half would be dedicated to the financial budgetary constraints of the ABA itself. The ABA is currently facing a \$6.6 million operating deficit and the grants have also declined, while the investment returns have improved.

E. Report of the YLD Representative

Ms. Bahn reported that they are continuing the program with guaranteed issue, which has been well received. She shared that there would be a few virtual financial planning sessions for young lawyers. On behalf of YLD Chair Tamara Nash, Ms. Bahn noted the upcoming meeting in Omaha in May for which they are partnering with the ABE. She then noted that the YLD chair-elect and next ABE YLD Liaison had been elected, and the role would be filled by Danielle Borel.

II. Committees

A. Pension Committee

Mr. Vogel noted the absence of Committee Chair Randy Noel and asked Executive Director Dana Hill to share any updates. Ms. Hill noted that with recent staff retirements and departures, the pension obligation has materially changed from the prior year and as such, that the AEFC Pension Committee was starting to look into what opportunities this transition presented and would share any updates at the June BOD meeting.

B. Insurance Committee

Mr. Vogel noted the absence of the chair and vice chair of the Committee. He then directed the attention of the members of the Board to the minutes of the January 19, 2024 meeting of the ABE Insurance Committee and requested a motion to approve the minutes. A motion was made, seconded, and the minutes were approved.

Mr. Armstrong then presented the status of the New York Life programs and insurance reserves. He began with a review of the past few years, noting that two years ago was a poor year due to the pandemic, not only for ABE but for all of NYL's clients. Last year was a very successful year, and this year was slightly profitable but still a very good year. The big number with regards to long term disability insurance is reflected in the incurred loss ratio, which is historically 55%. Last year it was 37% and this year it is 42%, a slight uptick but again, beating the historical averages. For comparison, the less favorable results from two years ago resulted in 89%. He then reviewed the interest, which was a \$280,000 credit that went directly to cover expenses, creating a margin of \$2.25 million, slightly down from last year but still very good. The CSR is fully funded at \$3.1 million and the dividend on deposit and extra contingency reserve is \$4.6 million. He then noted that during the pandemic ABE borrowed a million dollars from ABE HIP contingency reserve to conservatively buffer our reserve due to recent pandemic trends, but last year ABE paid back the million dollars. As such, comparing this year to the previous year appears "unfavorable" but it is only due to the anomaly in prior and not reflective of any new trends in the business.

Mr. Armstrong then brought the NYL level term repricing strategy up for presentation. He noted the Board approval of the plan in the November meeting, then shared that NYL, ABE, and its advisors had gathered and put together a game plan for all of the changes that needed to happen. He reminded that the changes were to make quick decision available for the 20-year level term, and to introduce a new rate class. Judge Livingston asked if the new rate class, super-preferred, was determined by age. Mr.

Armstrong replied that the higher coverage amount being requested, the more age and other health factors come into play. Mr. Shepherd then asked about the market, if there were a lot of insureds trying to hit the super preferred market. Mr. Armstrong replied that there were, and that with life insurance it's important to offer the most competitive products. Ms. Bass then asked if there were any guardrails in place to protect against rate raises for the non-guaranteed plans. Mr. Armstrong replied that there are no guardrails, however in 70 years NYL has never raised the rates on this program. Mr. Armstrong then went on to say that the new plans only apply to new business, and there will likely be a cut off time in June when the new rates will apply. He noted that the current goal was June 1st, but that often these types of things can slip for a month or two. The plan is the old programs will be frozen, no new applicants will be accepted, and the new policies will be instituted.

Mr. Armstrong then provided two other updates, first noting that the excess medical frozen plan was not facing cancellation and could expect another respectful year. Second, he shared that NYL is conducting a strategic review of their business. He then spoke to the reserves. He noted the big change in this update was the disability updates, resulting in \$10.7 million in contingency reserves versus \$4 million premium, leaving ABE well positioned. The other big change was with the hospital money plan. Overall, there are \$49 million contingency reserves. Mr. Vogel asked if there was a general rule of thumb for how to fund a reserve for a particular product. Mr. Armstrong replied that it depends on the type of reserve, but for contingency reserves, if it's 2 times premium, you are considered well reserved.

C. Communications Committee

Mr. Preston introduced the Communications Committee, sharing that over the past few months, the Committee has had a chance to take a step back and reevaluate the processes and systems in place and really think critically about them. Ms. Hill noted that part of this process has been finding the right level of involvement for the Committee versus what ABE staff and consultants/vendors need to decide on a more detailed level.

Mr. Schonhoff then presented ZeisGroup's evaluation of the marketing position of ABE. He noted that direct mail applications had made up 50% of the applications even up to a year ago, but that over the past year we had really seen the number of online applications grow. He noted that the change in leadership and strategic approach has allowed ZeisGroup to reexamine the media mix ABE is using. He shared that we were decreasing the direct mail investment significantly over the next fiscal year, and that the money would be reallocated into new digital tactics. He also shared that they would be focusing on optimizing the mailing lists through applying different criteria. The four yearly mailings would be divided, with three of them going out to this optimized list and one of the mailings going to the larger eligible audience. ABE is working to get an email list for the direct mail recipients to be able to send a pre-mail email, which has been proven to increase response rates. Mr. Schonhoff then spoke about adding touch points for the increased digital presence of the ABE, including targeted email follow ups and paid search pixel banner ads. He next spoke about increasing anonymous digital advertising through Google ads that are targeted towards lawyers in states with mandatory bar memberships. He also noted that secondhand targeting would be utilized to advertise to people who visited websites like the ABA website, and otherwise fit into a likely attorney profile. He shared that they were looking solely at Google ads because they are cost per click, whereas advertising on social media is cost per impression.

Mr. Schonhoff then spoke to the ABE social media accounts, noting that there has been large growth in the following over the last four years, but that social media is not a direct driver of applications. It is

more useful for validating the trustworthiness and legitimacy of the organization for folks who are already considering ABE insurance.

Mr. Schonhoff then noted that over the last few months, ZeisGroup has had the opportunity to be involved with and impact many more areas of the ABE operations. They have worked closely with the insurance specialist on mailing and fliers, as well as on the website. Mr. Schonhoff then shared budgetary updates, noting that ABE is saving about \$300,000 by moving away from monthly direct mail campaigns, and taking that opportunity to increase the funding for the digital advertising/persona targeting. There is an overall decrease of the current spend in half, with the expectation of not losing any application volume. Mr. Preston emphasized that the goal was to test out the new approach, which allows ABE to save money, and ultimately maximize reach and number of applications coming in. Ms. Hill agreed with the goal, noting that the saved money is just an extra bonus. Ms. Bass noted her approval of the integrated strategic communications approach. Mr. Vogel then asked what the timeline on the persona targeting strategy looks like. Mr. Schonhoff replied that it's a self-service platform, so once the creative is finished and approved it can go up quite quickly. Judge Livingston then asked if there were improvements or changes that the ABE could be making to its website in preparation for the increased traffic. Mr. Schonhoff said they have been talking about it, and one idea is capitalizing on the increased website traffic during the Opportunity Grant application cycle. Mr. Schonhoff then shared that due to the media mix changes, ABE has more money in their budget for innovative opportunities.

D. Grants Committee

Judge Livingston introduced the Grants Committee and guests from ABF and FJE, appreciating both organizations' work and impact. Mr. Lucero introduced FJE and thanked ABE for their support. He and Ms. Snipes then spoke about January being Poverty in America Awareness month, the Center for Children and Law, and the Military Pro Bono Project. Ms. Snipes then spoke about the impact the ABE grant has had, supporting such projects as Free Legal Answers and the Legal Opportunity Scholarship Funds. She then shared that FJE had had great success this past November with ABA Giving Day, as well as having the highest donations in December in the past seven years. Mr. Lucero then detailed some higher-level programming FJE is pursuing, highlighting their strategic plan to increase the number of donors and fundraising dollars, and to educate the ABA community at large. Ms. Refo asked if there were precautions being taken so that the FJE and other sections of the ABA were not asking members for money at the same time. Ms. Snipes shared that while they do try to coordinate this, the sections are not required to coordinate with the FJE's efforts. Ms. Hill asked if there was an unrestricted donation option. Ms. Snipes said there is, and it's one of the best donations to receive, but that more often people are looking to support specific projects.

Judge Livingston thanked FJE for their presentation and then invited ABF to present. Mr. Goodman thanked Judge Livingston and introduced Mr. Suchman and spoke to his background. He also shared updates on ABF's strategic plan and changes in the past few months. He then shared that they had just received the draft of their audit and it was clean. He then shared that they had underbudgeted with the expectation of bringing in more money this past year, but they were able to adjust for the discrepancy due to changes in staff and Fellowship positions. He also noted that they wanted to increase the Fellowship acceptance rate by increasing the number of applicants. Mr. Suchman then thanked ABE for their continued generous support, although he noted that if you factor in inflation the ABE grant amount had actually decreased over the years. He then noted that a focus for ABF this year was to increase operational capacity and build a better infrastructure to support all of the research projects they are looking to undertake. He then went over the new hires and new fellows that ABF has brought in over the past year. Ms. Bass then asked what the ABF is paying their members who are full-time faculty at a

university and are already being compensated by their teaching institutions. Mr. Suchman answered that the ABF essentially buys out a part of their teaching contract to allow for more time to focus on research. Mr. Suchman then highlighted some research projects, including a look into the past 100 years of the US Supreme Court, a review of community features that impact the intergenerational inheritance of incarceration, and a national study of legal professional career paths. He and Mr. Goodman then thanked ABE again for their crucial contribution.

The next order of business of the Committee was conducted in Executive Session.

The Board exited Executive Session. Judge Livingston directed the attention of the members of the Board to the minutes of the January 25, 2024 meeting of the ABE Grants Committee. A motion was made, seconded, and the minutes of the meeting were approved. Judge Livingston then presented the recommendations from the Grants Committee to approve the amount of \$3.83 million for the ABF and FJE grants, and to approve the amount of \$300,000 for the proposed 13 Opportunity Grant recipients. Judge Livingston asked for a motion to approve the recommendations. A motion was made by the Committee and approved with no nays or abstentions. Judge Livingston then thanked ABE staff and the Grants Committee members for their dedicated work throughout the grants process.

E. Strategic Initiatives Committee

The business of the Committee was conducted in Executive Session.

F. Finance Committee

Mr. Wesner presented Marquette's analysis of the investment market and ABE's portfolio. He began by discussing the market environment for the end of 2023, noting that it was a great rebound from 2022. Growth in the equity market rebounded substantially, benefiting from clarity that the Fed was not going to raise rates to the degree the market had previously assumed in 2023. At the beginning of 2023 there was anticipation of increased inflation because of Fed hikes of interest rates, however the changes did not result in a recession, and inflation is not increasing at an accelerated rate. The Fed has come out and said they will leave rates until at least the middle of the year to try and control inflation. Additionally, unemployment has stayed below 4%, meeting the Fed's secondary objective of high employment. The Fed expectation is that there will be three rate cuts in 2024. Mr. Wesner then spoke to bond and equity environments, noting that long term bonds had higher risks and lower returns the past few years, but that short term bonds were not nearly as impacted. Equity markets that were down 20-25% in 2022 are now showing 10-year annual returns of 10% plus. He then shared that usually election years have a large impact on the markets but that this was more up in the air this year. He spoke to the influence the US has on the stock markets, noting that tech has a much higher impact on US stocks, and that overall US stocks are outperforming international stocks. He recommended consistency with stocks, stating that now is not the time to make high risk moves given the potential volatility of an election year. He then talked about the troubles with real estate, noting that office was the most negatively impacted sector. He then talked about private equity and debt, noting that private and public equity would both come down, and that private debt is having a high yield.

Mr. Wesner then reported on ABE's portfolio performance. He noted that over the last year, the total fund deposit went up 11.8% compared to a benchmark of 9.1%. The summary of cash flows shows that 5 years ago the portfolio was at \$123 million. Since then, \$25 million has gone out for cash flow and there have been portfolio gains of \$67.5 million, bringing us to our current valuation of \$165.6 million for the Legal Legacy fund. Ms. Refo asked if this was a 12/31 number and what the number would look like today. Mr. Wesner clarified that it is a 12/31 number, and the current valuation was closer to \$167

million. He also noted that this number does not include private equity or private debt, as those numbers will come in later. He then talked about how the portfolio is invested as it relates to our investment policy and allocations. Mr. Wesner noted that we are pretty much on target across the board. Fixed income shows an allocation of 17.4% compared to the 20% target, but with cash added back it brings us up to that 20% target. The 4% invested in the Baird short term investment protected ABE from substantial losses over COVID. US equities are overweight, the market performance has been strong, and this may be a place to trim later on. International equities, global low volatility, and hedge funds are all right on target. He then discussed the portfolio's continued strong performance over the long term and compared the market position of ABE to similarly sized foundations and endowments.

Ms. Behnke thanked Mr. Wesner for his presentation, then opened a discussion about the efficacy of the investment management of ABE. She noted the benefit of giving Marquette more access and control over the parts of ABE investments that are currently outside of their scope. Ms. Hill agreed, noting that Mr. Wesner, Ms. Behnke, and herself had been discussing ways to create a more holistic view of all of ABE's investments. Mr. Wesner went over how the investments are divided, and how the portfolio has changed over the years. He noted the move to the custodial bank relationship was coming at a perfect time to help address this. The custodial relationship with PNC has been set up from an administrative perspective, and we are now in the process of moving all of the mutual funds over to PNC. Comingled vehicles (private mutual funds) will be shadowed at PNC, allowing for ease of access for ABE and Marquette for audit purposes. He then discussed changes that this shift will allow ABE to make moving forward. He recommended looking into the possibility of switching mutual fund providers. Judge Livingston asked why we weren't looking at that now. Mr. Wesner stated that they were looking into it already but that procedurally the move takes a while. Mr. Shepherd asked if there was the potential for locked in rates if we moved providers or if we were at risk of suffering from fee creep. Mr. Wesner replied that Northern Trust had been using locked in rates while other providers have been competing for lowest rates, meaning that there was fee deterioration as opposed to fee creep, and that switching would likely give us lower rates overall. Ms. Behnke added that Northern Trust had been approached about lower rates and had expressed no flexibility. Mr. Wesner then spoke about the possibility of hiring an active fixed income manager and the benefits that would provide. Mr. Vogel asked if New York Life has any requirements ABE has to meet in order to maintain the reserves. Mr. Armstrong replied that there is an obligation to use the money to the benefit of member insureds, but once that is met there is a lot of flexibility within that umbrella.

Ms. Behnke brought to the attention of the members of the Board the minutes of the January 26, 2024 meeting of the ABE Finance Committee. A motion was made, seconded, and the minutes of the meeting were approved.

Ms. Behnke then noted that the Finance Committee was bringing forth the audited financials, noting that they have a clean, unqualified opinion. Ms. Hill reviewed the audit at a high level. Ms. Behnke noted that while there was an unqualified opinion, there was a significant deficiency. This was a result of the gaps in knowledge and documentation of processes throughout staff changes. Ms. Behnke made the recommendation that the final audited financial statements be approved. Mr. Vogel sought approval of the audited financial statements from the full Board of Directors. A motion was made, seconded, and the motion was approved.

Ms. Behnke then proposed that the best way to address the significant deficiency is to review the entire financial processes. Ms. Hill shared that she has been investigating different firms to perform this business process overview. Additionally, Ms. Hill noted that she is working with an external consulting firm, O'Connor Consulting based in DC, to address short term staffing solutions related to the lack of

staffing available due to the retirement and transition of multiple long tenured senior staff. Ms. Hill, after consideration of four larger and respected accounting firms, identified a 5-week engagement with Plante Moran as the recommended course forward. Judge Livingston made the recommendation that the Board move forward with Ms. Hill's recommendation of entering into a 5-week business process overview engagement with Plante Moran and empower Mr. Vogel to sign their letter of engagement. A motion was made, seconded, and the motion was approved. Ms. Hill then reviewed the dividend report for the Board, noting that these deliverables were something that she expects the Plante Moran engagement to vastly change and update.

Mr. Vogel then thanked Ms. Hill for her dedication and expertise over the past six months. There being no further business before the Board, the meeting was adjourned.

Respectfully submitted,

Howard H. Vogel
President

**American Bar Endowment
Directors Nominating Committee
June 4, 2024**

The ABE Directors Nominating Committee met via Zoom on June 3, 2024. The members of the Committee are Palmer G. Vance II, Jo Ann Engelhardt, Judge Lora J. Livingston and Howard H. Vogel.

For the next year of service as a member of the American Bar Endowment Board of Directors, the nominees are:

1. Tommy D. Preston, Jr. – for a second five-year term.
2. Deborah Enix-Ross – to fill the remaining one year for the term of Michelle A. Behnke.
3. Betty Balli Torres – to fill the remaining four years for the term of Michael E. Flowers.
4. Michelle M. Gallardo – for a first five-year term.

This slate of nominees will be presented for vote at the Annual Meeting of the American Bar Endowment, scheduled for Monday, August 5, 2024, in Chicago, IL.

Respectfully Submitted,

Palmer G. Vance II
Jo Ann Engelhardt
Judge Lora J. Livingston
Howard H. Vogel



321 North Clark Street
Chicago, IL 60654-7648

T 800-621-8981
www.abendowment.org

To: ABE Board of Directors
From: Officers Nominating Committee
Re: Slate of Officers for Nomination
Chicago, August 5, 2024
Date: June 1, 2024

In accordance with our selection protocols, and before the Board of Directors meetings in Louisville, KY, in February, 2024, a request for interest in serving as an officer for next year was sent to the members of the Board of Directors. Interest was expressed for the positions of President and Vice President.

As a result of discussions in Louisville, a consensus was reached for presentation of the following slate:

President -	Lora J. Livingston
Vice President -	Hilarie Bass
Secretary -	Tommy D. Preston, Jr.
Treasurer -	Kevin L. Shepherd

This slate will be nominated for a vote in Chicago, IL, when we gather in the corner of the ballroom, after we have concluded the Annual Meeting of the American Bar Endowment, Monday, August 5, 2024. The Annual Meeting is set for 8:45 a.m. CT, that day.

Carolyn B. Lamm
Lora J. Livingston
Howard H. Vogel

American Lawyers Insurance Plans, Inc.
Board of Directors
4/30/2024

The ALIP Board of Directors convened by telephone and electronically on April 30, 2024. Participating were Judge Lee Smalley Edmon, Judge Lora J. Livingston and I.S. Leevy Johnson.

ALIP has several accounts containing corporate funds, and the accounts are non-interest bearing.

Before the Board was a motion to reserve sufficient funds for operational purposes and to place the balance of said funds into interest bearing accounts.

It was noted that some amount might need to be reserved to accommodate any applicable holding requirements.

Upon a vote, the motion passed, concluding the business of the ALIP Board for that date.

Respectfully Submitted,

Judge Lee Smalley Edmon
President, American Lawyers
Insurance Plans, Inc.
June 9, 2024



1-1-2024 Participant Information by Entity

(Data Provided by Aon)

Number of Participants as of January 1, 2024	Association	Endowment	College	Total ¹
Actives accruing a benefit	114	5	0	119
Actives with frozen benefits	49	0	0	49
Vested terminations	273	7	17	297
Retired participants	393	6	34	433
Total	829	18	51	898
Statistics for actives accruing	Association	Endowment	College	Total
Average age	59.1	59.2	N/A	59.1
Average past service	27.4	30.1	N/A	27.5

Total participant count of 898 includes 6 alternate payees that will be excluded for PBGC premium purposes



Lump Sum Pricing Relative to PBO

Cost of lump sums varies by population
(Data Provided by Aon)

Illustrative **Active¹/TV** lump sum pricing relative to PBO
(Aon AA Above Median Yield Curve)

Population	75% Male	Even Split	75% Female
Blue Collar	103.2%	102.1%	101.1%
Mixed Collar	101.5%	100.3%	99.2%
White Collar	98.7%	98.0%	97.3%

Illustrative **Retiree** lump sum pricing relative to PBO
(Aon AA Above Median Yield Curve)

Population	75% Male	Even Split	75% Female
Blue Collar	103.1%	101.0%	98.9%
Mixed Collar	99.5%	97.7%	95.9%
White Collar	95.2%	94.0%	92.7%

Ratios under 100% indicate the cost of lump sums is less than accounting PBO

Pricing differences shown are based on the average difference between the estimated lump sum and estimated PBO as of April 26, 2024. PBO based on the Aon AA Above Median Yield Curve as of April 26, 2024 and Pri-2012/MP-2021 with the collar adjusted as noted. Lump sum estimated based on applicable IRS 417(e) mortality and IRS 417(e) interest rates, with November 2023 interest rate lookback. Assumes average age of 50 for terminated vested participants and age 70 for retirees.

¹Active in-service distributions only available to those over 59.5



Summary of Plan Disbursements CY 2018 – March 2024

(preliminary & unaudited numbers)

	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY Jan-Apr
Benefit Payments	\$23,195,190	\$10,628,621	\$13,898,025	\$11,089,827	\$12,924,149	\$4,315,000
Expenses:						
Investment*	\$ 558,629	\$ 514,234	\$ 310,063	\$ 269,395	\$ 238,724	\$ 98,644
Admin/Actuary	403,342	272,531	345,955	306,714	271,592	88,577
Legal	117,090	-	-	-	-	-
PBGC**	640,581	639,630	525,530	444,126	636,608	\$2.9 million
Audit	25,235	23,582	24,849	22,050	22,575	1,000
Other/Exp reim	43,779	43,937	1,241	-	-	-
Total Expenses	\$ 1,788,656	\$ 1,493,914	\$ 1,207,638	\$ 1,042,285	\$ 1,169,499	\$ 188,222

Summary of Expenses:

PBGC	\$ 640,581	\$ 639,630	\$ 525,530	\$ 444,126	\$ 636,608
All other	1,148,075	854,284	682,108	598,159	532,891
Total Expenses	\$ 1,788,656	\$ 1,493,914	\$ 1,207,638	\$ 1,042,285	\$ 1,169,499

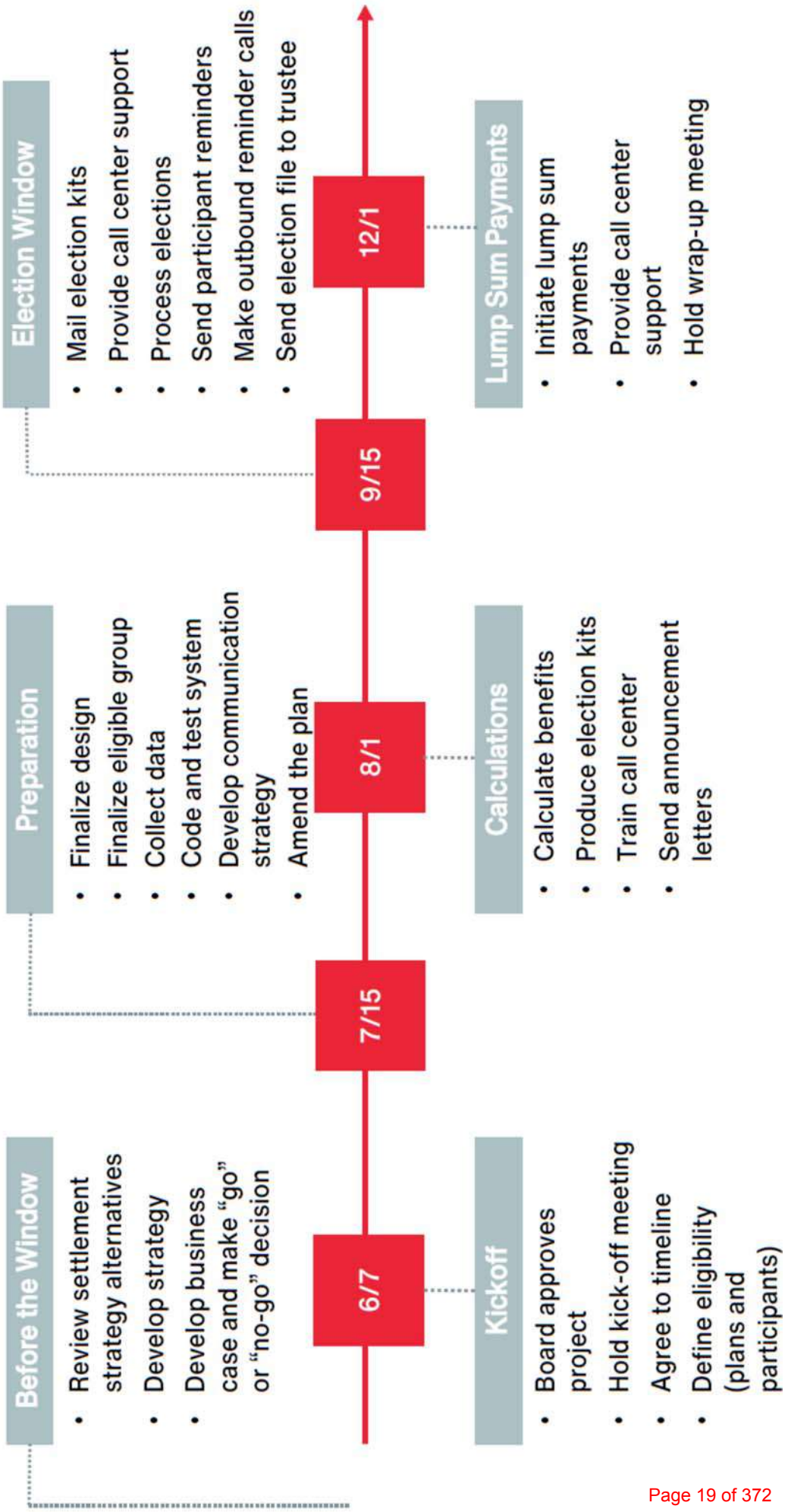
*Does not include investment amounts deducted directly from Fund Manager

** CY 2021 PBGC amount paid includes a credit of \$49,666 from CY 2020. The total PBGC expense prior to credit was \$493,792.

2024 Lump Sum Window Timeline

(Data Provided by Aon)

2024 Lump Sum Window Timeline





Memorandum

To: American Bar Association Board of Governors

cc: Bill Phelan

From: Annaliese Fleming and Deborah Boling

Subject: A-E-F-C Pension Plan Amendment

Date: May 22, 2024

The administrative expenses of the A-E-F-C Pension Plan (“Plan”) are increasing, despite the Plan being closed to new participants. The biggest expense is the premiums paid to the Pension Benefit Guaranty Corporation. This expense can be reduced by offering voluntary lump sum payouts to eligible participants. Aon, the Plan’s actuarial consultant, advises that 25-50% of eligible participants can be expected to elect a voluntary lump sum payout. With the support of the Executive Director and the Chief Financial Officer, we request the American Bar Association Board of Governors to authorize the below-listed actions with respect to the Plan.

- I. Authorize the attached draft Eighth Amendment, which may be further modified as necessary. The Eighth Amendment provides:
 - a. Effective July 15, 2024, a voluntary lump sum window is authorized for any participant who terminated employment prior to January 1, 2024 except for the following groups:
 - (i) Persons with a qualified domestic relations order;
 - (ii) Persons being credited with service under the Plan due to disability; and
 - (iii) Persons who terminated employment before the year they attained age 55, elected to commence retirement benefits before age 59 ½, and who have not attained the later of age 59 ½ or the fifth anniversary of their benefit commencement (such individuals are subject to a 10% additional income tax).

Eligible participants may elect to receive their accrued benefit in the form of an immediate lump sum or an immediate or deferred annuity.

- b. The voluntary lump sum payment must be elected between September 16, 2024 and October 31, 2024.

RESOLVED, pursuant to Section 10.1 of the A-E-F-C Pension Plan (“Plan”), the Board of Governors does and hereby authorizes and ratifies the amendment of the Plan by adopting the Eighth Amendment, a draft of which is attached hereto and which may be further modified as necessary, to provide that, as of the effective date of the amendment: (1) a voluntary lump sum window will be provided for all eligible participants, and (2) elections of such voluntary lump sum payment must be made between September 16, 2024 and October 31, 2024.

RESOLVED FURTHER, that the Executive Director be and hereby is authorized and directed to take such actions and to execute and deliver such Eighth Amendment, as attached or later modified as necessary or appropriate, to effectuate the purpose and intent of the foregoing resolution.

Encl.: Eighth Amendment to the A-E-F-C Pension Plan

**EIGHTH AMENDMENT TO THE
A-E-F-C PENSION PLAN
(as amended and restated January 1, 2016)**

WHEREAS, the American Bar Association (the “Association”) previously adopted the A-E-F-C Pension Plan (the “Plan”); and

WHEREAS, the Plan has been amended from time to time, and further amendment of the Plan is now considered desirable;

NOW, THEREFORE, in accordance with the right reserved to the Association to amend the Plan pursuant to Article X, Section 10.1 thereof and the authority delegated to the undersigned by the Board of Governors of the Association, the Plan as amended and restated effective January 1, 2016, and as amended thereafter, is hereby further amended, effective July 15, 2024, in the following particulars:

1. Section 5.1 of the Plan is hereby amended by adding a new subsection (k) immediately after subsection (j) to read as follows:

(k) 2024 Lump Sum Window for Certain Participants. Notwithstanding anything in the Plan to the contrary other than Section 5.14 and Section 12.22, a person who had a Termination of Employment prior to January 1, 2024 on or after his Vesting Date (except any such person who (x) has a Qualified Domestic Relations Order, (y) is being credited with Years of Credited Service pursuant to Section 5.6, or (z) (i) had a Termination of Employment prior to January 1 of the calendar year such person attained age 55, (ii) commenced receiving Retirement Benefits before age 59 ½, (iii) has not attained the later of (A) age 59 ½ or (B) the fifth anniversary of the date of his first Retirement Benefit payment), may elect to receive Retirement Benefits payable or commencing on December 1, 2024 (which election, if such person has commenced receiving Retirement Benefits, includes the election to waive the current form of payment of such Retirement Benefits after the November 1, 2024 payment and, if such form of payment is a Qualified Joint and Survivor Pension, the joint annuitant consents to such waiver in accordance with Section 5.10), provided such person makes a proper application in accordance with Section 7.1 on such form as provided or approved by the Committee for this purpose, in one of the following forms of payment:

(1) a Qualified Joint and Survivor Pension for a person who is married;

(2) a Joint and 75% Survivor Annuity described in Section 5.2(b)(1) for a person who is married, provided that the Beneficiary may only be the person’s spouse for purposes of the Joint & 75% Survivor Annuity payable pursuant to this subsection (2), such person waives the Qualified Joint and Survivor Pension in accordance with Section 5.2(a)(2), and the person’s spouse consents to the waiver in accordance with Section 5.10;

(3) a Single Life Annuity for (A) a person who is not married or (B) a married person whose lump sum Actuarial Equivalent of Retirement

Benefits is more than \$1,000 but not more than \$10,000, provided that such person waives the Qualified Joint and Survivor Pension in accordance with Section 5.2(a)(2) and the person's spouse consents to the waiver in accordance with Section 5.10;

(4) a Single Life Annuity or any of the optional forms of benefit described in Section 5.2(b)(1), (2) or (3) for a person who is also entitled to commence receiving Retirement Benefits pursuant to Section 5.1(a) or (b), provided that a person who is married waives the Qualified Joint and Survivor Pension in accordance with Section 5.2(a)(2) and the person's spouse consents to the waiver in accordance with Section 5.10; or

(5) a lump sum payment under Section 5.2(b)(4) equal to the Actuarial Equivalent of the Retirement Benefits payable on December 1, 2024, provided that a person who is married waives the Qualified Joint and Survivor Pension in accordance with Section 5.2(a)(2) and the person's spouse consents to the waiver in accordance with Section 5.10.

A person's election shall be considered a proper application under this subsection (k) only if it is postmarked (or its equivalent with respect to a private delivery service) during the period beginning September 16, 2024 and ending October 31, 2024.

Notwithstanding any provision of this Plan to the contrary, in the event a person who elects to receive Retirement Benefits in accordance with this Section 5.1(k) dies before the person's Annuity Starting Date, the portion of the person's Retirement Benefits that may be payable to a beneficiary shall be determined in accordance with the terms of this Plan without regard to this Section 5.1(k).

2. By deleting the language "or 5.1(j)" immediately following the language "(B) a person who elects to receive Retirement Benefits in accordance with Section 5.1(i)" in Section 5.2(b)(4) of the Plan and substituting therefor the language ", 5.1(j) or 5.1(k)".
3. Except as specifically provided herein, the Plan shall remain in full force and effect.

IN WITNESS WHEREOF, the Association has caused this Amendment to be executed this ___ day of _____, 2024.

AMERICAN BAR ASSOCIATION

By: _____
Alpha M. Brady
Executive Director



Update on Pension Funded Status by Participating Employer - March 31, 2024

(Data Provided by Aon)

(\$, millions)	Association	Endowment	College	Total
Market Value of Assets	\$ 110.4	\$ 2.4	\$ 3.5	\$ 116.3
Liability Benchmark	\$ 123.7	\$ 3.0	\$ 4.8	\$ 131.5
Funded Status	\$ (13.3)	\$ (0.6)	\$ (1.3)	\$ (15.2)
Funded Ratio	89.2%	80.4%	73.5%	88.4%
Liability Benchmark Yield				5.27%

These figures are based on our daily monitoring process and unaudited, thus final month-end values may vary slightly. The liability benchmark is our current market assessment of the eventual wrap-up obligation of the plan - and thus will differ from actuarial liability measures developed for compliance with funding or accounting rules. Asset allocation is based on actual December 31, 2023 accounting allocation. Liability allocation is estimated based on non-stabilized Funding Target results as of January 1, 2024.



AMERICAN **BAR** ASSOCIATION

Treasurer's Report

American Bar Association

Washington, D.C.

June 2024



FY2024 Operating Revenue FYTD April 2024

Consolidated Operating Revenue By Segment (\$ in millions)

	FY24 - Apr 2024			FY23 - Apr 2023	
	Actual FYTD	Budget FYTD	Variance Fav (Unf)	Actual FYTD	Variance Fav (Unf)
General Operations	\$ 42.8	\$ 46.4	\$ (3.6)	\$ 40.3	\$ 2.5
S/D/F	34.4	36.2	(1.8)	33.3	1.1
Grants	60.9	72.1	(11.2)	71.1	(10.1)
Gifts	2.8	2.2	0.6	2.0	0.8
Total	\$ 141.0	\$ 156.9	\$ (15.9)	\$ 146.7	\$ (5.8)



FY2024 Operating Expense FYTD April 2024

Consolidated Operating Expense By Segment (\$ in millions)

	FY24 - Apr 2024			FY23 - Apr 2023	
	Actual FYTD	Budget FYTD	Variance Fav (Unf)	Actual FYTD	Variance Fav (Unf)
General Operations	\$ 44.3	\$ 44.3	\$ (0.1)	\$ 43.2	\$ (1.1)
S/D/F	35.5	41.0	5.5	35.2	(0.2)
Grants	62.1	72.0	9.9	71.1	9.1
Gifts	5.0	4.9	(0.1)	3.5	(1.5)
Total	\$ 146.8	\$ 162.2	\$ 15.3	\$ 153.1	\$ 6.2



FY2024 Net Operating Revenue/Expense FYTD April 2024

Consolidated Revenue over/(under) Expenses By Segment (\$ in millions)

	FY24 - Apr 2024			FY23 - Apr 2023	
	Actual FYTD	Budget FYTD	Variance Fav (Unf)	Actual FYTD	Variance Fav (Unf)
General Operations	\$ (1.5)	\$ 2.1	\$ (3.6)	\$ (2.9)	\$ 1.4
S/D/F	(1.0)	(4.8)	3.8	(1.9)	0.9
Grants	(1.2)	0.2	(1.3)	(0.1)	(1.1)
Gifts	(2.2)	(2.7)	0.5	(1.4)	(0.8)
Total	\$ (5.9)	\$ (5.3)	\$ (0.6)	\$ (6.3)	\$ 0.4



FY2024 Non-Operating Results FYTD April 2024

Consolidated Results - April 2024 FYTD

Amounts in Millions

	Actual	Budget	Prior	Variance to:	
				Budget	Prior
Operating Revenues	\$ 141.0	\$ 156.9	\$ 146.7	\$ (15.9)	\$ (5.8)
Operating Expenses	146.8	162.2	153.1	15.3	6.2
Operating Surplus/(Deficit)	\$ (5.9)	\$ (5.3)	\$ (6.3)	\$ (0.6)	\$ 0.4
Net Investment Gain/(Loss)	\$ 15.3	\$ 7.7	\$ 15.2	\$ 7.6	\$ 0.1
Investments Used in Operations	(4.5)	(5.8)	(5.6)	1.3	1.1
Other Non-Operating Items	(2.7)	(3.1)	(1.6)	0.4	(1.1)
Change in Net Assets	\$ 2.2	\$ (6.4)	\$ 1.6	\$ 8.6	\$ 0.5



Financial Position (Balance Sheet)

Consolidated Statements of Financial Position

<i>(\$ in millions)</i>	April 30 2024	August 31 2023	Prior Year End Variance Fav/(Unfav)
Assets			
Cash & Equivalents	\$ 0.3	\$ 6.5	\$ (6.1)
Long-Term Investments	256.6	258.4	(1.8)
Right-of-Use Asset	44.2	46.8	(2.6)
Other Assets	48.5	46.3	2.1
Total Assets	\$ 349.6	\$ 358.0	\$ (8.3)
Liabilities			
Deferred Revenue and Deferred Rent Abatement	\$ 30.6	\$ 33.9	\$ 3.3
Pension Liability	10.3	7.7	(2.6)
Lease Liability	62.5	66.3	3.8
Loan to Fund Pension Liability	13.2	19.3	6.1
Other Long-Term Debt	25.4	27.5	2.1
Payables and Other Debt	39.2	37.0	(2.2)
Total Liabilities	\$ 181.2	\$ 191.7	\$ 10.5
Net Assets			
<i>ABA General Operations/FJE Funds</i>	\$ 34.8	\$ 40.3	\$ (5.5)
<i>ABA S/D/F Funds</i>	116.4	110.5	5.9
Total Unrestricted	151.2	150.8	0.4
Temporarily Restricted - FJE	8.4	6.9	1.5
Permanently Restricted - FJE	8.8	8.5	0.3
Total Temporarily & Permanently Restricted	17.2	15.4	1.8
Total Net Assets	\$ 168.5	\$ 166.3	\$ 2.2



FY2025 Preliminary Budget By Segment

FY2025 Preliminary Budget

(\$ in millions)

	Operating Revenue	Operating Expense	Net Revenue Over/(Under) Expense
General Operations	\$ 66.1	\$ 66.4	\$ (0.2)
SDF	50.6	63.5	(12.9)
Grants	108.2	108.6	(0.5)
Gifts	4.6	9.9	(5.3)
Consolidated ABA	\$ 229.5	\$ 248.4	\$ (18.9)

**Minutes of the Insurance Committee Meeting
American Bar Endowment
June 4, 2024**

The Insurance Committee of the American Bar Endowment held a regular meeting June 4, 2024 via a Teams meeting. Committee members in attendance for the meeting were:

Randy Noel, *Chair*
Michelle Behnke
Hon. Lora J. Livingston

Bob Carlson
Hon. Lee Edmon

Also present for the meeting were:

Dave Armstrong, *SASS Associates*
Maridsa Otero, *New York Life*
Dan O'Brien, *New York Life*

Dana Sturtz Hill, *ABE Executive Director*
Izzy Eisen, *ABE Staff*

Randy started the meeting, thanking everyone for attending. He noted that he spoke with Mr. Flowers and reported that he was doing well and missing ABE. He then shared that the meeting was only for a Committee review of materials and that there would be no action items.

Ms. Otero then presented updates from New York Life, going through her agenda for the meeting to follow in Charleston. She started with the Life Report, noting a \$441,000 reduction in total premium, which is consistent with year over year trends, but the good news is changes in communication efforts have boosted sales through April 2024. Paid claims rose from \$4.2 million last year to \$5.8 million this year. Additionally, there are pending claims of \$2.6 million. The incurred claims loss ratio of 48% was significantly higher than prior year's 13%, but the overall plan runs at a 52% historical rate, so this year was good, and only looked "worse" compared to last year's extraordinarily good 13%. The pooling charges are expected to remain the same. Total retention charges reflect a slight increase in medical fees. ABE has an interest credit on reserves, so there is an expectation to see an \$18,000 credit on charges.

With regard to margins, we are expecting to see a margin of \$5.8 million, a return to very good normal numbers from last year's phenomenal 13% loss ratio. With regard to balances, there is a fully funded CSR at \$11.5 million. Looking at the preliminary dividend of \$6.2 million, once we deduct the Part B premium of \$3.4 million, we are looking at a dividend available of about \$2.8 million. The dividend on deposit account, which is very well funded at \$16 million, is in a good position in case there is an uptick in claims. Judge Livingston asked for the expected timeframe for the claim that is under review {of the \$2.6 million in pending claims, \$2.0 million is related to one insured}. Ms. Otero replied that it may be a while as the claims team is awaiting documentation. She then reviewed the alternate view of the Life Report that divides information by coverage. This view shows that the term life is the largest plan that generates the largest premium. It also shows the level term is running well.

Next, Ms. Otero reviewed the application numbers, comparing 2022 to 2023. The numbers show applications increased by 65%, this was due to the promotional work that ABE and ZeisGroup have implemented. A comparison of Q1 2023 to Q1 2024 similarly shows an uptick of 12% in applications, and they expect that activity to pick up as they progress through the marketing calendar. Despite application volume increases, sales for the full calendar year of 2023 compared to 2022 sales dollars are down 6% as they do not account for fourth quarter promotions. Once the fourth quarter promotions are accounted for in Q1 2024, they reflect an 87% increase in sales. Ms. Behnke noted the new format of the report and wondered if there was a way to integrate the ZeisGroup calendar into this visual so all of the information might be in one place. Ms. Hill noted Mr. Schonhoff's presentation to the Communications

Committee would directly follow the Insurance Committee presentation, so hopefully things can begin to align. Ms. Otero and Mr. O'Brien also stated that they could work with Mr. Schonhoff to integrate the calendar into the new graphics.

Ms. Hill shared that the Board was looking for more context on the application numbers and the spends that are happening and noted that New York Life had put together a graphic depicting the return on level term marketing spend. Mr. O'Brien then reviewed the illustrative graphic, noting the marketing spend would clearly show negative ROI in year one, but over the course of a 10 year plan, would earn it's spend by year 5. Ms. Hill added that this is a good step toward creating a more holistic approach as an organization.

Ms. Otero then presented on the roll out of the 10 and 20 QuickDecision product, noting that the process has been going well. She shared that the roll out was on track, in large part thanks to Ms. Petersen and Ms. Czarny at the ABE and ZeisGroup, and was scheduled for production on June 25th. She next shared about the no cost guaranteed issue exclusive offer targeting the young lawyers, saying that they received 155 approved applications. The one year no cost ended on June 1st, so the conversion process is happening now.

Ms. Otero shared that there were two New York Life audits for ABE this year, saying that the security review was completed and the quality review was just starting. She then wrapped up with a review of New York Life's initiatives for moving the business forward. Mr. Noel asked if ABE had done the no cost term life policy in the past. Ms. Otero responded that they had tried something similar 20 years ago. Ms. Hill shared that on a national level, the no cost term pricing has a return of 2-3% compared to ABE's current return of 12 out of 49 people. Ms. Behnke noted that it's important to track all of the related metrics for this program.

Mr. Armstrong then shared about the EMM, ABE's only policy not with New York Life. He stated that it was frozen by federal law, so new applicants cannot be added, however the policies running are doing very well, with \$1.3 million premium and a royalty of \$265,000 by contract and the underwriting margin this past year was \$1.1 million. There was already \$8 million in reserves. He noted that there had been some discussion previously of the provider cancelling the coverage, and that he and Ms. Hill had recently discussed this, and it was no longer being considered. Mr. Armstrong then shared that he included the reserves summary as usual, noting the only change being the addition of the EMM.

There being no further business before the Committee, the meeting was adjourned.

Respectfully submitted,

Randy Noel
Chair

**ABE BOARD MEETING
CHARLESTON, SC**

JUNE 2024



AGENDA

- **Life Plans report:**
 - 11 Months Estimate
- **Business Metrics:**
 - Applications
 - Sales
 - Lifetime Value
- **New Products:**
 - QD Life:
 - 10 and 20 launch update
- **Exclusive Offers:**
 - GI conversion
- **Moving the Business forward**
 - Product
 - Technology
 - Marketing
 - Service
 - ❖ **Addendum:**
Spring 2024 Staff Meeting-Minutes



LIFE REPORT – 11 MONTH ESTIMATE

AMERICAN BAR ENDOWMENT
ART Life, 10YLT Life, 20YLT Life, AD&D and Critical Illness (G-2766/29104/29168/29904)
June 1, 2023 - April 30, 2024 (11 month estimate)
SUMMARY OF FINANCIAL EXPERIENCE

	2022-2023	% of Premium	2023-2024 (11 month)	% of Premium	2023-2024 Annualized	% of Premium
1. Total Premium						
- Contract Premium	\$ 11,999,815	100.0%	\$ 10,595,000	99.9%	\$ 11,558,182	99.9%
- Non-Contributory	0	0.0%	8,792	0.1%	8,792	0.1%
- Subtotal	11,999,815	100.0%	10,603,792	100.0%	11,566,974	100.0%
2. Paid Claims	4,229,387	35.2%	5,791,201	54.6%	6,317,674	54.6%
3. Claim/Policy Reserves - EOP						
A. IBNR	631,873	5.3%	635,774	6.0%	635,774	5.5%
B. Pending	673,000	5.6%	2,620,000	24.7%	2,620,000	22.7%
C. Waiver	27,336	0.2%	23,760	0.2%	23,760	0.2%
D. Policy/Deficiency Reserve	24,681,847	205.7%	22,106,223	208.5%	22,106,223	191.1%
E. Total	26,014,057	216.8%	25,385,757	239.4%	25,385,757	219.5%
Claim/Policy Reserves - BOP	28,666,865	238.9%	26,014,057	245.3%	26,014,057	224.9%
4. Incurred Claims	1,576,579	13.1%	5,162,902	48.7%	5,689,374	49.2%
5. Net Charge for Pooling/Reinsurance	62,300	0.5%	57,108	0.5%	62,300	0.5%
6. Retention						
A. Commissions	0	0.0%	0	0.0%	0	0.0%
B. Premium Taxes	231,430	1.9%	254,491	2.4%	277,396	2.4%
C. Convention Expense	0	0.0%	0	0.0%	0	0.0%
D. Medical Fees	30,501	0.3%	39,013	0.4%	42,559	0.4%
E. NYL Administration and Risk Charges	779,988	6.5%	742,265	7.0%	809,073	7.0%
F. Interest (Credits)/ Charges	(1,067,221)	-8.9%	(1,051,597)	-9.9%	(1,147,505)	-9.9%
G. Total	(25,302)	-0.2%	(15,828)	-0.1%	(18,477)	-0.2%
7. Margin	10,386,238	86.6%	5,399,610	50.9%	5,833,776	50.4%
8. CSR - Beginning	12,368,603	103.1%	11,999,815	113.2%	11,999,815	103.7%
Deposit	0	0.0%	0	0.0%	0	0.0%
Margin	10,386,238	86.6%	5,399,610	50.9%	5,833,776	50.4%
Maximum	11,999,815	100.0%	11,558,182	109.0%	11,558,182	99.9%
CSR - Ending	11,999,815	100.0%	11,558,182	109.0%	11,558,182	99.9%
9. Preliminary Dividend	10,755,026	89.6%	5,841,243	55.1%	6,275,409	54.3%
Part B Premium	3,596,989	30.0%	3,178,500	30.0%	3,470,092	30.0%
Dividend Available	7,158,037	59.7%	2,662,743	25.1%	2,805,317	24.3%
DOD Account - Deposit/(Withdrawal)	4,455,091	37.1%	0	0.0%	0	0.0%
Dividend Wire (including Interest)	2,704,942	22.5%	0	0.0%	0	0.0%
DIVIDEND ON DEPOSIT ACCOUNT:						
Dividend on Deposit - BOP	11,720,726	97.7%	16,175,817	152.5%	16,175,817	139.8%
Deposit	4,455,091	37.1%	0	0.0%	0	0.0%
Withdrawal *	0	0.0%	0	0.0%	0	0.0%
Dividend on Deposit - EOP	16,175,817	134.8%	16,175,817	152.5%	16,175,817	139.8%



LIFE REPORT – 11 MONTH ESTIMATE BY COVERAGE

AMERICAN BAR ENDOWMENT								
ART Life, 10YLT Life, 20YLT Life, AD&D and Critical Illness (G-2766/29104/29168/29904)								
June 1, 2023 - April 30, 2024 (11 month estimate)								
Financial Experience by Coverage								
	G-2766		G-29104		G-29168		G-29904	
	ART/AD&D Plans	%	10 Yr LT Plan	%	20 Yr LT Plan	%	Critical Illness	%
1. Total Premium								
- Contract Premium	5,836,000	99.8%	2,963,000	100.0%	1,782,000	100.0%	14,000	100.0%
- Non-Contributory	8,792	0.2%	0	0.0%	0	0.0%	0	0.0%
- Subtotal	<u>5,844,792</u>	100.0%	<u>2,963,000</u>	100.0%	<u>1,782,000</u>	100.0%	<u>14,000</u>	100.0%
2. Paid Claims	5,240,215	89.7%	550,986	18.6%	0	0.0%	0	0.0%
3. Claim/Policy Reserves - EOP								
A. IBNR	350,363	6.0%	175,924	5.9%	105,391	5.9%	4,098	29.3%
B. Pending	620,000	10.6%	0	0.0%	2,000,000	112.2%	0	0.0%
C. Waiver	23,760	0.4%	0	0.0%	0	0.0%	0	0.0%
D. Policy/Deficiency Reserve	0	0.0%	2,208,246	74.5%	19,897,977	1116.6%	0	0.0%
E. Total	<u>994,122</u>	17.0%	<u>2,384,169</u>	80.5%	<u>22,003,368</u>	1234.8%	<u>4,098</u>	29.3%
Claim/Policy Reserves - BOP	1,056,258	18.1%	3,258,822	110.0%	21,694,929	1217.4%	4,048	28.9%
4. Incurred Claims	5,178,080	88.6%	(323,666)	-10.9%	308,439	17.3%	50	0.4%
5. Net Charge for Pooling/ Catastrophe Reinsurance	57,108	1.0%	0	0.0%	0	0.0%	0	0.0%
6. Retention								
A. Commissions	0	0.0%	0	0.0%	0	0.0%	0	0.0%
B. Premium Taxes	140,180	2.4%	71,171	2.4%	42,803	2.4%	336	2.4%
C. Convention Expense	0	0.0%	0	0.0%	0	0.0%	0	0.0%
D. Medical Fees	9,706	0.2%	21,115	0.7%	8,127	0.5%	65	0.5%
E. NYL Administration and Risk Charges	409,135	7.0%	207,410	7.0%	124,740	7.0%	980	7.0%
F. Interest (Credits)/ Charges	<u>(294,924)</u>	-5.0%	<u>(198,198)</u>	-6.7%	<u>(557,732)</u>	-31.3%	<u>(741)</u>	-5.3%
G. Total	264,098	4.5%	101,497	3.4%	(382,062)	-21.4%	640	4.6%
7. Margin	345,506	5.9%	3,185,169	107.5%	1,855,623	104.1%	13,311	95.1%

APPLICATIONS RECEIVED

2022
VS.
2023

1/1/2022 to 12/31/2022

Group No.	Product	Applicants Received
G-2766-3	Term Life	38
G-2766-4	Senior Group Term Life	14
G-29104-0	10 Year Level	85
G-29168-0	20 Year Level	46
G-29900-0	Long Term Disability Plus	39
G-29901-0	Long Term Disability	5
G-29902-0	Mid Term Disability	15
G-29904-0	Critical Illness	8
G-5381-0	Office Overhead	1
Summary		251

1/1/2023 to 12/31/2023

Group No.	Product	Applicants Received
G-2766-3	Term Life	58
G-2766-4	Senior Group Term Life	11
G-29104-0	10 Year Level	174
G-29168-0	20 Year Level	62
G-29900-0	Long Term Disability Plus	63
G-29901-0	Long Term Disability	4
G-29902-0	Mid Term Disability	11
G-29904-0	Critical Illness	2
G-5381-0	Office Overhead	
Summary		385

APPLICATIONS RECEIVED

Q1/Q2 2024 applications are up 12% over Q1/Q2 2023 apps

1/1/2023 to 4/30/2023		
Group No.	Product	Applicants Received
G-2766-3	Term Life	15
G-2766-4	Senior Group Term Life	1
G-29104-0	10 Year Level	31
G-29168-0	20 Year Level	22
G-29900-0	Long Term Disability Plus	17
G-29901-0	Long Term Disability	2
G-29902-0	Mid Term Disability	5
G-29904-0	Critical Illness	2
G-5381-0	Office Overhead	
Summary		95

1/1/2024 to 4/30/2024		
Group No.	Product	Applicants Received
G-2766-3	Term Life	27
G-2766-4	Senior Group Term Life	5
G-29104-0	10 Year Level	35
G-29168-0	20 Year Level	16
G-29900-0	Long Term Disability Plus	14
G-29901-0	Long Term Disability	4
G-29902-0	Mid Term Disability	3
G-29904-0	Critical Illness	1
G-5381-0	Office Overhead	1
Summary		106



NEW SALES

*2023 Sales for all coverages were down 6% over 2022.

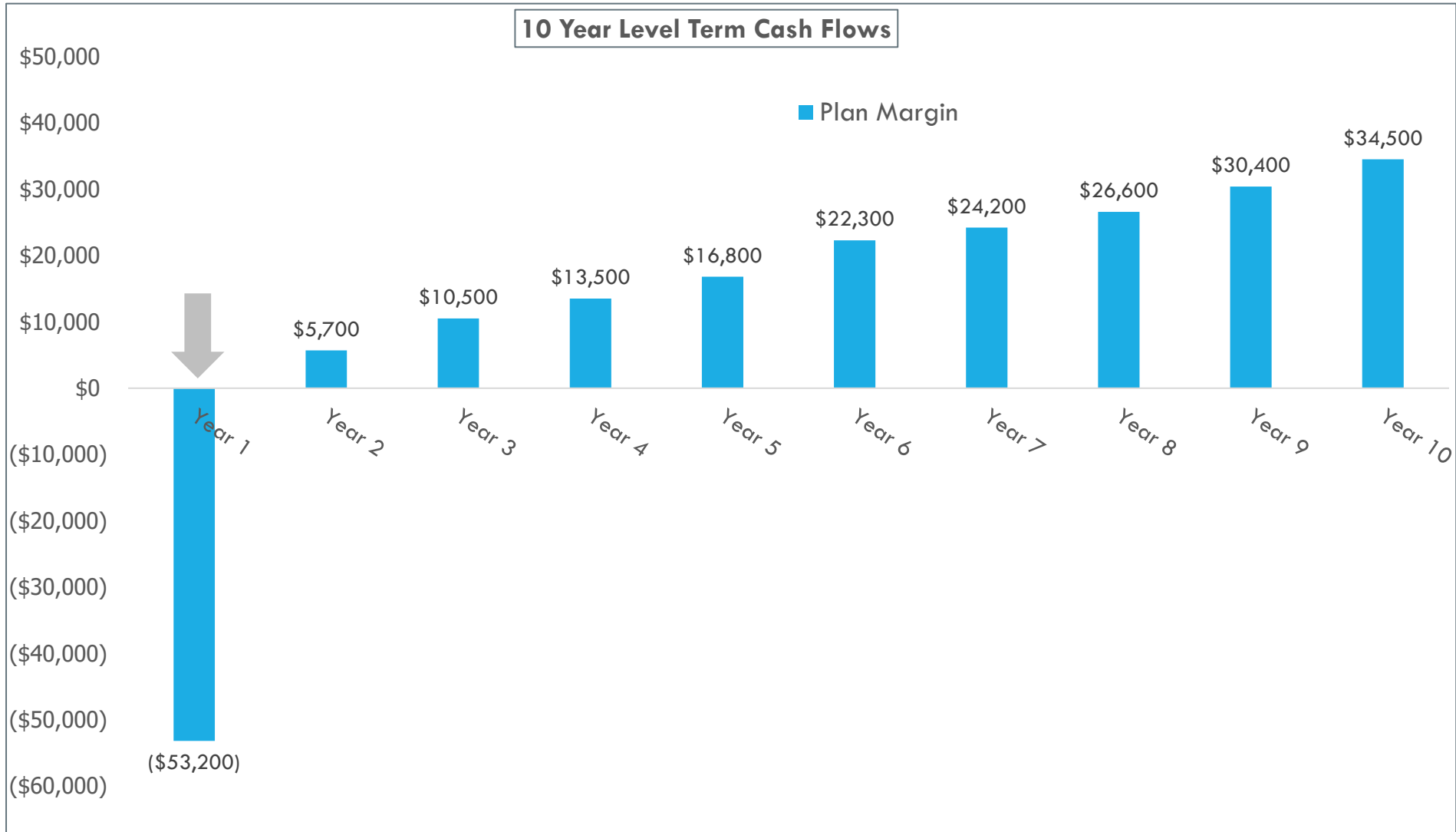
Coverages	2022 Actual	2023 Actual	VS. Prior Year \$	VS. Prior Year %*
Life	\$174,691	\$166,979	(7,712)	(4%)
AD&D	\$5,088	\$1,866	(3,222)	(63%)
DI	\$22,780	\$22,296	(484)	(2%)
Supplemental (HMP/CI)	\$2,015	\$948	(1,067)	(53%)
Total	\$204,574	\$192,089	(12,485)	(6%)

NEW SALES

*Q1-2024 Sales are up 87% over last year. Primarily driven by Life and QD

Coverages	Q1 2023 Actual	Q1 2024 Actual	VS YTD ACTUAL \$	VS YTD ACTUAL %*
Life	\$44,199	\$81,428	\$37,229	28%
AD&D	0	\$864	\$864	0%
DI	\$4,065	\$9,178	\$5,113	126%
Supplemental (HMP/CI)	\$749	\$0	(\$749)	(100%)
Total	\$49,013	\$91,470	\$42,457	87%

RETURN ON LEVEL TERM MARKETING SPEND - ILLUSTRATIVE



* Sum of cash flows from years 1-10. Not discounted for risk / time value of money.

New Product
10 and 20 with
QuickDecisionSM
Update



NYL work completed Jan to Present:

- Rates released to ABE for programming.
- Technology Master Requirements completed.
- Swiss Re and Portal build in progress.
- Policies drafted for ABE approval.
- Contracts will submit single case filing file in MT only for the 20 yt, once Final policy signed off. This does not delay launch. No filing required for the 10 YLT.

ABE status updates:

- Re-programming of rates in progress.
- Promotional materials: Brochures, website, microsite updating in progress.
- Zeis:
 - ✓ Planning meetings held
 - ✓ Initial promotional campaign in progress for a July Email and Direct Mail launch



Scheduled for production: June 25th

- ABE Testing dates began: **May 21st**

EXCLUSIVE OFFERS

No Cost Guaranteed Issue for Young lawyers

Parameters:

- Ages 35 and under
- Not previously insured under any other ABE Life insurance policy
- Term Life \$100K 12 months complimentary funded by ABE
- After 12 months convert to \$100K on a premium paying GI basis
- Launch Dates: **May 2023 and August 2023**
- Direct Mail/paper app, Email drive to the NYL GI portal
- 155 Accepted

Conversion Underway:

- 12 Converted Apps. received as of May 2024 for 6/1 renewal
- Efforts ongoing monthly until the Fall billing



➤ **Consideration for new offers in 2025, revisit financial experience in late 2024.**

➤ **Target Audience:**

- Young Lawyers**
- New Bar Association members (Pilot)**

INITIATIVES FOR MOVING THE BUSINESS FORWARD



PRODUCT:

- QuickDecisionSM (QD):
 - Leverage new DI and Life Level Term Portal QD for future promotions, digital drive to NYL Portal
 - Goal to increase application counts/sales

TECHNOLOGY:

- Other Ways to Leverage Portal/Digital Capabilities
 - Advisor Model Roll Out
 - Abandoned Portal Lead Expansion with Emails and letters, point of contact utilizing Administration staff
 - API

MARKETING:

- Continue quarterly collaboration with ABE and Zeis on Promotional plans and special projects
- Promotions
 - Bar Association Pilot

SERVICE:

- Agent program
- Financial Wellness Sessions
- Exclusive offers
 - Revisit Special offers in 2025



Thank you!



QUESTIONS?
TAKEAWAYS

I. OVERVIEW

<i>Meeting</i>	ABE Spring Visit – Day One- Marketing
<i>Participants</i>	ABE: Dana Sturtz Hill, Bonnie Czarny, Abby Cody, Dave Armstrong NYL: Maridsa Otero, Michael Hayden , Dan O'Brien, Susan Fernandez Zeis: Joe Schonhoff
<i>Meeting Date</i>	Wed. April 3rd

II. DISCUSSION ITEMS

Joe Schonhoff (Zeis) reported that ABE is:

- Sending monthly emails through ABA
- Sending cross-sell and up-sell messages to their internal email list
- Quarterly mail – primarily on Life products
- Digital campaigns directed to audiences around personas.
- Working with 10 State bars, 1 of which (WV) has email list. Sent through them with their name which they feel helps since there's the affinity to that group rather than ABE, which is unknown to them.
- More work to be done uncovering data opportunities with expanded bar and lawyer pool of prospects.
- ABE Shared the 2024 Marketing Calendar

Discussion points:

Abandoned Leads – currently send 1 email. Encourage ABE/Zeis to send multiple waves and could have other waves with different emphasis (ie: speak to a specialist for help, apply today). Confirmed they can use abandoned leads contact for additional outreach on NYL products.

Portal – Explained NYL is continuously making improvements to Portal and will inform ABE of new features, functionality, design, content, etc. Communicated ABE and Zeis have opportunities to modify some text, messaging, instructions within “blue box” areas of Portal.

Joe noted a 41% increase in app rate following the move of the dividend attestation consent. NYL would like Jane to look more at this.

Bonnie noted she wants to do testing on mobile devices. Enclosed is the link to the ABE Portal test environment - <https://abepreview.nylinSure2.com>

Events – Bonnie is excited about ideas to get back to events and offering raffles. NYL (Dan) confirmed that they do not need our approval to run a raffle as long as it is not attached to any product or the NYL name/logo. It is when it's product/NYL related there is \$5 cap on any incentives.

Promotions- We talked about special promotions we've done in the past, perhaps on the benefit statement they can promote QD or the website for product information with an instruction to call Bonnie for more information. As for upgrades or GI for new members, we will pause this until we see the results of last years GI conversion efforts.

Level Term Life with QuickDecision

- Super Preferred rates to be promoted to those under age 46. Looked up stats which seemed to indicate the amounts would support this approach. Portal rates can be displayed for this age group but would need to ensure a request is made for the change.
- Provided approved branding and marketing content on QuickDecision
- Abby mentioned planned QD bundle messages, I believe in Sept., but may be different timeframe.
- ABE ran a report and confirmed that 45 and under avg benefit amounts are as follows:
 - o \$411K for ART
 - o \$829K for 10
 - o \$974K for 20
- We discussed if the new 10 and 20 rates have been shared with Zeis as they will need to update the rates on the microsites by 6/1/24. Abby indicated she will follow-up on this.

Content - Follow up with links to client resource website, Life Happens website and new QuickDecision content.

ABE website – The ABE website is on a list of things to investigate but not ready to address as of April 1, 2024.

TAP/MC illustration. NYL to provide illustration of TAP/MC methodology as one of several tools to help document a more comprehensive customer lifetime value illustration/model.

NYL offered to schedule follow up meetings for:

- Portal demo
- Review of URL parameter best practices and will include creating QR codes for links. (I will follow up with a note to Joe/Abby about specific links. I saw and lightly mentioned there are uses of parameters which risk showing an ineligibility error because of product isolation with use of category parameter. Joe mentioned he likes giving user control and visibility of product categories, so just need to work out with him adding more products to isolation parameter. Michael Hayden)
- We showed Advisor model and can send a PowerPoint illustrating Advisor model. Consensus was Bonnie and Charlene are ok to proceed with fielding calls through the Portal Advisor workflow since the case is situs in IL and she/they are licensed there, though not in all 50 states. (PDF attached of Advisor model).

Lifetime Value

- Brainstormed on supporting ABE with their presentation to the board on this topic and showing the Insurance side, Raghu and Ching have an idea on presenting some information in an exhibit of the Insurance side as an addition-
 - o For the June Board meeting, possibly NYL segment on the framework
 - o ABE will advise if the timing for NYL to include this is for the June meeting.
 - o If framework approved, NYL will request census and prepare projection assumptions.
- There are many components that go into this and Abe has the data, i.e. What is the ROI? Length of time on the books
- No control over the health of members (this is where ABE can educate on wellness and financials).

- Zeis can illustrate from the marketing side, "Why we do campaigns?" Logic behind industry metrics, Tap to MC
- ABE can bring it all together for the board including their internal data.
- 10 and 20 competitive field is tough, Priced 2 to 1, for every \$2 in Marketing \$1 sale.

4/12/24- ABE additions:

- ABE to check with Board Members to see if they have connections to their local Bar.
- Targeted ads/emails to State Bar's that require membership and may not offer insurance. Make them more educational.
- Joe stated that Zeis is ready to look at Roll and Dividend letters for 2025. (email sent to Abby and Pam this morning).
 - o Postponed for 2025 review as 24/25 1st notice end of term letters are in for review and release by 5/15.
- Abby to follow-up with WV to see if we can send a second email.

I. OVERVIEW

<i>Meeting</i>	ABE and NYL Staff Meeting
<i>Participants</i>	<p>NYL: Maridsa Otero, Ching Wang, Daniel O'Brien, Raghu Rangachar</p> <p>ABE: Dana Sturtz Hill, Bonnie Czarny, Abby Cody, Pam Peterson, Dave Armstrong</p> <p>GMAD Teams: SLT Team, Corporate Risk, Compliance, Marketing and Portal, Claims, Underwriting, Finance and Financial Underwriting, Agency</p>
<i>Meeting Date</i>	Thursday, April 4 th

II. DISCUSSION ITEMS:

Introductions: SLT Team (See attached intro deck):

- Anthony Perrotti leads our Information Technology, Product Development and Project Management teams.
- Debbie Tomassi leads our Account and Financial Reporting and Compliance teams.
- John Rivello leads our operational teams, including Claims and Medical Underwriting.

NYL UPDATE: Ching Wang –

With GMAD now 6 months, had the opportunity to meet the ABE board in November. NYL Corporate and GMAD finished off the year strong. Lots of advancement in technology as we work towards placing more clients on the Quick Decision Engine. There are more enhancements on the horizon to the Underwriting process, investments in the technology and the data collected to improve the UW process and expedited for higher face amounts. ABE asked about any new products for small firm groups. That would be the employer side with GBS, but their focus is on large employer groups. We would like to add products to existing, but the distribution is the challenge, GBS is agent driven.

ABE UPDATE: Dana Hill –

With ABE now 6 months, getting acclimated with all the various aspects with a strong focus on the ABE financials now, the accountant position is vacant. Working with a financial consultant firm and Plant Moran who is reviewing all ABE processes. Once things settle with those projects, will look at the NYL processes and make recommendations wherever needed. The Plant Moran work will also play a role in that.

Dana informed us that ABA membership is down, exploring possible engagement efforts and educating members on ABE and the Insurance benefit. Can do educational promos membership/products, just can't combine the sale of insurance with "free" membership.

Corporate Risk Management:

- Tod Mitchinson and Pat Meyer joined us to provide an overview of the organization and the role they play partnering with our business units to oversee all third parties.
- Partners in the cyber security space. Overall accountability is based on program and cyber activity standards. NYL is heavily regulated, and our goal is to ensure that our customers personal data is protected. They conduct regular audits of info security.
- Tod as the CISO reports into the NYL Risk Officer. He is responsible for information security, defense model, different controls, firewalls, and data. It is very progressive and evolving.
-

- NYL employees must also adhere to Information Security training.
- AI: NYL encourages the use but need to be careful with sensitive information and use with AI. We have information that has been distributed and rules and regs on AI use.
- Big concerns with Ransomware, and we have had a few clients attacked. It is very costly and takes time to recover from it. Nicole added that based on our personal experience with the affected clients, it can shut you down and take weeks to recover from an attack.
- CRM commented that the Security assessment is underway and going well, ABE scheduled to review with his team next week. CRM is here to work with you and help you through those reviews, they appreciate the partnership.

Compliance:

Quality Review –

- Theresa reviewed the 2024 Quality Review accommodation due to ABE's upcoming move in August.
- The last one was completed 3 years ago, and they are required every 2 years, last year we made an exception to conduct every other year due to the Security Review which was then also postponed so it is necessary that both be completed this year. Compliance has therefore agreed to doing a remote review b/c we already have clients scheduled in Q4 and travel plans.
 - o Shortly Theresa will release the intro letter and will need dates to schedule the kick-off meeting.
 - o Scheduled for 4/16.

Records Retention –

- 8 years – All products held from insured term date. Can scan the records to eliminate the paper, must be a clear legible image and categorized properly, so it can be found in the event of a complaint. Once converted to electronic record can discard the paper record.
- Marketing Materials – Also need to be kept for 8 years.

NYL Hold order –

- Has been in effect since 2011 due to outstanding litigation with NYS.
- Compliance checks regularly with the legal team, there was an appeal in 2018 so it is still on hold.
 - o Applicability - why across all business? The way the bulletin reads - 2018 - seems to be only NY insureds, apps.
 - o Can't we put a date range on this? Why should it be on current records? The lawsuit was filed at a certain time - why can't we adjust to any life record within "THIS" period needs to be hold - all others can't be.
 - o Maybe need to push back on OGC on how we are administering this hold order.

Applications –

- Question on "old" applications for those that never had insurance. Does ABE need to keep those, they have years of them in storage and with the move they would like to know if they can shred.
- These are declined or withdrawn apps, cancelled insurance. Compliance confirmed that we need to keep them in the event of a DOI complaint. ABE asked if even the declined apps need to be kept since NYL has the application and sends the decline letter.
 - o Decline apps & letters? Withdrawn applications & letters? NYL holds copies of applications – can ABE's copy be considered the duplicative/convenience copy?
 - o Can they just keep the WD/cancelled apps since NYL does not see those and discard past and future declined apps.
 - o Theresa will check with counsel on this request.

E-Certs/E-Delivery-

- ABE is not setup to deliver e-certs, they do not offer a "My account online portal."
- Theresa advised that should they want to implement in the future, legal requires an E-consent with certain language.

- Bonnie indicated that upon request they have e-mailed bills. Theresa stated that even for bills, we need consent. For all electronic communications a consent is required to abide by state regulations, vary state by state. There must be a consent in place for insureds to consent to receiving the bills by email and to consent for paperless.
- There are some clients that have moved to adding a global consent on the NYL portal, the language added covers the electronic communications.
 - o Maridsa will research this language and review with ABE for "Portal Consent" change

New Business/Initial billing –

- There has been a global acceptance communication released to allow applicants up to 60 days to pay the initial billing vs. 30 days.

Credit Card Fees –

- ABE covers the **fee**. Clients have moved to charging insureds due to the costs involved. All but 6 states allow it. A disclosure of the fee is required in materials.
- You can also have vendor block the fees where not applicable.

Address changes – Require a confirmation letter or email be sent.

MCAS Reporting – This is an NAIC request.

- It used to be on just DI but now being required on Supplemental health products A request was sent, ABE does not recall receiving it.
- Theresa to re-send to Pam and Bonnie.
 - o Deadline to receive information from ABE is 4/17.

GMAD Marketing and Portal Re-Cap:

- Joined by Jose Paredes, Ron Zarella, Michael Hayden, Elliott Melis and Alex Duran
- See Day one Marketing Meeting Minutes – [See Attached](#).
- Maridsa presented "Sales and Promotional Review process" – [See handout attached](#).
- Maridsa presented updates on the Level Term Project – [See handout attached](#).

GMAD Claims Dept:

- Mark, Lacy, and Ernst joined us to review Life and DI stats and trends. [See handout attached](#).
- No disputes or complaints.
- Appeals: There is one DI claim that was closed and appealed on the Mid-Term plan which is a 2-year illness/5-year injury/accident and the individual is stating he should be eligible for 5 years of accident b/c his DX is a CVA- "Cerebrovascular Accident", although that is the DX name it does not actually represent an "accident" it is in other words a "stroke" which all medical documentation supports and the claim appeal will be upheld.
- Large Claims: On the life side, we received a \$2M claim (2 policies) which they have started to review, the spouse beneficiary stated he is unable to secure a Death Cert for 6 months and we cannot pay the claim without it. NYL to continue investigation.

GMAD Underwriting:

- Kama, Anna, Brian, and Joel joined us. [See handout attached](#).
- Reviewed current and historical comparison.
- App count is up.
- Efforts continue WD's based on the reports received from underwriting. For abandoned apps discussed an outreach by Bonnie's team, perhaps incorporate language in the email send.

GMAD Finance and Financial Underwriting:

- Glenn and Danielle S. joined us. Maridsa walked through the 3 financial estimates for Life, BOE and AD&D. All plans projected to produce positive margins, continue to monitor with a few months left in the PY's.
- Discussed the results of last year's young lawyer GI No-Cost issuance on Life of \$100K that produced 138 apps. The no cost period expires on 5/31/24 and ABE has done an excellent job of doing touchpoints to the members in this 12 month of free coverage. 4 emails were sent educating them on importance of life insurance and reminding them of upcoming expiration. The conversion materials have been approved and are going out in April.
- ABE asked about a repeat offer, we try to spread them out to avoid anti-selection. NYL recommends assessing the results of the conversion and possible consider a repeat in 2025 and consider including the state bars not just YLD.
- We also discussed upgrades but with the current roll out of the new QD 10 and 20 in June, we would like the focus to be on those promotions. We can revisit the billing promotions that were done in the past on bills or the Annual Benefit statement, perhaps driving individuals to the portal, in 2025.
- Briefly discussed combining all plans for experience, particularly the BOE and DI, review this as possible future implementation. It would not affect ABE billing so no re-programming, it would affect timing of the Dividend releases.

New Product:

- We are working on a graded benefit TL we are looking to roll out in 2025, more to come.

Agent Program:

- Kathy Rubin joined us from Agency and provided an overview of the program. There are dept. changes, and she was moved to Corporate Marketing.
- ABE requested in February a repeat financial wellness session at the upcoming May meeting for which she was able to secure approval despite the past challenges of low attendance, no sales.
- Consensus was that the May meeting is a tight timeline as materials are not ready yet and Kathy needs lead time to automate the process, in the past it was manual to track the agents she was assigning for the registrations.
- We also discussed opportunities to expand to other ABA divisions, possible mid-career can it also be introduced to the State Bar pilot program? All great ideas and agreed to take a pause on this program and brainstorm other ways to expand on it.
- NYL needs more lead opportunities, can we promote it with right disclosures?
- The next meeting is in August, ABE will advise if there will be an opportunity at that meeting and ways to expand.

June Board Meeting Prep:

- As of now, Dan and Maridsa will attend. Ching has a conflict and cannot attend this meeting, Raghu will advise.
- We discussed the following for NYL Presentation:
 1. Update on QD DI stats, possible demo or screenshots
 2. 10 and 20 Launch update, go live date is 6/6 before the meeting.
 3. Plans to promote the new LT QD as provided by Zeis and Abby
 4. 12 Month life estimate
 5. Results of GI conversion
 6. Deliverables: Outline framework for an October presentation of Lifetime Values Principals
 7. Possible segment on projects that have been "paused" but will be reassessed for future, ie. Agent program, exclusive offers, promotion of financial wellness sessions

June, 2024



Overview

2

- The Excess Major Medical Plan is underwritten by The United States Life Insurance Company (an AIG subsidiary that is being spun off to a new entity called Corebridge).
- This plan has been in effect since 1994 with USLife and is a form of supplemental medical plan.
- With the passage of the Affordable Care Act (ACA) in 2010, this plan was required to cease adding new applicants as of 2014 and is considered “frozen”.
- The plan is participating and ABE receives margin when the plan has a good year. Additionally, ABE receives a fixed royalty payment.
- The plan has had unusually good claims experience and is now exceptionally well reserved.
- There are ongoing conversations with the Corebridge team and the latest response is that there are no current plans to terminate this coverage.

Financial Overview

3

Results @ 2/29/24:

Premium	\$1,311,099
ABE Royalty	\$265,000
Plan Gain	\$1,121,427
CSR	\$ 693,021

27-May-24

Product/Category	Carrier Held Reserve*	ABE Held Reserve	Total	Carrier
Life Plans				
IBNR	\$631,873	\$0		NYL
Pending	\$673,000	\$0		NYL
Waiver	\$27,336	\$0		NYL
Policy/Deficiency	\$24,681,847	\$0		NYL
CSR	\$11,999,815	\$0		NYL
DOD	\$16,175,817	\$0		NYL
Total Life	\$54,189,688	\$0		NYL
Long Term Disability				
				NYL
IBNR/Disablements< 1 Year	\$2,924,838	\$0		NYL
Disablements> 1 Year	\$4,743,267	\$0		NYL
CSR	\$3,116,301	\$0		NYL
DOD	\$4,600,004	\$0		NYL
Misc	\$0	\$2,974,216		USL
Total LTD	\$15,384,410	\$2,974,216		NYL
Office Overhead				
IBNR	\$40,982	\$0		NYL
Disablements< 1 Year	\$0	\$0		NYL
Disablements> 1 Year	\$0	\$0		NYL
CSR	\$148,897	\$0		NYL
DOD	\$400,000	\$0		NYL
Total OOE	\$589,879	\$0		NYL
Total Disability	\$15,974,289	\$2,974,216		NYL
Accidental Death (AD&D)				
IBNR	\$83,854	\$0		NYL
Pending	\$0	\$0		NYL
CSR	\$689,608	\$0		NYL
Total AD&D	\$773,462	\$0		NYL
Hospital Money (HIP/HMP)				
IBNR	\$86,469	\$0		NYL
CSR	\$171,834	\$0		NYL
Total HIP/HMP	\$258,303	\$0		NYL
Excess Medical				
IBNR	\$1,698,616	\$0		USL
CSR	\$693,021	\$0		USL
Misc	\$1,121,427	\$8,030,441		USL
Total EMM	\$3,513,064	\$8,030,441		USL
Total Reserves	\$74,708,806	\$11,004,657	\$85,713,463	NYL/USL

*Last Carrier Annual Accounting

ABE FY2025 Marketing Strategy

6/13/24



Re-examining our media mix



- With executive staffing changes and a re-envisioned strategy in light of the most recent performance data, we have explored opportunities to decrease direct mail and explore new digital tactics.
- Allows us to be nimble with tactics that require less lead time, and adjust to latest results without having committed in advance to high printing and postage costs.
- Starting in January 2024, we have decreased our direct mail campaigns, increased our digital ad spend, and started producing materials for meetings and administrative communications for applicants/insureds.

Last Year January – April 2023 New Business Report



Time Period	Jan-Apr 2023
Gross Apps	88
Approved Apps	33
Paid Apps	21
Paid TAP	\$34,748
Communications Cost (including printing and postage)	\$165,276.85

- Direct Mail campaigns in December, January, February, March, and April
- Email campaigns in December, January, February, March and April
- Minor digital ad investment (Google, banner ads, social)

This Year January – April 2024 New Business Report



Time Period	Jan-Apr 2023	Jan-Apr 2024	% Favorable Change
Gross Apps	88	121	37.50%
Approved Apps	33	46	39.39%
Paid Apps	21	28	33.33%
Paid First Year Total Annual Premium	\$34,748	\$43,522	25.25%
Communications Cost (including printing and postage)	\$165,276.85	\$103,985.70	-37.08%

- Direct Mail campaigns in December and April (April campaign impact not yet realized)
- Email campaigns in December, January, February, March and April
- Increased digital ad investment (Google, banner ads, social)
- Increased ZG involvement in creating meeting materials, administrative communications, etc.

Overall, we have seen a favorable increase in overall application volume and Total Annual Premium, and a favorable decrease in Marketing Cost.

Why the Improvement?



- Decreased investment in inefficient channels (direct mail)
- Increased investment in channels where we can react more nimbly without the lead times involved in printing
- Unlocking the ideal message to busy attorneys

Unlocking the Message

- Less category sale (what would your loved ones do without you)
- More why THIS coverage is a benefit to them
- Hassle-free (no medical exam, decision as soon as today)
- Dispel cost myth



Better protecting your loved ones shouldn't be a hassle.



As an ABA Lawyer Member under age 65, you are now eligible to apply for up through \$500,000 of Term Life Insurance with QuickDecisionSM – *No medical exam, have your answer in minutes.*

[See Your Cost Now](#)

(No email address or phone number required to see your cost)

Dear [FIRSTNAME],

As a busy lawyer, you might be interested in the speed and convenience of a real-time decision on up through \$500,000 of Term Life Insurance to better protect your family.

A typical application for life insurance requires a medical exam and can take weeks or more for approval. Not with QuickDecisionSM! For a healthy lawyer, this coverage is available without a medical exam, without underwriting delays – just your answers to a few health questions.

This Life Insurance with QuickDecisionSM offer is available to you on Group Term Life Insurance, including 10-Year Level Term Life that lets you lock in your cost for 10 years.¹

Shifting Towards more targeted “pay as you go” tactics



Reduction in Direct Mail

- In addition to cutting costs, allows time for previous mailing results to fully mature
- Incorporate learnings into very next mailing
- Allow demand to regrow within our target market

Increase in Digital Media

- With Google Ads and retargeting, only spend when a click is received (qualified, interested target)
- Can shift dollars towards what’s working without any pre-commitment
- Paid search has registered 9 applications in the last 6 months after having received 1 the previous year (with more expansion coming) due to the expansion of our keyword set into bar association insurance keywords.

A screenshot of a Google search interface. The search bar contains the text "bar association life insurance". Below the search bar, there are navigation tabs for "All", "News", "Images", "Maps", "Forums", and "More". The "All" tab is selected. Below the navigation tabs, there is a "Sponsored" section. The first sponsored result is from "American Bar Endowment" with the URL "https://www.coveragedetails.net > abe > life-insurance". The main heading for this result is "For Bar Association Members". The description below the heading reads: "Group Term Life Insurance – Bar Association Members - get up to \$2,000,000 in life insurance. Apply online in minutes. Apply online. No medical exam typically needed for qualified applicants on up to \$500,000." There are two sub-headings: "Coverage for Lawyers" with the text "Only for Bar Association Members. Group rates, apply online." and "Better Family Protection" with the text "Apply for up to \$2,000,000. ABE-sponsored life insurance."

Take findings and apply to FY2025 budget



Channel	2024 Approved Budget
Direct Mail	\$480,000
ABA Email	\$48,000
Digital Ads	\$15,000
Social Media	\$15,000
ABE Email	\$3,000
General and Admin	\$24,000
Proposed and Approved Total	\$585,000
Actual Projected Total after Reallocation	\$410,000

Savings of **\$175,000** between initially approved budget and projected actual spend after reallocation.

Take findings and apply to FY2025 budget



Channel	2024 Approved Budget	2025 Proposed Budget	Difference
Direct Mail	\$480,000	\$180,000	-\$300,000
ABA Email	\$48,000	\$72,000	\$24,000
Digital Advertising	\$15,000	\$36,000	\$21,000
Social Media	\$15,000	\$15,000	No change
ABE Email	\$3,000	\$43,000	\$40,000
General and Admin	\$24,000	\$24,000	No change
Updated Administrative Materials	N/A	\$30,000	\$30,000
Handouts for meetings	N/A	\$20,000	\$20,000
Website Consultation	N/A	\$25,000	\$25,000
Member Data Segmentation Analysis	N/A	\$15,000	\$15,000
Microsite Dynamic Testing	N/A	\$15,000	\$15,000
Versioned Materials for Bar Association Advertising	N/A	\$10,000	\$10,000
Total	\$585,000	\$485,000	-\$100,000

Reallocate among existing channels/tactics...

... and use saved funds for new channels/tactics.

Direct Mail: Reduction and Optimization



- Reducing to 4 direct mail campaigns per year = money saved + maximize application return
- Can maximize application volume by focusing on best-performing products (life and QD bundle) + best-performing segments
- Send campaigns in September, late December(to arrive early January), March, and May. This cadence allows us to hit the strong-performing month of January, avoid slower summer months, and spread out the other campaigns evenly through year to build up demand.

Direct Mail: Optimized Mailing List




- New access to data from ABA allows for greater analysis and segmentation.
- Makeup of the list to be people who meet at least one of the below criteria:
 - ABA Membership of 5 years or less
 - Firm size under 10 (or unknown size)
 - Individual, Government or Solo product membership as opposed to a Group membership
 - Ages 35-59
- Can perform a cross-section analysis to make further refinements towards members who meet multiple criteria.
- Test one full mailing a year to gauge the response garnered from people outside the above criteria when frequency of communication is reduced.

Email: Increase Segmentation and Testing



- Use additional budget from direct mail reduction to increase segmentation and A/B testing within our monthly emails.
- Focus on new creative to announce the new, non-guaranteed rates.
- Emphasize two points that are biggest barrier to life insurance sales – cost and time/effort.



New lower rates now in effect
for ABE-sponsored Level Term Life Insurance

Choose a comfortable monthly payment that's expected to stay the same for up to 20 years

[See Your Cost Now](#)

(No email address or phone number needed to see your cost.)

Dear [NAME],

We're pleased to tell you we've worked with New York Life Insurance Company to offer new Group Term Life Insurance rates that for most Bar Association Members¹ will be even lower than before². This ABE-sponsored coverage lets you select a monthly payment that's comfortable for you and is expected to stay the same throughout your preferred term of coverage, 10-years or 20-years.

Take a look at these cost examples, then [use this online calculator to find your cost](#).

Male non-smoker, age 30 and in good health	
\$250,000 Coverage 10-Year Term	\$250,000 Coverage 20-Year Term
\$11.67 a month NOW \$7.92 a month	\$15.83 a month NOW \$9.58 a month

Female non-smoker, age 40 and in good health	
\$500,000 Coverage 10-Year Term	\$500,000 Coverage 20-Year Term
\$27.50 a month NOW \$20.42 a month	\$33.33 a month NOW \$32.92 a month

Digital Advertising



- Expand Digital Advertising by:
 - Develop a lawyer persona to target via Google Ads towards states with mandatory state bar association membership.
 - Targeting search terms related more broadly to bar association life insurance to reflect the new member class
 - Evaluate utilizing specific state/local bar associations in our ad copy

A screenshot of a Google search results page. The search bar contains the text "bar association life insurance". Below the search bar, there are navigation tabs for "All", "News", "Images", "Maps", "Forums", and "More", with "All" selected. A "Tools" link is visible on the right. The first result is a sponsored advertisement from "American Bar Endowment" with the URL "https://www.coveragedetails.net > abe > life-insurance". The ad title is "For Bar Association Members" and the text describes "Group Term Life Insurance – Bar Association Members - get up to \$2,000,000 in life insurance. Apply online in minutes. Apply online. No medical exam typically needed for qualified applicants on up to \$500,000." Below the ad, there are two more sections: "Coverage for Lawyers" with the text "Only for Bar Association Members. Group rates, apply online." and "Better Family Protection" with the text "Apply for up to \$2,000,000. ABE-sponsored life insurance."

Email Program to ABE Subscribers



- Currently, our email communication is limited to our one send a month to the ABA list, as well as communications to our own insureds.
- In a joint meeting with ABE, ZG and NYL in April, we determined that we could expand on that audience through two new sources:
 1. A daily feed of email addresses from New York Life of users who have abandoned the insurance application. We currently send them a single follow-up email reminding them of their application. However, NYL has confirmed those email addresses can be communicated with at whatever frequency we desire.
 2. We will be renewing raffles at in-person meetings, with an entry in exchange for an email address. This practice was discontinued a few years ago but reportedly would bring in ~2,000 email addresses per raffle. These users can also be communicated with at whatever frequency we deem appropriate
- Whereas our monthly send to ABA members is more transactional in nature, with increased frequency we can better mix educational content and updates about the ABE with promotional material.

Updated Administrative Material



- The job of communications is not over when an application is in the door.
- From January to April of 2024, there is currently over \$66,000 in Total Annual Premium that is approved but not yet paid.
- Improving user experience and removing barriers is essential to collecting low-hanging fruit of users who have almost completed the process.
- First initiative of updating Certificate Package shown on slides 16 and 17.

Administrative Materials: Cert Package



Previous Cert Package: long letter, multiple forms regarding different payment options

RE: Term Life Insurance
ID:

Dear:

I want to personally congratulate you on your approval for this important Term Life insurance program. A solid financial portfolio should be built around adequate insurance coverage for you and your family. Thank you for contacting the American Bar Endowment when you had a need for such insurance.

We very much appreciate your support. It is largely because of members such as you that the ABE is able to fulfil its charitable mission by annually making grants to support over 200 law-related research, educational and public service projects.

Within this package you will find your Certificate of Insurance and Individual Schedule of Benefits. Please keep these in a safe place with your other important insurance papers. If there are any errors on the Individual Schedule of Benefits, please notify me.

Also enclosed is the "Request for Identifying Information" form. Please complete this form so that we will have the most up to date information identifying the insured, owner and beneficiary of the Term Life insurance underwritten by the New York Life Insurance Company to facilitate timely claims payment.

Enclosed you may also find a Billing Notice reflecting a premium balance due. If so, send your premium payment by the due date in the envelope provided. The first premium payment will activate your insurance and guarantee that the coverage you have been approved for is there when you need it.

If you have any questions regarding the enclosed materials, please don't hesitate to call me at 800-621-8981 extension 6419 or email me at cdstubb@abenet.org.

Sincerely,

Charlene Stubbs
Insurance Plan Specialist
Insurance Administration

P.S. Thank you again for participating in this important ABE-sponsored programs. Please see the enclosed materials outlining the insurance programs that we offer. If you are interested in any of these other insurance programs, I would be pleased to send you more information.

2016CS-LifeNewCert

Good News!

The American Bar Endowment is pleased to announce that we now accept Online Credit Card payments. Premium payments can be made with MasterCard, Visa, or Discover. You can also still make payments using your checking or savings account.

Payments can be one time or you can register for an account so that future payments will be quicker and easier to make.

Please go to our convenience payment site: <https://secure.directbiller.com/pbills/payer/welcomeDirect.do?h=m1ezg7z3tez>.

The link is also available on our website: www.abendowment.org.

If you have any questions, please call our office, toll-free at 1-800-621-8981.



Enjoy the convenience of automatic premium payments – no more checks to write!

Enroll Today!

Sign Up for this Convenient Payment Plan Option in Two Easy Steps:*

- 1) Complete and sign this form.
- 2) Mail this form with a payment for one month's premium.

To calculate a one month premium payment, divide a quarterly premium by 3, a semiannual premium by 6, or an annual premium by 12. *This payment option is only available to members who have checking or savings accounts at U.S. banks and is not available to residents of Ontario or Quebec, Canada.

What's Next?

The first automatic deduction will be made for the next month's premium due. Thereafter, we will automatically deduct your payment from your checking or savings account on the first business day of each month. Please note, if the first of the month falls on a weekend or holiday, your account will be debited the next business day. If the amount of your monthly payment is changed for any reason, you will be notified in writing. All changes (closing your account, changing banks, termination of automatic deduction) in the ABE Automatic Payment Plan must be submitted to our office in writing.

1 Please complete the following:

Your Name	Member ID
Business Phone	Home Phone
E-mail	Fax Phone
Account Type <input type="radio"/> Checking <input type="radio"/> Savings For your convenience, you may attach a voided check.	
Bank Name	Bank State
Account Number (Be sure to include all spaces and/or dashes.)	Routing Number

2 I would like to participate in the ABE Automatic Payment Plan for the following Group Insurance coverages:

- | | | |
|--|---|---|
| <input type="checkbox"/> Term Life | <input type="checkbox"/> Disability Income | <input type="checkbox"/> Excess Major Medical |
| <input type="checkbox"/> Hospital Money Plan | <input type="checkbox"/> Accidental Death and Dismemberment | <input type="checkbox"/> Professional Overhead Expense Disability |

Administrative Materials: Cert Package



New Cert Package: abbreviated letter spelling out next steps, consolidation of payment options



RE: American Bar Endowment Group Term Life Insurance

ID: [XXXXXX]

Dear [NAME]:

Congratulations on your approval for Life Insurance sponsored by the American Bar Endowment! Your coverage takes effect on the first day of the month following your approval.

Here are your next steps:

1. If a Billing Notice is enclosed, please send it with your payment in the provided envelope by the listed due date. If an Automatic Payment Notice is enclosed, your payment will be processed without you needing to take further action.

(Note: If you want to set up monthly automatic payments by bank account withdrawal, or pay by credit card, instructions are included with this package.)
2. Review the information in your Individual Schedule of Benefits and notify me if there are any errors. Keep your Certificate of Insurance and Schedule of Benefits in a safe place with your other important insurance papers.
3. Complete and return the enclosed Request for Identifying Information form for all insured individuals and their beneficiaries. New York Life Insurance Company requires this accurate, up-to-date information for timely claims processing.

(Note: This form cannot be used to change your beneficiaries – if you would like to change beneficiaries, please contact me.)

Thank you for choosing ABE for your insurance. Members like you help us fulfill our mission to support more than 200 law-related research, educational and public-service projects annually.

Please see the enclosed materials about other insurance we offer. If you're interested in any of these coverages, I'd be happy to send you more information.

If you have any questions, please call me at 800-621-8981 extension 6419 or email me at cdstubs@abenet.org.

Sincerely,
Charlene Stubbs
Insurance Plan Specialist



Three easy ways to pay your premium!

If you have any questions, please call our office toll-free at 1-800-621-8981.



Mail your payment

Please detach and return the **Remittance** form from the **Billing Notice** with your payment.
Make checks payable to: **American Bar Endowment** *NOTE: Fee for returned checks is \$25*



Use your credit or debit card

The American Bar Endowment accepts online credit card payments. Premium payments can be made with MasterCard, Visa, or Discover. Payments can be one-time or you can register for an account so that future payments will be quicker and easier to make.



Scan this QR code to sign up for credit or debit card payment.
Or go to abendowment.org and click "Make Payment."



Set up automatic premium payments

Sign up for this convenient payment plan

The first automatic deduction will be made for the next month's premium due. Thereafter, we will automatically deduct your payment from your checking or savings account on the first business day of each month. Please note, if the first of the month falls on a weekend or holiday, your account will be debited the next business day. If the amount of your monthly payment is changed for any reason, you will be notified in writing.

All changes (closing your account, changing banks, termination of automatic deduction) in the ABE Automatic Payment Plan must be submitted to our office in writing. This payment option is only available to members who have checking or savings accounts at U.S. banks and is not available to residents of Ontario or Quebec, Canada.

Please read the following, then sign and date below to authorize this automatic payment:

I authorize the American Bar Endowment, hereinafter called "ABE," to initiate debit entries to my checking or savings account for the monthly premium due for my above indicated ABE Insurance coverage(s). I authorize the financial institution above, hereinafter called "Institution," to credit the amount of such entries to my account, to correct any errors, and to deposit any such corrections to my account.

This authority is to remain in full force and effect until I revoke the agreement in writing as hereafter provided. Any revocation is effective only after ABE has received written notification from me to terminate this agreement in such time and manner as to

Your Name

Member ID (See attached)

Phone

Administrative Materials: Renewal Communications to GI Insureds



- Built a series of emails to improve rate at which users paid to renew their no-cost GI offer, culminating in them being mailed the updated cert package/ways to pay letter.
- This approach can potentially be applied to other segments coming up on renewal, particularly those approaching a new age band that are at risk of lapsing.

Dear [FIRSTNAME],

At the American Bar Endowment, the well-being and financial security of Bar Association Members has always been a priority. As your complimentary \$100,000 Term Life Insurance coverage nears its one-year anniversary, we wanted to dispel some myths about the cost of life insurance and highlight the relatively low cost of continuing your coverage after the complimentary period ends.

I recently participated in the ABE-sponsored Group Term Life Insurance offer, and was blown away by the ease of the process and the exclusively priced coverage. The ABE application was quicker and the rate was less expensive than I expected. Immediately, I felt a sense of peace knowing that my family will be protected during difficult times.

– Tommy Preston, Former YLD Chair

And as a reminder, that renewal notice may be less than most people expect life insurance to cost. As a [AGE]-year old, you will see a quarterly cost of [COST] for continuing the \$100,000 coverage. That comes out to an average of [COST] per month.¹

ABE was an easy choice for me with their exclusively priced coverages and accessibility to the insurance I need. It is an added bonus that ABE supports critical and impactful work within the legal profession and the communities we serve.

– Tamara Nash, YLD Chair

To date, we have a **24% conversion rate** on free to paid insured (12 paid policies on 49 billing notices mailed). The industry average for no-cost offers converting to paid is **between 2-3%**.

Handouts for Meetings



- Create handouts for various meetings that are aligned in look, feel, and messaging.



The American Bar Endowment sponsors insurance for Bar Association Members,¹ ***with beneficial features for you and the legal profession.***

Valuable for You

QuickDecisionSM:² You could be approved in minutes when you apply for up to \$500,000 Life Insurance, \$7,500 a month Disability Insurance³ or both – No medical exam or agent visit.⁴

Group rates for Bar Association Members based on past favorable claims experience.

Backed by the financial strength of highly rated New York Life Insurance Company.⁵

Law school student loan repayment option up to \$200,000 if you become disabled before age 45.

Fast and simple online application to save you time when you're ready.

Convenient payment options including automated account billing.

See your cost & coverage options⁶ at:

abendowment.org

(No email address or phone number needed to see your cost instantly.)

Valuable for the Legal Profession

Member-donated dividends⁷ from ABE-sponsored insurance policies have helped us support critical law-related programs and projects since 1956, with more than **\$325 million in grants** to date.

Your dividends go to:

- **ABA Fund for Justice and Education (more than \$154 million)** – Promoting equal access to justice and the rule of law
- **American Bar Foundation (more than \$163 million)** – Shaping policy through critical legal research
- **Opportunity Grants (more than \$2.1 million)** – Funding urgent, boots-on-the ground community legal initiatives

About 83% of insureds choose dividend donation, which is tax-deductible!

Member donations to the **Legal Legacy Fund**, our unrestricted giving fund, also support research, education and service projects important to the public and the profession.

Learn more about our giving at:

abendowment.org/charitable-mission

Website Consultation



- Provide recommendations on current website, from copy to overall user experience, to drive synergy between outgoing communications and content found on website.
- Use “blurb” approach to keep a simple listing of coverages and drive users to ZG microsites complete with cost calculators

First Initiative: Grant Page Update (samples on following slide)

- An analysis of the website traffic shows that visitation volume triples during the time of the grant cycle accepting applications.
- We are currently working to provide an optimized user experience for people who come to visit, both by making the application process more clear as well as more effectively raising awareness of the ABE and promoting our mission and coverages to users who visit during this time.

Website Consultation: Grant Page Updates



Current Grant Page

The American Bar Endowment's Opportunity Grant Program supports new, boots-on-the-ground, innovative programs and projects that serve the immediate and critical legal needs of the public and are of importance to the legal profession and its concerns for access to justice.

The ABE Opportunity Grant Program funding focus areas include:

- **Increasing access to justice**, especially for vulnerable and underserved populations using innovations to legal services delivery, capacity-building, or pro bono service.
- **Improvement of the justice system**, including ensuring equal justice and elimination of bias; and
- **Increasing public understanding** of legal rights and responsibilities so people can recognize legal problems and know how to address them.

Application Deadlines

The Opportunity Grant application cycle is currently closed. The 2025 cycle will open July 1, 2024. Letters of Inquiry will be due September 1, 2024 and applications will be due October 6, 2024. We are so very honored to be able to support the work of our grantees and look forward with excitement to each new grant cycle.

ABE OPPORTUNITY GRANT PROGRAM CONTACT INFORMATION Izzy Eisen American Bar Endowment 321 North Clark Street Ste. 1400 Chicago, Illinois 60654-7648 Attention: Opportunity Grants 312-988-6402 ieisen@abenet.org	THE 2024 GRANT CYCLE IS NOW OPEN. FAQs LOI Form Application Instructions Application Form Project Budget Template	PAST GRANT RECIPIENTS Funding urgent, boots on the ground initiatives. 2024 Opportunity Grantees 2023 Opportunity Grantees 2022 Opportunity Grantees 2021 Opportunity Grantees 2020 Opportunity Grantees
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Proposed Grant Page (wireframe only)

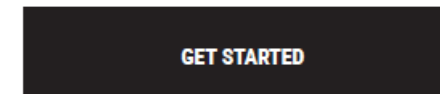
Funding Urgent Boots-on-the-Ground Initiatives

The American Bar Endowment's Opportunity Grant Program supports new, boots-on-the-ground, innovative programs and projects that serve the immediate and critical legal needs of the public and are of importance to the legal profession and its concerns for access to justice.

The ABE Opportunity Grant Program funding focus areas include:

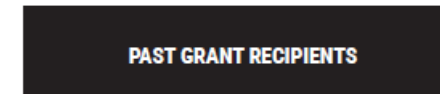
- Increasing access to justice, especially for vulnerable and underserved populations using innovations to legal services delivery, capacity-building, or pro bono service.
- Improvement of the justice system, including ensuring equal justice and elimination of bias; and
- Increasing public understanding of legal rights and responsibilities so people can recognize legal problems and know how to address them.

THE 2024 GRANT CYCLE IS NOW OPEN.



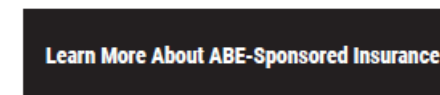
For information regarding the ABE Opportunity Grants, contact Izzy Eisen at ieisen@abenet.org or (312) 988-6402.

Learn more about the programs we support.



Give back to the legal profession while protecting your financial future

Explore the Life Insurance, Disability Insurance and other insurance coverage for Bar Association Members that helps fund our charitable work



Member Data Segmentation Analysis and Action Plan



- Continue to utilize expanded data set available to us from the ABA to understand what member segments are over-indexing in their engagement with ABE materials.

Microsite Dynamic Testing



- Provide different experiences to our microsite visitors and measure the impact on application volume.
- Half of the visitors get one experience, half get the other
- Roll out winning version to all visitors in future campaigns

Materials for Bar Association Advertising



- Continue to explore opportunities to email state and local bar associations directly.
- Budget reserved to version our best-performing materials with specific bar association references.



Better protecting your loved ones shouldn't be a hassle.

**As a South Carolina Bar Member under age 65, you are now eligible to apply for up to \$500,000 of Term Life Insurance with QuickDecisionSM –
*No medical exam, have your answer in minutes.***

[See Your Cost Now](#)

(No email address or phone number required to see your cost)

Summary: Continue to Optimize and Refine



- The FY2025 proposed budget represents a reallocation of our priorities based on the most recent data within each channel.
- Nothing is set in stone – by engaging primarily in digital channels we have greater flexibility to change throughout the year as future performance warrants.
- Measure impact of new channels through unique tracking afforded by digital.
- Continued conversations on the lifetime value of an insured will allow us to both ensure the overall program is meeting financial goals, as well as to make sure we are maximizing channels that are overperforming those financial goals.

**Minutes of the Finance Committee Meeting
American Bar Endowment
June 4, 2024**

The Finance Committee of the American Bar Endowment held a regular meeting June 4, 2024 via a Teams meeting. Committee members in attendance for the meeting were:

Michelle Behnke, *Chair*
Hilarie Bass, *Vice Chair*

Tracy Giles
Kevin Shepherd

Committee members not in attendance for the meeting were:

Randy Noel

Also present for the meeting were:

Hon. Lora J. Livingston
Dana Sturtz Hill, *ABE Executive Director*
Izzy Eisen, *ABE Staff*

Jack Kristan, *Plante Moran*
Michael Davidson, *Plante Moran*
Kaylee Kern, *Plante Moran*

Ms. Behnke convened the meeting, welcoming everybody and giving an overview of the meeting's agenda. She stated she had a few matters to preview for the Committee prior to Charleston's full board meeting, then Plante Moran would be presenting to the Committee. Ms. Behnke started by saying that the next audit was beginning, and that Ms. Hill had been working with RSM to produce an engagement letter and scope of work. The upcoming audit is expected to be easier than last year but will present its own challenges. Additionally, she mentioned there will be a fee increase, partially due to inflation and partially due to anticipated changes in the audit scope due to extensive changes in the accounting department.

Ms. Behnke noted that ABE has determined that they will not proceed with a sublease of ABA space that was to occur June 30, 2024. She shared that ABE had rescinded the LOI and had contracted with the building directly to stay put on a short-term lease, currently scheduled through January 31, 2025. Ms. Bass inquired about the time needed for ABE to be prepared to evaluate its space needs and make a more permanent decision. Ms. Hill answered that the time frame would be dependent on the Plante Moran recommendations and implementation of those recommendations., Ms. Hill noted that in her dealings with the building, they had made it abundantly clear that even if they needed ABE's current space, they want to work with ABE to remain in the building. Ms. Hill also emphasized that, while the move date got pushed back, ABE is still doing lots of prep work for the eventual move, having already shredded over 15,000 pounds of paper. Additionally, ABE has contracted for removal of half of the storage furniture in the space. Ms. Bass recommended that the Board will want to understand the ultimate timeline for knowing the space needs and selecting a permanent space. Ms. Bass suggested that Ms. Hill consider working with a space planner to help determine ABE's space needs/configurations. Ms. Hill agreed, noting that the building had offered short-term leases elsewhere in the building following the January 31st deadline, providing a good option should a more temporary move need to occur. Mr. Shepherd noted that the Chicago commercial real

estate market is currently favorable to tenants. Judge Livingston cautioned that ABE consider future space needs such that ABE does not accept a space that would not allow for future growth.

Ms. Behnke then moved on to the other matters, first noting that the move to PNC as the custodial bank has been completed. She noted that the search for a fixed income manager has presented some unexpected challenges and is still underway. She shared that at the meeting Mr. Wesner would be discussing additional funds rolling over into investments and the potential of another Levine Leichtman investment.

Ms. Behnke and Ms. Hill then welcomed the Plante Moran consultants to the call and introduced them, noting that they would present the results of their engagement to the whole board in Charleston. Mr. Kristan then introduced the assessment, noting that their key focuses are people, process, and technology. He noted that there were two outcomes from their assessment, a documentation of processes as they exist today and Plante Moran's recommendations for moving forward. He emphasized that during their examination, they did not discover anything inappropriate that requires a more formal discussion with the Board or Finance Committee. Mr. Kristan then discussed their findings, noting that there is a lot of institutional knowledge but that knowledge is not part of ABE process documentation. He also noted that doing things in the current method does not take advantage of ABE technology and staff may be unaware of technological capabilities that already exist within current software. Mr. Davidson expanded on the technological inefficiencies, pointing out how ABE is reliant on reports run from their vendors as opposed to keeping track of their own cash flow. Ms. Kern agreed, noting that the systems in use are not communicating with each other in an effective way, resulting in a lot of manual work. Mr. Shepherd asked if the inefficiencies were due to a lack of training. Mr. Kristan replied that, while this does play a part, the more pressing issue is the inefficient division of labor and clarity in job descriptions. In many instances jobs have been crafted based on the staff skillset rather than developing an understanding of the processes needed to accomplish the ABE work and finding staff members that possess that skillset. He also noted the need for increased collaboration between all of the employee tasks. Mr. Davidson agreed, stating that there needs to be a shift from "what do we do" to "what has to be done."

Mr. Davidson noted that the third-party vendors operate as a reduction of risk (as BOD decisions are made on their quality data). However, he noted that ABE should be able to produce its own reports so that they could serve as a check against the third party information and integrate the information for strategic decision making. Judge Livingston asked for clarity around those processes, are we looking to duplicate their processes or integrate the information we receive from third parties in a different way. Mr. Davidson replied that ABE should be able to "follow the cash" through their accounting processes, and those internal reports provide the checks and balances for the third-party vendor reports.

Ms. Behnke asked what the transition into getting staff to the appropriate place would look like. Mr. Kristan shared a prior experience, noting that the vision is presented to the staff, giving them the opportunity to choose for themselves if they want to be part of achieving the new vision. He also noted that individual conversations were had with staff to discuss what training they needed to fit the newly defined roles.

Ms. Behnke then asked if the recommendations provided were in any order of priority. Mr. Kristan replied that the items weren't in a specific order, but the move towards what "future state should look like" would drive the order the recommendations are addressable in. Mr. Davidson agreed, noting that the clarification of staff and manager role responsibilities and documentation of processes would shape how the business can move forward. Mr. Kristan thanked everyone for their time and noted how much he appreciated Ms. Hill's transparency. Ms. Behnke thanked the Plante Moran consultants, and they left the call.

Ms. Behnke mentioned a few notes for Ms. Hill to share with the Plante Moran consultants prior to their presentation in Charleston, stating that they may want to go further into detail with their recommendations and be prepared to speak on what should happen first. Judge Livingston noted that the first thing they would recommend would likely be to hire a controller. Ms. Hill agreed that this was something she would be looking into eventually, but to be best prepared for the upcoming audit, the current consulting set-up would be far more beneficial. Ms. Behnke noted that Ms. Hill would be preparing a high-level budget and would be accounting for changes based on Plante Moran's recommendations within that budget. Ms. Bass then noted that the hiring of a controller would be a management level decision. Ms. Hill also shared with the Committee that for all 12 of Plante Moran's recommendations, she has responses, status updates, and timelines.

There being no further business before the Committee, the meeting was adjourned.

Respectfully submitted,

Michelle Behnke
Chair

American Bar Endowment

Monthly Update
May 31, 2024

U.S. Equity Returns

	May	YTD	1 Yr
S&P 500	5.0%	11.3%	28.2%
Russell 3000	4.7%	10.1%	27.6%
NASDAQ	7.0%	11.8%	30.4%
Dow Jones	2.6%	3.5%	20.0%

Non-U.S. Equity Returns

	May	YTD	1 Yr
ACWI	4.1%	8.9%	23.6%
ACWI ex. US	2.9%	5.8%	16.7%
EAFE Index	3.9%	7.1%	18.5%
EAFE Local	2.5%	11.7%	19.9%
EAFE Growth	3.8%	6.7%	13.8%
EAFE Value	3.9%	7.5%	23.6%
EAFE Small Cap	4.3%	3.7%	14.4%
Emerging Markets	0.6%	3.4%	12.4%
EM Small Cap	0.7%	3.7%	21.6%

Regional Returns

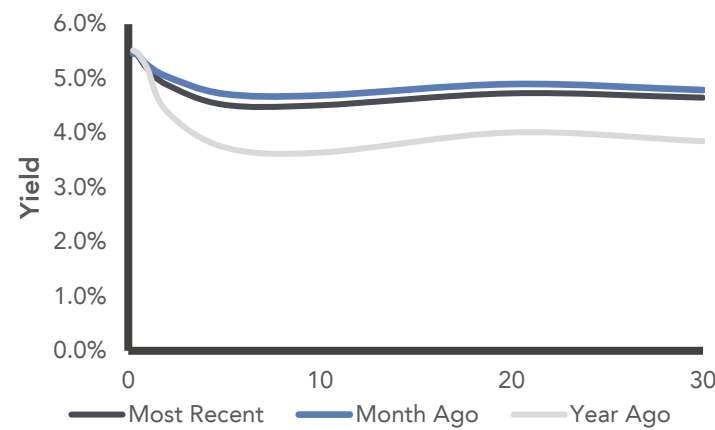
	May	YTD	1 Yr
Europe	4.8%	8.4%	20.0%
Asia ex-Japan	1.6%	5.3%	11.2%
EM Latin America	-3.1%	-10.2%	12.6%
UK	3.6%	8.8%	18.9%
Germany	4.3%	7.5%	18.0%
France	3.0%	5.9%	15.8%
Japan	1.3%	7.0%	18.6%
China	2.4%	6.8%	4.3%
Brazil	-5.0%	-15.6%	11.2%
India	0.7%	9.3%	31.5%

Real Estate Returns

	Qtr	YTD	1 Yr
NCREIF NPI National*	-1.0%	-1.0%	-7.2%
FTSE NAREIT	-3.0%	-4.3%	9.4%

*Returns as of March 31, 2024

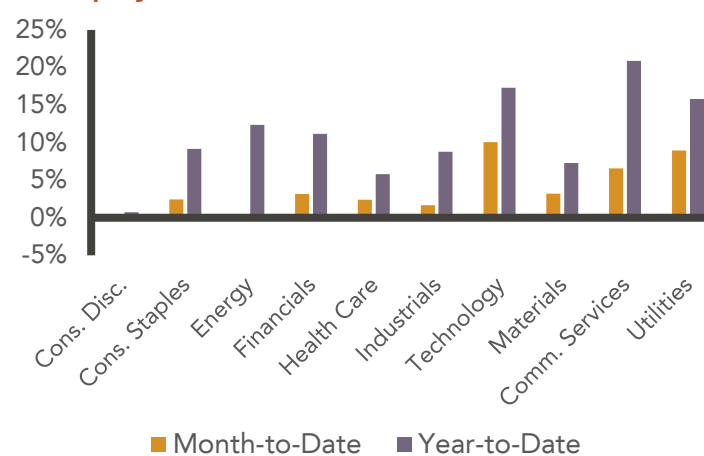
Yield Curve



Style Index Returns

	Month-to-Date			Year-to-Date		
	Value	Core	Growth	Value	Core	Growth
Large	3.2%	4.7%	6.0%	7.6%	10.6%	13.1%
Mid	3.6%	2.9%	1.1%	6.2%	5.7%	4.2%
Small	4.7%	5.0%	5.4%	0.8%	2.7%	4.6%

U.S. Equity Sector Returns



Fixed Income Returns

	May	YTD	1 Yr
Aggregate	1.7%	-1.6%	1.3%
Universal	1.7%	-1.2%	2.4%
Government	1.4%	-1.8%	-0.1%
Treasury	1.5%	-1.9%	-0.2%
Int. Gov/Credit	1.2%	-0.3%	2.7%
Long Gov/Credit	2.8%	-5.1%	-1.9%
TIPS	1.7%	-0.1%	1.6%
Municipal 5 Year	-0.6%	-1.8%	1.9%
High Yield	1.1%	1.6%	11.2%
Bank Loans	0.9%	4.2%	13.2%
Global Hedged	0.9%	-0.7%	3.2%
EM Debt Hard Currency	1.8%	1.7%	11.0%

Hedge Fund Returns

	May	YTD	1 Yr
HFRX Equal Wtd.	0.3%	1.8%	6.0%
HFRX Hedged Equity	1.2%	3.9%	9.2%
HFRX Event Driven	0.5%	1.2%	5.2%
HFRX Macro	-0.5%	5.4%	4.1%
HFRX Relative Value	0.7%	0.8%	4.1%
CBOE PutWrite	1.5%	5.7%	10.1%

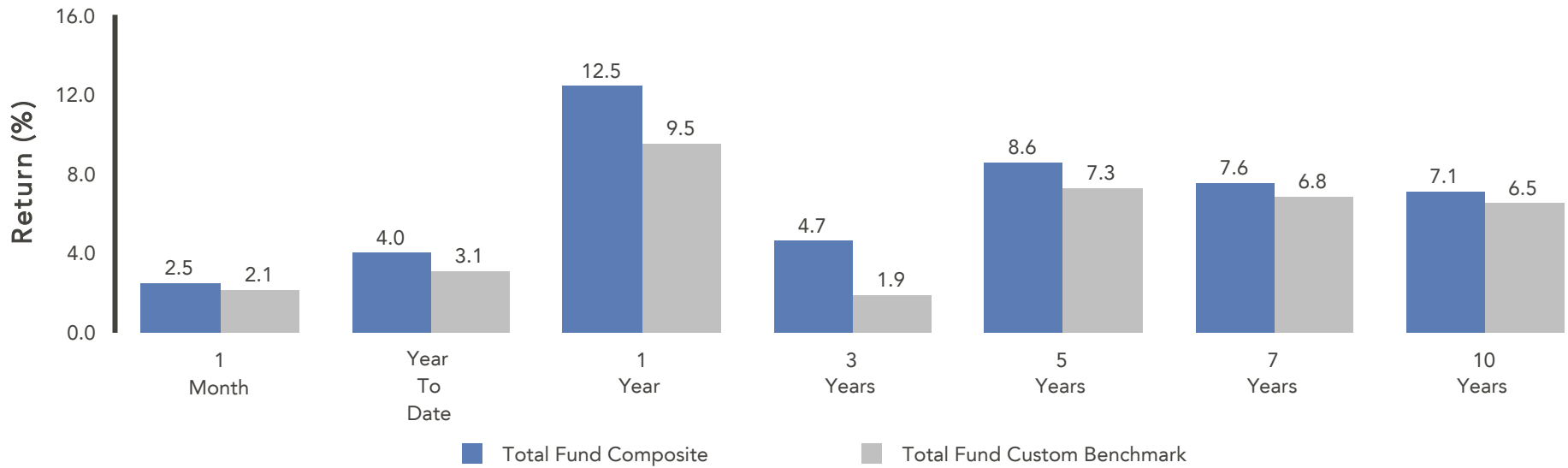
Commodity Returns

	May	YTD	1 Yr
GSCI Total	-1.9%	9.5%	18.4%
Precious Metals	4.6%	16.0%	20.6%
Livestock	-1.3%	8.6%	11.5%
Industrial Metals	1.8%	15.1%	20.7%
Energy	-1.4%	3.8%	10.1%
Agriculture	3.7%	-0.4%	1.0%
WTI Crude Oil	-4.8%	12.0%	27.0%
Gold	1.4%	12.5%	17.8%

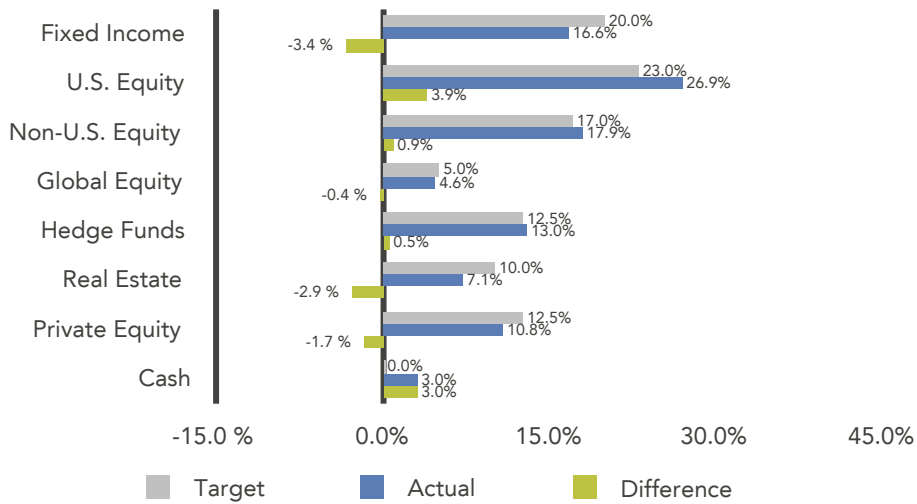
Endowment

Manager Status

Investment Manager	Asset Class	Status	Reason
Baird Ultra Short Bond	Short-Term Fixed Income	In Compliance	--
Baird Aggregate Bond	Core Fixed Income	In Compliance	--
Northern Trust Aggregate Bond Index	Core Fixed Income	In Compliance	--
Rhumblin S&P 500 Index	Large-Cap Core	In Compliance	--
NT Russell 2000 Equity Index	Small-Cap Core	In Compliance	--
Dodge & Cox International Stock Fund	Non-U.S. Large-Cap Core	In Compliance	--
Northern Trust ACWI ex-US Equity Index	Non-U.S. All-Cap Core	In Compliance	--
Goldman Sachs International Small Cap Insights	Non-U.S. Small-Cap Core	In Compliance	--
MFS Low Volatility Global Equity Fund	Global Low-Volatility	In Compliance	--
Grosvenor Institutional Partners, L.P.	Multi-Strat. Hedge FoF	In Compliance	--
Parametric Defensive Equity Fund LLC	Defensive Equity	In Compliance	--
Morgan Stanley Prime Property Fund, LLC	Core Real Estate	In Compliance	--
Levine Leichtman Capital Partners V, LP	Mezz. Private Equity	In Compliance	--
Levine Leichtman Capital Partners VI, LP	Mezz. Private Equity	In Compliance	--
PIMCO BRAVO Fund Onshore Feeder II, LP	Opportunistic Fixed Income	In Compliance	--
PIMCO BRAVO Fund III Onshore Feeder TE	Opportunistic Fixed Income	In Compliance	--
PIMCO BRAVO Fund IV Onshore Feeder, LP	Opportunistic Fixed Income	In Compliance	--



Total Fund Composite vs Target Allocation



Summary of Cash Flows

	1 Year (\$)	3 Years (\$)	5 Years (\$)
Beginning Market Value	154,868,934	160,091,058	129,221,016
Net Cash Flow	-2,219,601	-15,210,768	-24,050,954
Gain/Loss	19,710,763	27,479,805	67,190,034
Ending Market Value	172,360,095	172,360,095	172,360,095

Endowment

Portfolio Allocation
Month Ending May 31, 2024

	Asset Class	Beginning MV (\$)	Net Cash Flow (\$)	Ending MV (\$)	% of Portfolio	Policy (%)
Total Fund Composite		167,919,022	-	172,360,095	100.0	100.0
Fixed Income Composite		28,295,033	-	28,667,121	16.6	20.0
Baird Ultra Short Bond	Short-Term Fixed Income	7,562,224	-	7,602,387	4.4	-
Baird Aggregate Bond	Core Fixed Income	10,900,245	-	11,097,549	6.4	-
Northern Trust Aggregate Bond Index	Core Fixed Income	9,832,563	-	9,967,185	5.8	-
U.S. Equity Composite		44,133,969	-	46,309,401	26.9	23.0
Rhumblin S&P 500 Index	Large-Cap Core	32,700,282	-	34,318,884	19.9	-
NT Russell 2000 Equity Index	Small-Cap Core	11,433,687	-	11,990,517	7.0	-
International Equity Composite		29,698,589	-	30,937,345	17.9	17.0
Dodge & Cox International Stock Fund	Non-U.S. Large-Cap Core	12,225,220	-	12,897,339	7.5	-
Northern Trust ACWI ex-US Equity Index	Non-U.S. All-Cap Core	12,804,036	-	13,125,700	7.6	-
Goldman Sachs International Small Cap Insights	Non-U.S. Small-Cap Core	4,669,333	-	4,914,306	2.9	-
Global Low Volatility Composite		7,748,148	-	7,991,022	4.6	5.0
MFS Low Volatility Global Equity Fund	Global Low-Volatility	7,748,148	-	7,991,022	4.6	-
Hedge Fund of Funds Composite		21,993,282	-	22,383,887	13.0	12.5
Grosvenor Institutional Partners, L.P.	Multi-Strat. Hedge FoF	8,430,596	-	8,430,596	4.9	-
Parametric Defensive Equity Fund LLC	Defensive Equity	13,562,686	-	13,953,291	8.1	-

Endowment

Portfolio Allocation
Month Ending May 31, 2024

	Asset Class	Beginning MV (\$)	Net Cash Flow (\$)	Ending MV (\$)	% of Portfolio	Policy (%)
Real Estate Composite		12,265,812	-	12,265,812	7.1	10.0
Morgan Stanley Prime Property Fund, LLC	Core Real Estate	12,265,812	-	12,265,812	7.1	-
Private Equity/Oppportunistic Investments		19,524,209	-967,488	18,556,721	10.8	12.5
Levine Leichtman Capital Partners V, LP	Mezz. Private Equity	295,850	-	295,850	0.2	-
Levine Leichtman Capital Partners VI, LP	Mezz. Private Equity	10,183,966	-967,488	9,216,477	5.3	-
PIMCO BRAVO Fund Onshore Feeder II, LP	Oppportunistic Fixed Income	210,055	-	210,055	0.1	-
PIMCO BRAVO Fund III Onshore Feeder TE	Oppportunistic Fixed Income	3,890,303	-	3,890,303	2.3	-
PIMCO BRAVO Fund IV Onshore Feeder, LP	Oppportunistic Fixed Income	4,944,036	-	4,944,036	2.9	-
Cash Composite		4,259,979	967,488	5,248,786	3.0	0.0
Northern Trust Money Market	Cash & Equivalents	4,171,929	967,488	5,160,350	3.0	-
PNC Money Market	Cash & Equivalents	88,050	-	88,436	0.1	-

Endowment

Annualized Performance (Net of Fees)

As of May 31, 2024

	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Total Fund Composite	2.5	2.0	4.0	12.5	4.7	8.6	7.6	7.1	5.1	Nov 99
Total Fund Custom Benchmark	2.1	1.5	3.1	9.5	1.9	7.3	6.8	6.5	-	
Fixed Income Composite	1.3	0.3	-0.6	2.7	-1.9	0.7	1.4	1.7	3.7	Apr 03
Blmbg. U.S. Aggregate Index	1.7	0.0	-1.6	1.3	-3.1	-0.2	0.7	1.3	3.0	
Baird Ultra Short Bond	0.5	1.3	2.2	6.0	3.0	-	-	-	2.4	Jul 20
Blmbg. U.S. Short-term Government/Corporate Index	0.5	1.3	2.0	5.5	2.6	2.1	2.1	1.6	2.1	
Baird Aggregate Bond	1.8	0.2	-1.2	2.5	-2.8	0.3	1.1	-	1.5	Jan 15
Blmbg. U.S. Aggregate Index	1.7	0.0	-1.6	1.3	-3.1	-0.2	0.7	1.3	1.1	
Northern Trust Aggregate Bond Index	1.4	-0.3	-1.9	0.7	-3.3	-0.3	0.6	-	1.1	Nov 14
Blmbg. U.S. Aggregate Index	1.7	0.0	-1.6	1.3	-3.1	-0.2	0.7	1.3	1.2	

Endowment

Annualized Performance (Net of Fees)

As of May 31, 2024

	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
U.S. Equity Composite	4.9	3.1	8.9	25.8	6.1	13.8	12.0	11.3	7.4	Nov 99
Russell 3000 Index	4.7	3.3	10.1	27.6	7.8	15.0	13.1	12.1	7.9	
Rhumbline S&P 500 Index	4.9	3.9	11.2	28.0	-	-	-	-	27.1	Jan 23
S&P 500 Index	5.0	3.9	11.3	28.2	9.6	15.8	13.8	12.7	27.2	
NT Russell 2000 Equity Index	4.9	1.0	2.5	19.6	-1.7	8.6	7.6	7.8	8.2	Jan 04
Russell 2000 Index	5.0	1.1	2.7	20.1	-1.7	8.6	7.5	7.7	8.1	
International Equity Composite	4.2	6.2	6.6	18.9	1.8	7.7	5.2	4.0	3.8	Nov 99
MSCI AC World ex USA (Net)	2.9	4.2	5.8	16.7	0.3	6.8	5.2	4.0	4.5	
Dodge & Cox International Stock Fund	5.5	9.1	7.3	21.1	4.4	9.0	5.3	4.0	4.8	Aug 08
MSCI AC World ex USA Value (Net)	3.2	6.0	5.9	20.7	3.4	6.6	4.7	3.1	3.2	
Northern Trust ACWI ex-US Equity Index	2.5	3.6	5.1	15.9	0.1	6.7	5.1	4.0	5.1	Oct 08
MSCI AC World ex USA (Net)	2.9	4.2	5.8	16.7	0.3	6.8	5.2	4.0	5.1	
Goldman Sachs International Small Cap Insights	5.2	5.9	8.8	21.5	0.2	7.1	4.8	-	6.8	Jan 17
MSCI EAFE Small Cap (Net)	4.3	5.0	3.7	14.4	-2.9	5.7	4.2	4.8	6.1	
Global Low Volatility Composite	3.1	3.0	6.7	15.9	-	-	-	-	11.7	Feb 23
MSCI AC World Minimum Volatility Index (Net)	1.8	1.0	3.8	10.7	2.4	5.3	6.0	6.8	7.4	
MFS Low Volatility Global Equity Fund	3.1	3.0	6.7	15.9	-	-	-	-	11.7	Feb 23
MSCI AC World Minimum Volatility Index (Net)	1.8	1.0	3.8	10.7	2.4	5.3	6.0	6.8	7.4	

Endowment

Annualized Performance (Net of Fees)

As of May 31, 2024

	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Hedge Fund of Funds Composite	0.3	1.1	4.6	11.5	5.7	8.0	6.6	5.7	6.4	Apr 09
HFRI Fund of Funds Composite Index	0.0	1.2	3.7	8.8	1.9	4.9	4.2	3.5	4.0	
Grosvenor Institutional Partners, L.P.	0.0	1.7	4.2	9.0	3.9	6.7	5.4	4.3	5.5	Apr 09
HFRI Fund of Funds Composite Index	0.0	1.2	3.7	8.8	1.9	4.9	4.2	3.5	4.0	
Parametric Defensive Equity Fund LLC	2.9	3.1	7.3	15.7	8.0	9.5	8.0	-	8.3	Sep 15
CBOE S&P 500 Covered Combo Index	1.5	2.2	6.6	12.0	5.3	7.5	6.5	6.5	7.5	
Real Estate Composite	0.0	-1.3	-1.3	-5.9	5.6	4.9	5.8	7.7	9.2	Jan 11
NFI-ODCE	0.0	-2.6	-2.6	-12.0	2.5	2.6	3.8	5.8	7.3	
Morgan Stanley Prime Property Fund, LLC	0.0	-1.3	-1.3	-5.9	5.6	4.9	5.8	7.7	9.2	Jan 11
NFI-ODCE	0.0	-2.6	-2.6	-12.0	2.5	2.6	3.8	5.8	7.3	

Endowment

Calendar Performance (Net of Fees)

As of May 31, 2024

	YTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)
Total Fund Composite	4.0	12.2	-9.4	17.0	10.3	17.0	-3.3	14.2	7.9
Total Fund Custom Benchmark	3.1	9.8	-11.7	14.2	14.0	16.9	-3.0	14.5	7.1
Fixed Income Composite	-0.6	6.1	-11.1	-1.3	7.9	9.1	-0.2	3.8	3.0
Blmbg. U.S. Aggregate Index	-1.6	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6
Baird Ultra Short Bond	2.2	5.7	1.0	0.2	-	-	-	-	-
Blmbg. U.S. Short-term Government/Corporate Index	2.0	5.2	0.7	0.1	1.3	2.7	2.0	1.0	0.8
Baird Aggregate Bond	-1.2	6.4	-13.4	-1.5	8.6	9.5	-0.3	4.2	3.5
Blmbg. U.S. Aggregate Index	-1.6	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6
Northern Trust Aggregate Bond Index	-1.9	5.2	-13.0	-1.3	7.2	8.7	-0.1	3.4	2.5
Blmbg. U.S. Aggregate Index	-1.6	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6

Endowment

Calendar Performance (Net of Fees)

As of May 31, 2024

	YTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)
U.S. Equity Composite	8.9	23.5	-19.0	24.5	19.6	29.8	-6.3	19.7	14.3
Russell 3000 Index	10.1	26.0	-19.2	25.7	20.9	31.0	-5.2	21.1	12.7
Rhumbline S&P 500 Index	11.2	26.2	-	-	-	-	-	-	-
S&P 500 Index	11.3	26.3	-18.1	28.7	18.4	31.5	-4.4	21.8	12.0
NT Russell 2000 Equity Index	2.5	16.8	-20.4	14.7	20.2	25.6	-10.9	14.8	21.6
Russell 2000 Index	2.7	16.9	-20.4	14.8	20.0	25.5	-11.0	14.6	21.3
International Equity Composite	6.6	15.8	-12.7	9.8	6.8	22.0	-16.4	26.7	6.3
MSCI AC World ex USA (Net)	5.8	15.6	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5
Dodge & Cox International Stock Fund	7.3	16.7	-6.8	11.0	2.1	22.8	-18.0	23.9	8.3
MSCI AC World ex USA Value (Net)	5.9	17.3	-8.6	10.5	-0.8	15.7	-14.0	22.7	8.9
Northern Trust ACWI ex-US Equity Index	5.1	15.2	-15.7	7.7	10.7	21.4	-13.9	26.9	4.6
MSCI AC World ex USA (Net)	5.8	15.6	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5
Goldman Sachs International Small Cap Insights	8.8	15.1	-18.6	13.0	7.7	21.6	-18.8	33.0	-
MSCI EAFE Small Cap (Net)	3.7	13.2	-21.4	10.1	12.3	25.0	-17.9	33.0	2.2
Global Low Volatility Composite	6.7	8.6	-	-	-	-	-	-	-
MSCI AC World Minimum Volatility Index (Net)	3.8	7.7	-10.3	13.9	2.7	21.1	-1.6	17.9	7.4
MFS Low Volatility Global Equity Fund	6.7	-	-	-	-	-	-	-	-
MSCI AC World Minimum Volatility Index (Net)	3.8	7.7	-10.3	13.9	2.7	21.1	-1.6	17.9	7.4

Endowment

Calendar Performance (Net of Fees)

As of May 31, 2024

	YTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)
Hedge Fund of Funds Composite	4.6	12.8	-6.8	12.9	10.6	11.1	-2.2	8.8	4.4
HFRI Fund of Funds Composite Index	3.7	6.1	-5.3	6.2	10.9	8.4	-4.0	7.8	0.5
Grosvenor Institutional Partners, L.P.	4.2	8.0	-6.0	7.7	17.1	6.0	-1.6	6.1	2.3
HFRI Fund of Funds Composite Index	3.7	6.1	-5.3	6.2	10.9	8.4	-4.0	7.8	0.5
Parametric Defensive Equity Fund LLC	7.3	16.8	-7.6	17.7	4.6	16.3	-2.9	11.7	8.2
CBOE S&P 500 Covered Combo Index	6.6	14.7	-13.8	20.8	-0.2	19.5	-4.9	15.4	7.9
Real Estate Composite	-1.3	-5.8	6.1	21.5	1.3	6.2	8.0	8.8	9.2
NFI-ODCE	-2.6	-12.7	6.5	21.1	0.3	4.4	7.4	6.7	7.8
Morgan Stanley Prime Property Fund, LLC	-1.3	-5.8	6.1	21.5	1.3	6.2	8.0	8.8	9.2
NFI-ODCE	-2.6	-12.7	6.5	21.1	0.3	4.4	7.4	6.7	7.8

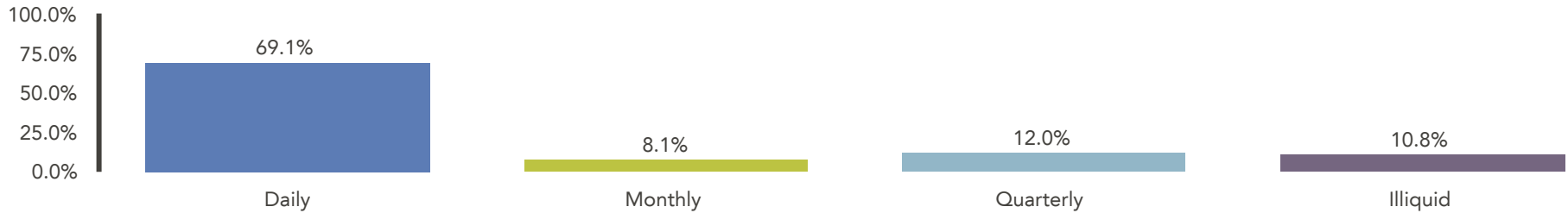
American Bar Endowment

Private Equity Overview (Net of Fees)
As of May 31, 2024

Investments		Commitment (\$)	Cumulative Contributions (\$)	Cumulative Distributions (\$)	Valuations		Performance				
Account Name	Vintage Year				Valuation (\$)	Total Value (\$)	DPI	RVPI	TVPI	SI (%)	
2013											
Levine Leichtman Capital Partners V, L.P.	2013	10,000,000	15,218,931	28,093,735	295,850	28,389,584	1.8	0.0	1.9	16.9	
PIMCO BRAVO Fund II, L.P.	2013	5,000,000	4,375,502	5,588,453	210,055	5,798,508	1.3	0.0	1.3	6.3	
Sub Total		15,000,000	19,594,433	33,682,188	505,905	34,188,092	1.7	0.0	1.7	14.8	
2017											
Levine Leichtman Capital Partners VI-A, L.P.	2017	7,000,000	7,931,163	3,110,211	9,216,477	12,326,689	0.4	1.2	1.6	14.4	
PIMCO BRAVO Fund III Onshore Feeder TE, L.P.	2017	4,000,000	4,000,000	1,937,363	3,890,303	5,827,666	0.5	1.0	1.5	8.9	
Sub Total		11,000,000	11,931,163	5,047,574	13,106,780	18,154,354	0.4	1.1	1.5	12.1	
2021											
PIMCO BRAVO Fund IV Onshore Feeder, L.P.	2021	7,000,000	6,300,000	32,973	4,944,036	4,977,009	0.0	0.8	0.8	-10.0	
Sub Total		7,000,000	6,300,000	32,973	4,944,036	4,977,009	0.0	0.8	0.8	-10.0	
Total		33,000,000	37,825,596	38,762,734	18,556,721	57,319,455	1.0	0.5	1.5	13.8	

Investments		Performance						
Account Name	Vintage Year	1 Year	3 Years	5 Years	Since Inception (%)	PME (%)	Kaplan Schoar	PME Benchmark Name
2013								
Levine Leichtman Capital Partners V, L.P.	2013	7.0	35.9	28.4	16.9	13.2	1.1	Russell 3000 Index
PIMCO BRAVO Fund II, L.P.	2013	3.6	-3.4	-1.9	6.3	2.3	1.2	Blmbg. U.S. Aggregate Index
Sub Total		6.7	31.2	23.6	14.8	10.9	1.1	
2017								
Levine Leichtman Capital Partners VI-A, L.P.	2017	11.1	18.5	16.1	14.4	12.8	1.0	Russell 3000 Index
PIMCO BRAVO Fund III Onshore Feeder TE, L.P.	2017	12.6	10.5	8.8	8.9	0.1	1.4	Blmbg. U.S. Aggregate Index
Sub Total		11.5	15.7	13.0	12.1	8.2	1.1	
2021								
PIMCO BRAVO Fund IV Onshore Feeder, L.P.	2021	-7.6	-	-	-10.0	-3.1	0.8	Blmbg. U.S. Aggregate Index
Sub Total		-7.6	-	-	-10.0	-3.1	0.8	
Total		5.9	17.2	16.7	13.8	9.7	1.1	

Liquidity Schedule Summary



Investments	Inception	Subscriptions	Redemptions	Market Value	Daily	Monthly	Quarterly	Illiquid
Baird Ultra Short Bond	06/12/2020	Daily	Daily	7,602,387	7,602,387	-	-	-
Baird Aggregate Bond	12/30/2014	Daily	Daily	11,097,549	11,097,549	-	-	-
Northern Trust Aggregate Bond Index	10/29/2014	Daily	Daily	9,967,185	9,967,185	-	-	-
Rhumbline S&P 500 Index	12/30/2022	Daily	Daily	34,318,884	34,318,884	-	-	-
NT Russell 2000 Equity Index	12/31/2007	Daily	Daily	11,990,517	11,990,517	-	-	-
Dodge & Cox International Stock Fund	08/01/2008	Daily	Daily	12,897,339	12,897,339	-	-	-
Northern Trust ACWI ex-US Equity Index	09/11/2008	Daily	Daily	13,125,700	13,125,700	-	-	-
Goldman Sachs International Small Cap Insights	12/29/2016	Daily	Daily	4,914,306	4,914,306	-	-	-
MFS Low Volatility Global Equity Fund	01/31/2023	Daily	Daily	7,991,022	7,991,022	-	-	-
Grosvenor Institutional Partners, L.P.	04/01/2009	Quarterly	Quarterly	8,430,596	-	-	8,430,596	-
Parametric Defensive Equity Fund LLC	08/28/2015	Monthly	Monthly	13,953,291	-	13,953,291	-	-
Morgan Stanley Prime Property Fund, LLC	12/30/2010	Quarterly	Quarterly	12,265,812	-	-	12,265,812	-
Levine Leichtman Capital Partners V, LP	03/01/2013	Illiquid	Illiquid	295,850	-	-	-	295,850
Levine Leichtman Capital Partners VI, LP	12/31/2017	Illiquid	Illiquid	9,216,477	-	-	-	9,216,477
PIMCO BRAVO Fund Onshore Feeder II, LP	12/16/2013	Illiquid	Illiquid	210,055	-	-	-	210,055
PIMCO BRAVO Fund III Onshore Feeder TE	11/16/2017	Illiquid	Illiquid	3,890,303	-	-	-	3,890,303
PIMCO BRAVO Fund IV Onshore Feeder, LP	12/23/2021	Illiquid	Illiquid	4,944,036	-	-	-	4,944,036
Northern Trust Money Market	11/14/2013	Daily	Daily	5,160,350	5,160,350	-	-	-
PNC Money Market	02/29/2024	Daily	Daily	88,436	88,436	-	-	-
Total (\$)				172,360,095	119,153,675	13,953,291	20,696,408	18,556,721
Total (%)				100.0	69.1	8.1	12.0	10.8

Endowment

Fee Schedule
As of May 31, 2024

Asset Class	Investment Manager	Fee Schedule	Est. Annual Fee ¹	Expense Ratio	Industry Median ²
Short-Term Fixed Income	Baird Ultra Short Bond	0.15% on the Balance	\$11,308	0.15%	0.50%
Core Fixed Income	Baird Aggregate Bond	0.30% on the Balance	\$33,529	0.30%	0.30%
Core Fixed Income	Northern Trust Aggregate Bond Index	0.08% on the first \$25 million 0.06% on the next \$25 million 0.02% on the Balance	\$8,067	0.08%	0.30%
Large-Cap Core	Rhumbline S&P 500 Index	0.04% on the Balance	\$13,637	0.04%	0.50%
Small-Cap Core	NT Russell 2000 Equity Index	0.08% on the first \$25 million 0.06% on the next \$25 million 0.02% on the Balance	\$9,838	0.08%	0.80%
Non-U.S. Large-Cap Core	Dodge & Cox International Stock Fund	0.60% on the Balance	\$74,349	0.60%	0.85%
Non-U.S. All-Cap Core	Northern Trust ACWI ex-US Equity Index	0.12% on the Balance	\$15,653	0.12%	0.75%
Non-U.S. Small-Cap Core	Goldman Sachs International Small Cap Insights	0.90% on the Balance	\$43,260	0.90%	1.29%
Global Low-Volatility	MFS Low Volatility Global Equity Fund	0.68% on the Balance	\$53,983	0.68%	0.72%

¹ Expense Ratio & Estimated Annual Fee are Based on Market Value at Quarter End.

² Source: Marquette Associates Investment Management Fee Study.

Endowment

Fee Schedule
As of May 31, 2024

Asset Class	Investment Manager	Fee Schedule	Est. Annual Fee ¹	Expense Ratio	Industry Median ²
Multi-Strat. Hedge FoF	Grosvenor Institutional Partners, L.P.	1.15% on the first \$25 million 1.00% on the next \$25 million	\$96,819	1.15%	1.00%
Defensive Equity	Parametric Defensive Equity Fund LLC	0.325% on the Balance	\$44,922	0.325%	1.00%
Core Real Estate	Morgan Stanley Prime Property Fund, LLC	0.84% on the Balance Plus 5% Incentive Fee	\$103,033	0.84%	1.00%
Mezz. Private Equity	Levine Leichtman Capital Partners V, LP	1.50% on the Balance Plus 20% Carried Interest after 8% Preferred Return	\$4,575	1.50%	1.50%
Mezz. Private Equity	Levine Leichtman Capital Partners VI, LP	1.75% on Committed Capital Plus 20% Carried Interest after 8% Preferred Return	\$122,500	1.20%	1.03%
Opportunistic Fixed Income	PIMCO BRAVO Fund Onshore Feeder II, LP	1.80% on the Balance Plus 20% Carried Interest after 8% Preferred Return	\$3,961	1.80%	1.75%
Opportunistic Fixed Income	PIMCO BRAVO Fund III Onshore Feeder TE	1.50% on the Balance Plus 20% Carried Interest after 8% Preferred Return	\$58,355	1.50%	1.75%
Opportunistic Fixed Income	PIMCO BRAVO Fund IV Onshore Feeder, LP	1.50% on the Balance Plus 20% Carried Interest after 8% Preferred Return	\$77,638	1.50%	1.75%
Total Investment Management Fees			\$775,425	0.45%	0.76%

¹ Expense Ratio & Estimated Annual Fee are Based on Market Value at Quarter End.

² Source: Marquette Associates Investment Management Fee Study.

Investment Manager Evaluation Terminology

The following terminology has been developed by Marquette Associates to facilitate efficient communication among the Investment Manager, Investment Consultant, and the Plan Sponsor. Each term signifies a particular status with the Fund and any conditions that may require improvement. In each case, communication is made only after consultation with the Trustees and/or the Investment Committee of the Plan.

In Compliance – Marquette has not been notified of any issues or changes to the investment manager that would materially impede upon its ability to execute the investment strategy or adhere to any applicable investment guidelines.

Alert – The investment manager has experienced a problem in performance (usually relative to a benchmark), a change in investment characteristics, an alteration in management style, ownership, or key investment professionals, and/or any other irregularities that may impede upon its ability to execute the investment strategy or adhere to any applicable investment guidelines.

On Notice – The investment manager has experienced continued concern with one or more Alert issues. Failure to improve upon stated issues within a certain time frame may justify termination.

Termination – The investment manager has been terminated and transition plans are in place.

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American Bar Endowment

Executive Summary
March 31, 2024

Market Tracker

March 2024

U.S. Equity Returns

	Mar	YTD	1 Yr
S&P 500	3.2%	10.6%	29.9%
Russell 3000	3.2%	10.0%	29.3%
NASDAQ	1.8%	9.3%	35.1%
Dow Jones	2.2%	6.1%	22.2%

Non-U.S. Equity Returns

	Mar	YTD	1 Yr
ACWI	3.1%	8.2%	23.2%
ACWI ex. US	3.1%	4.7%	13.3%
EAFE Index	3.3%	5.8%	15.3%
EAFE Local	4.0%	10.0%	18.8%
EAFE Growth	2.3%	7.0%	13.3%
EAFE Value	4.4%	4.5%	17.3%
EAFE Small Cap	3.7%	2.4%	10.4%
Emerging Markets	2.5%	2.4%	8.2%
EM Small Cap	0.1%	1.1%	20.6%

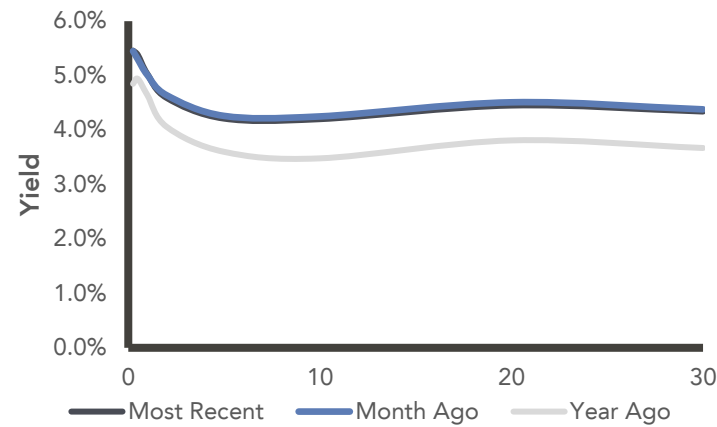
Regional Returns

	Mar	YTD	1 Yr
Europe	3.7%	5.2%	14.4%
Asia ex-Japan	2.5%	2.4%	4.0%
EM Latin America	1.0%	-4.0%	22.6%
UK	4.5%	3.1%	10.9%
Germany	3.8%	7.1%	14.8%
France	3.1%	5.9%	12.1%
Japan	3.0%	11.0%	25.8%
China	0.9%	-2.2%	-17.1%
Brazil	-1.8%	-7.4%	27.0%
India	0.8%	6.1%	36.8%

Real Estate Returns

	Qtr	YTD	1 Yr
NCREIF NPI National*	-3.0%	-7.9%	-7.9%
FT			8.4%

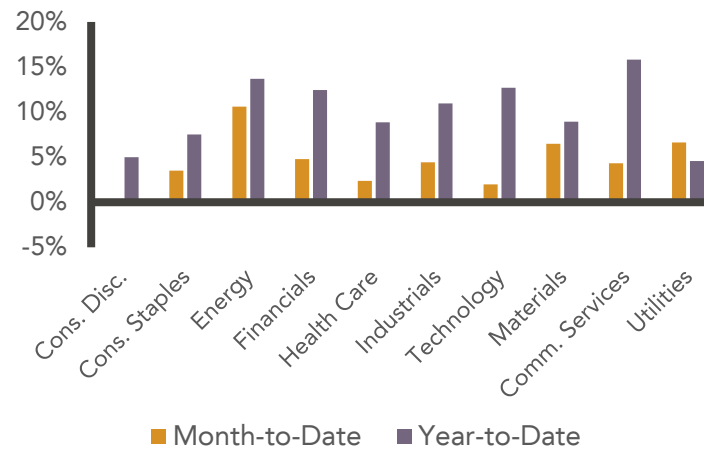
Yield Curve



Style Index Returns

	Month-to-Date			Year-to-Date		
	Value	Core	Growth	Value	Core	Growth
Large	5.0%	3.2%	1.8%	9.0%	10.3%	11.4%
Mid	5.2%	4.3%	2.4%	8.2%	8.6%	9.5%
Small	4.4%	3.6%	2.8%	2.9%	5.2%	7.6%

U.S. Equity Sector Returns



Fixed Income Returns

	Mar	YTD	1 Yr
Aggregate	0.9%	-0.8%	1.7%
Universal	1.0%	-0.5%	2.7%
Government	0.6%	-0.9%	0.1%
Treasury	0.6%	-1.0%	0.1%
Int. Gov/Credit	0.6%	-0.2%	2.7%
Long Gov/Credit	1.6%	-2.4%	-1.1%
TIPS	0.8%	-0.1%	0.5%
Municipal 5 Year	-0.1%	-0.4%	2.0%
High Yield	1.2%	1.5%	11.2%
Bank Loans	0.8%	2.5%	12.4%
Global Hedged	0.9%	0.0%	4.1%
EM Debt Hard Currency	2.1%	2.0%	11.3%

Hedge Fund Returns

	Mar	YTD	1 Yr
HFRX Equal Wtd.	1.2%	2.2%	6.0%
HFRX Hedged Equity	1.3%	3.4%	9.7%
HFRX Event Driven	1.1%	1.3%	2.0%
HFRX Macro	2.5%	5.9%	7.0%
HFRX Relative Value	0.5%	0.7%	4.3%
CBOE PutWrite	1.9%	5.0%	12.5%

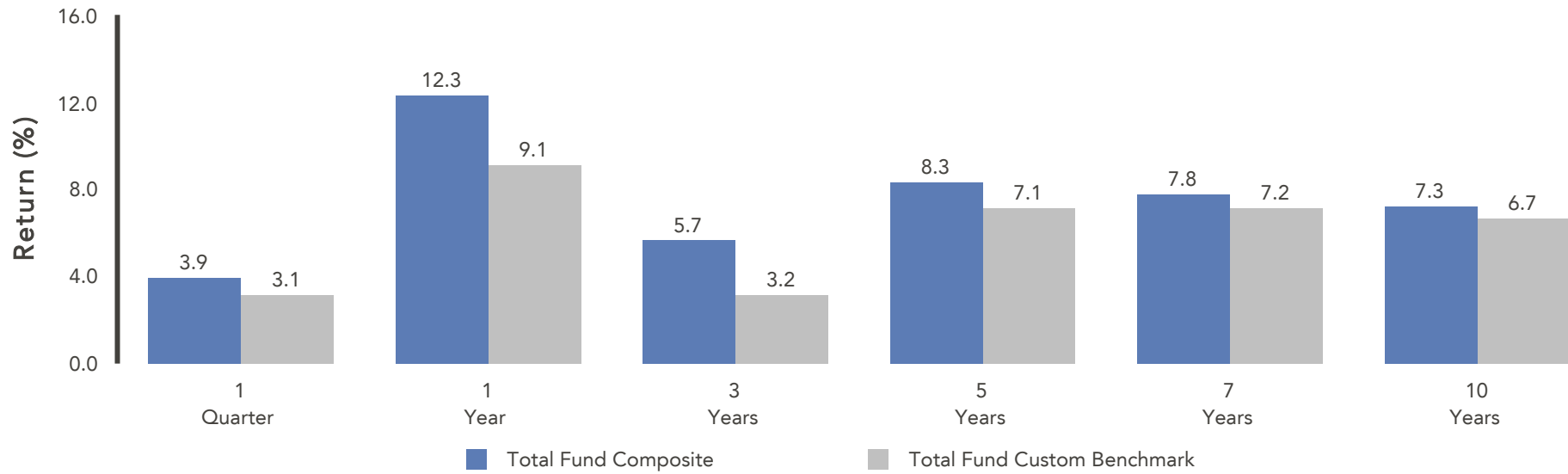
Commodity Returns

	Mar	YTD	1 Yr
GSCI Total	4.7%	10.4%	11.1%
Precious Metals	8.6%	6.6%	9.9%
Livestock	-0.8%	11.0%	13.7%
Industrial Metals	1.8%	-0.7%	-7.9%
Energy	2.4%	4.8%	1.0%
Agriculture	2.5%	-3.0%	-7.3%
WTI Crude Oil	7.8%	17.7%	21.8%
Gold	8.3%	7.4%	12.1%

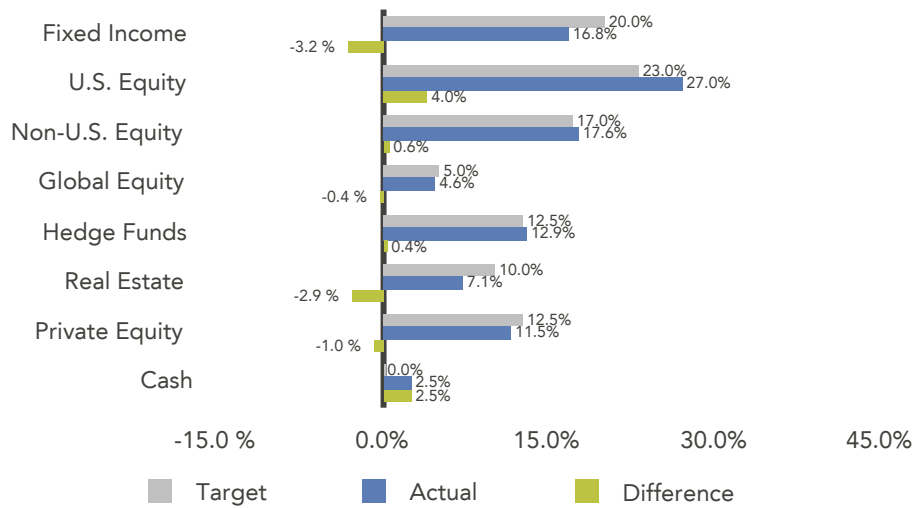
Endowment

Manager Status

Investment Manager	Asset Class	Status	Reason
Baird Ultra Short Bond	Short-Term Fixed Income	In Compliance	--
Baird Aggregate Bond	Core Fixed Income	In Compliance	--
Northern Trust Aggregate Bond Index	Core Fixed Income	In Compliance	--
Rhumblin S&P 500 Index	Large-Cap Core	In Compliance	--
NT Russell 2000 Equity Index	Small-Cap Core	In Compliance	--
Dodge & Cox International Stock Fund	Non-U.S. Large-Cap Core	In Compliance	--
Northern Trust ACWI ex-US Equity Index	Non-U.S. All-Cap Core	In Compliance	--
Goldman Sachs International Small Cap Insights	Non-U.S. Small-Cap Core	In Compliance	--
MFS Low Volatility Global Equity Fund	Global Low-Volatility	In Compliance	--
Grosvenor Institutional Partners, L.P.	Multi-Strat. Hedge FoF	In Compliance	--
Parametric Defensive Equity Fund LLC	Defensive Equity	In Compliance	--
Morgan Stanley Prime Property Fund, LLC	Core Real Estate	In Compliance	--
Levine Leichtman Capital Partners V, LP	Mezz. Private Equity	In Compliance	--
Levine Leichtman Capital Partners VI, LP	Mezz. Private Equity	In Compliance	--
PIMCO BRAVO Fund Onshore Feeder II, LP	Opportunistic Fixed Income	In Compliance	--
PIMCO BRAVO Fund III Onshore Feeder TE	Opportunistic Fixed Income	In Compliance	--
PIMCO BRAVO Fund IV Onshore Feeder, LP	Opportunistic Fixed Income	In Compliance	--



Total Fund Composite vs. Target Allocation



Summary of Cash Flows

	1 Year (\$)	3 Years (\$)	5 Years (\$)
Beginning Market Value	155,903,651	155,382,921	131,760,646
Net Cash Flow	-3,217,134	-15,205,606	-25,045,792
Gain/Loss	19,198,935	31,708,136	65,170,598
Ending Market Value	171,885,452	171,885,452	171,885,452

Endowment

Portfolio Allocation
Quarter Ending March 31, 2024

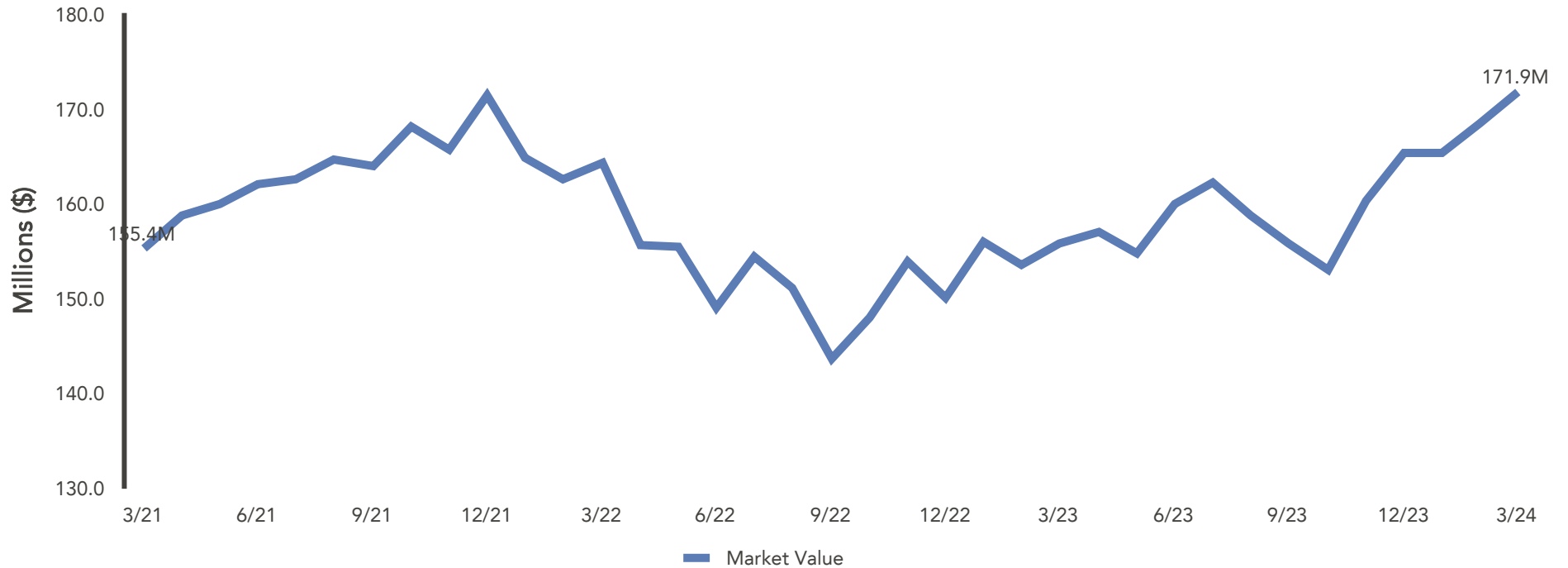
	Asset Class	Beginning MV (\$)	Net Cash Flow (\$)	Ending MV (\$)	% of Portfolio	Policy (%)
Total Fund Composite		165,359,358	-37,385	171,885,452	100.0	100.0
Fixed Income Composite		28,898,507	-71,980	28,797,791	16.8	20.0
Baird Ultra Short Bond	Short-Term Fixed Income	7,438,754	-	7,538,401	4.4	-
Baird Aggregate Bond	Core Fixed Income	11,296,780	-69,078	11,176,204	6.5	-
Northern Trust Aggregate Bond Index	Core Fixed Income	10,162,973	-2,902	10,083,187	5.9	-
U.S. Equity Composite		42,539,469	-3,085	46,391,015	27.0	23.0
Rhumblin S&P 500 Index	Large-Cap Core	30,849,648	-3,085	34,093,643	19.8	-
NT Russell 2000 Equity Index	Small-Cap Core	11,689,821	-	12,297,372	7.2	-
International Equity Composite		29,009,786	-	30,242,231	17.6	17.0
Dodge & Cox International Stock Fund	Non-U.S. Large-Cap Core	12,015,031	-	12,391,417	7.2	-
Northern Trust ACWI ex-US Equity Index	Non-U.S. All-Cap Core	12,477,603	-	13,044,148	7.6	-
Goldman Sachs International Small Cap Insights	Non-U.S. Small-Cap Core	4,517,153	-	4,806,666	2.8	-
Global Low Volatility Composite		7,510,037	-20,268	7,938,638	4.6	5.0
MFS Low Volatility Global Equity Fund	Global Low-Volatility	7,510,037	-20,268	7,938,638	4.6	-
Hedge Fund of Funds Composite		21,095,267	-	22,241,347	12.9	12.5
Grosvenor Institutional Partners, L.P.	Multi-Strat. Hedge FoF	8,094,102	-	8,419,068	4.9	-
Parametric Defensive Equity Fund LLC	Defensive Equity	13,001,165	-	13,822,279	8.0	-

Endowment

Portfolio Allocation
Quarter Ending March 31, 2024

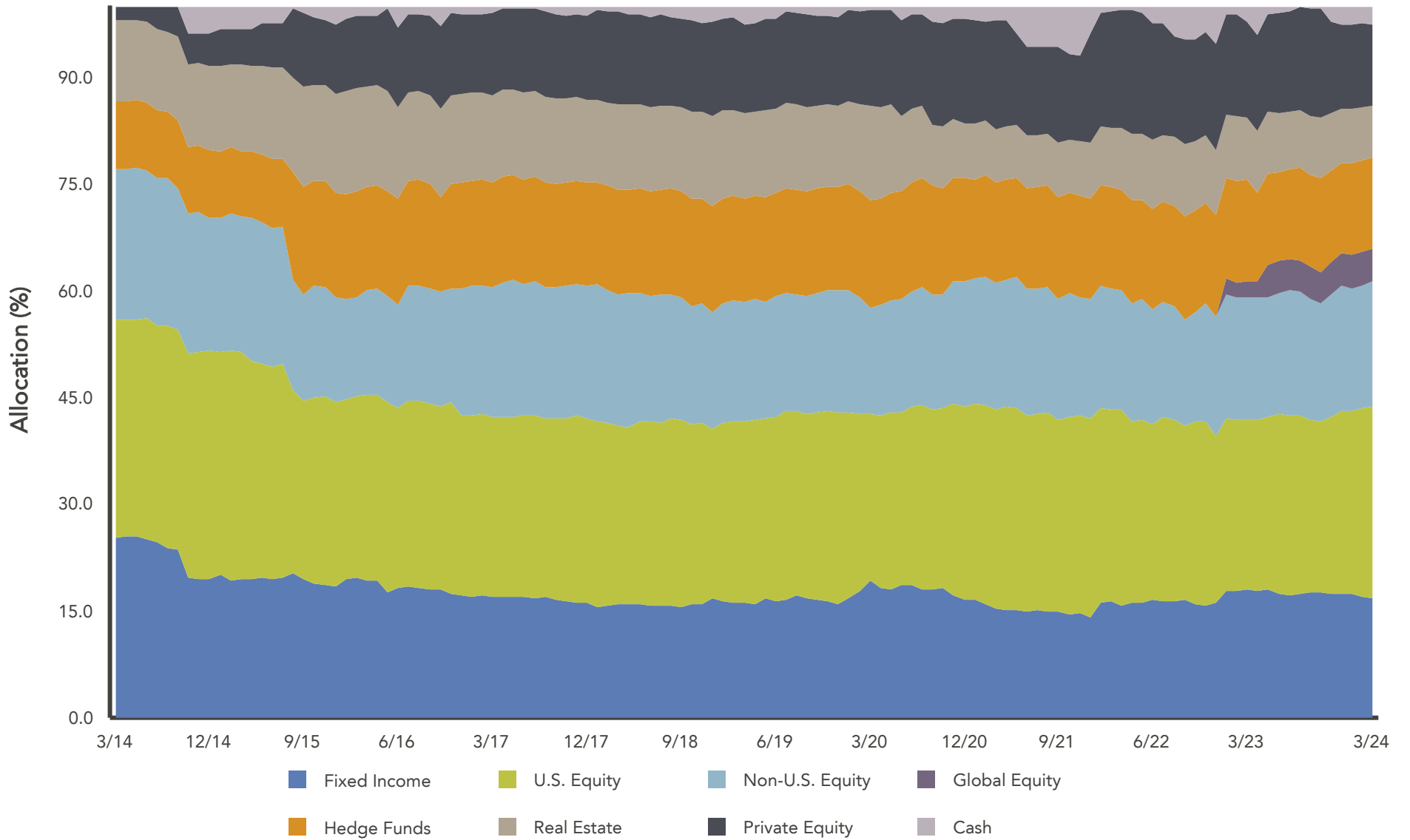
	Asset Class	Beginning MV (\$)	Net Cash Flow (\$)	Ending MV (\$)	% of Portfolio	Policy (%)
Real Estate Composite		12,558,748	-150,457	12,265,812	7.1	10.0
Morgan Stanley Prime Property Fund, LLC	Core Real Estate	12,558,748	-150,457	12,265,812	7.1	-
Private Equity/Oppportunistic Investments		19,764,376	23,784	19,788,160	11.5	12.5
Levine Leichtman Capital Partners V, LP	Mezz. Private Equity	305,203	-230	304,973	0.2	-
Levine Leichtman Capital Partners VI, LP	Mezz. Private Equity	10,172,963	24,014	10,196,977	5.9	-
PIMCO BRAVO Fund Onshore Feeder II, LP	Oppportunistic Fixed Income	220,049	-	220,049	0.1	-
PIMCO BRAVO Fund III Onshore Feeder TE	Oppportunistic Fixed Income	3,890,303	-	3,890,303	2.3	-
PIMCO BRAVO Fund IV Onshore Feeder, LP	Oppportunistic Fixed Income	5,175,858	-	5,175,858	3.0	-
Cash Composite		3,983,168	184,621	4,220,458	2.5	0.0
Northern Trust Money Market	Cash & Equivalents	3,983,168	95,275	4,131,034	2.4	-
PNC Money Market	Cash & Equivalents	-	89,346	89,424	0.1	-

Market Value History



Summary of Cash Flows

	1 Year (\$)	3 Years (\$)	5 Years (\$)
Beginning Market Value	155,903,651	155,382,921	131,760,646
Net Cash Flow	-3,217,134	-15,205,606	-25,045,792
Net Investment Change	19,198,935	31,708,136	65,170,598
Ending Market Value	171,885,452	171,885,452	171,885,452



Endowment

Annualized Performance (Net of Fees)
As of March 31, 2024

	Market Value (\$)	% of Portfolio	3 Mo (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Total Fund Composite	171,885,452	100.0	3.9	12.3	4.0	5.7	11.9	8.3	7.8	7.3
Total Fund Custom Benchmark			3.1	9.1	1.7	3.2	10.1	7.1	7.2	6.7
All Endowments-Total Fund Rank			73	69	52	6	39	19	23	15
Fixed Income Composite	28,797,791	16.8	-0.1	3.1	-0.3	-1.4	-0.5	1.2	1.7	2.0
Blmbg. U.S. Aggregate Index			-0.8	1.7	-1.6	-2.5	-1.7	0.4	1.1	1.5
All Endowments-US Fixed Income Rank			33	49	26	36	72	31	26	15
U.S. Equity Composite	46,391,015	27.0	9.0	26.8	7.4	7.9	20.4	13.1	12.3	11.4
Russell 3000 Index			10.0	29.3	8.7	9.8	21.1	14.3	13.4	12.3
All Endowments-US Equity Rank			72	51	65	85	64	71	76	63
International Equity Composite	30,242,231	17.6	4.2	13.3	4.8	3.1	14.0	6.5	5.6	4.1
MSCI AC World ex USA (Net)			4.7	13.3	3.7	1.9	12.2	6.0	5.9	4.3
All Endowments-Intl Equity Rank			54	39	26	9	15	43	61	77
Global Low Volatility Composite	7,938,638	4.6	6.0	15.9	-	-	-	-	-	-
MSCI AC World Minimum Volatility Index (Net)			4.7	11.1	2.1	4.3	9.0	5.4	6.7	7.2
Hedge Fund of Funds Composite	22,241,347	12.9	5.4	14.7	7.2	6.9	11.7	7.9	6.9	5.8
HFRI Fund of Funds Composite Index			4.2	9.7	3.7	2.9	7.8	5.0	4.4	3.6
Real Estate Composite	12,265,812	7.1	-1.3	-5.9	-4.0	5.6	4.8	4.9	5.8	7.7
NFI-ODCE			-2.6	-12.0	-8.1	2.5	2.2	2.6	3.8	5.8

Endowment

Calendar Performance (Net of Fees)

As of March 31, 2024

	Market Value (\$)	% of Portfolio	YTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)
Total Fund Composite	171,885,452	100.0	3.9	12.2	-9.4	17.0	10.3	17.0	-3.3	14.2	7.9
Total Fund Custom Benchmark			3.1	9.4	-11.7	14.2	14.0	16.9	-3.0	14.5	7.1
All Endowments-Total Fund Rank			73	69	14	14	76	69	20	67	26
Fixed Income Composite	28,797,791	16.8	-0.1	6.1	-11.1	-1.3	7.9	9.1	-0.2	3.8	3.0
Blmbg. U.S. Aggregate Index			-0.8	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6
All Endowments-US Fixed Income Rank			33	88	41	91	54	38	59	59	76
U.S. Equity Composite	46,391,015	27.0	9.0	23.5	-19.0	24.5	19.6	29.8	-6.3	19.7	14.3
Russell 3000 Index			10.0	26.0	-19.2	25.7	20.9	31.0	-5.2	21.1	12.7
All Endowments-US Equity Rank			72	52	76	84	35	59	63	84	12
International Equity Composite	30,242,231	17.6	4.2	15.8	-12.7	9.8	6.8	22.0	-16.4	26.7	6.3
MSCI AC World ex USA (Net)			4.7	15.6	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5
All Endowments-Intl Equity Rank			54	52	7	14	96	78	64	82	29
Global Low Volatility Composite	7,938,638	4.6	6.0	8.6	-	-	-	-	-	-	-
MSCI AC World Minimum Volatility Index (Net)			4.7	7.7	-10.3	13.9	2.7	21.1	-1.6	17.9	7.4
Hedge Fund of Funds Composite	22,241,347	12.9	5.4	12.8	-6.8	12.9	10.6	11.1	-2.2	8.8	4.4
HFRI Fund of Funds Composite Index			4.2	6.1	-5.3	6.2	10.9	8.4	-4.0	7.8	0.5
Real Estate Composite	12,265,812	7.1	-1.3	-5.8	6.1	21.5	1.3	6.2	8.0	8.8	9.2
NFI-ODCE			-2.6	-12.7	6.5	21.1	0.3	4.4	7.4	6.7	7.8

Endowment

Annualized Performance (Net of Fees)
As of March 31, 2024

	Market Value (\$)	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Total Fund Composite	171,885,452	100.0	3.9	12.3	5.7	8.3	7.8	7.3	5.1	Nov 99
Total Fund Custom Benchmark			3.1	9.1	3.2	7.1	7.2	6.7	5.1	
All Endowments-Total Fund Rank			73	69	6	19	23	15	87	
Fixed Income Composite	28,797,791	16.8	-0.1	3.1	-1.4	1.2	1.7	2.0	3.8	Apr 03
Blmbg. U.S. Aggregate Index			-0.8	1.7	-2.5	0.4	1.1	1.5	3.1	
All Endowments-US Fixed Income Rank			33	49	36	31	26	15	-	
Baird Ultra Short Bond	7,538,401	4.4	1.3	5.9	2.7	-	-	-	2.3	Jul 20
Blmbg. U.S. Short-term Government/Corporate Index			1.2	5.2	2.3	2.1	2.0	1.5	1.9	
Ultrashort Bond Rank			55	49	28	-	-	-	33	
Baird Aggregate Bond	11,176,204	6.5	-0.5	2.8	-2.2	0.8	1.5	-	1.6	Jan 15
Blmbg. U.S. Aggregate Index			-0.8	1.7	-2.5	0.4	1.1	1.5	1.2	
eV US Core Fixed Inc Rank			46	20	44	38	33	-	31	
Northern Trust Aggregate Bond Index	10,083,187	5.9	-0.8	1.4	-2.5	0.3	1.0	-	1.2	Nov 14
Blmbg. U.S. Aggregate Index			-0.8	1.7	-2.5	0.4	1.1	1.5	1.3	
eV US Core Fixed Inc Rank			88	86	83	87	88	-	88	

Endowment

Annualized Performance (Net of Fees)
As of March 31, 2024

	Market Value (\$)	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
U.S. Equity Composite	46,391,015	27.0	9.0	26.8	7.9	13.1	12.3	11.4	7.5	Nov 99
Russell 3000 Index			10.0	29.3	9.8	14.3	13.4	12.3	7.9	
All Endowments-US Equity Rank			72	51	85	71	76	63	-	
Rhumblin S&P 500 Index	34,093,643	19.8	10.5	29.8	-	-	-	-	30.5	Jan 23
S&P 500 Index			10.6	29.9	11.5	15.0	14.1	13.0	30.6	
eV US Large Cap Core Equity Rank			48	40	-	-	-	-	34	
NT Russell 2000 Equity Index	12,297,372	7.2	5.2	19.3	-0.1	8.1	7.8	7.7	8.4	Jan 04
Russell 2000 Index			5.2	19.7	-0.1	8.1	7.7	7.6	8.3	
eV US Small Cap Core Equity Rank			69	50	92	89	80	76	79	
International Equity Composite	30,242,231	17.6	4.2	13.3	3.1	6.5	5.6	4.1	3.7	Nov 99
MSCI AC World ex USA (Net)			4.7	13.3	1.9	6.0	5.9	4.3	4.5	
All Endowments-Intl Equity Rank			54	39	9	43	61	77	-	
Dodge & Cox International Stock Fund	12,391,417	7.2	3.1	13.4	5.1	7.3	5.5	4.0	4.6	Aug 08
MSCI AC World ex USA Value (Net)			3.4	15.3	4.6	5.4	4.8	3.2	3.1	
Foreign Large Value Rank			67	58	46	35	51	42	18	
Northern Trust ACWI ex-US Equity Index	13,044,148	7.6	4.5	12.7	1.9	5.9	5.8	4.2	5.1	Oct 08
MSCI AC World ex USA (Net)			4.7	13.3	1.9	6.0	5.9	4.3	5.1	
eV ACWI ex-US All Cap Equity Rank			59	50	51	66	70	77	80	
Goldman Sachs International Small Cap Insights	4,806,666	2.8	6.4	14.9	1.7	5.9	5.6	-	6.7	Jan 17
MSCI EAFE Small Cap (Net)			2.4	10.4	-1.4	4.9	5.2	4.7	6.1	
Foreign Small/Mid Blend Rank			3	11	26	59	38	-	34	

Endowment

Annualized Performance (Net of Fees)
As of March 31, 2024

	Market Value (\$)	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Global Low Volatility Composite	7,938,638	4.6	6.0	15.9	-	-	-	-	12.8	Feb 23
MSCI AC World Minimum Volatility Index (Net)			4.7	11.1	4.3	5.4	6.7	7.2	9.3	
MFS Low Volatility Global Equity Fund	7,938,638	4.6	6.0	15.9	-	-	-	-	12.8	Feb 23
MSCI AC World Minimum Volatility Index (Net)			4.7	11.1	4.3	5.4	6.7	7.2	9.3	
eV Global Low Volatility Equity Rank			46	31	-	-	-	-	33	
Hedge Fund of Funds Composite	22,241,347	12.9	5.4	14.7	6.9	7.9	6.9	5.8	6.5	Apr 09
HFRI Fund of Funds Composite Index			4.2	9.7	2.9	5.0	4.4	3.6	4.0	
Grosvenor Institutional Partners, L.P.	8,419,068	4.9	4.0	10.6	4.6	6.6	5.4	4.3	5.5	Apr 09
HFRI Fund of Funds Composite Index			4.2	9.7	2.9	5.0	4.4	3.6	4.0	
Parametric Defensive Equity Fund LLC	13,822,279	8.0	6.3	17.6	8.7	9.0	8.2	-	8.4	Sep 15
CBOE S&P 500 Covered Combo Index			7.0	15.3	6.3	7.2	7.0	6.8	7.7	
Real Estate Composite	12,265,812	7.1	-1.3	-5.9	5.6	4.9	5.8	7.7	9.4	Jan 11
NFI-ODCE			-2.6	-12.0	2.5	2.6	3.8	5.8	7.4	
Morgan Stanley Prime Property Fund, LLC	12,265,812	7.1	-1.3	-5.9	5.6	4.9	5.8	7.7	9.4	Jan 11
NFI-ODCE			-2.6	-12.0	2.5	2.6	3.8	5.8	7.4	

Endowment

Calendar Performance (Net of Fees)

As of March 31, 2024

	YTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)
Total Fund Composite	3.9	12.2	-9.4	17.0	10.3	17.0	-3.3	14.2	7.9
Total Fund Custom Benchmark	3.1	9.4	-11.7	14.2	14.0	16.9	-3.0	14.5	7.1
All Endowments-Total Fund Rank	73	69	14	14	76	69	20	67	26
Fixed Income Composite	-0.1	6.1	-11.1	-1.3	7.9	9.1	-0.2	3.8	3.0
Blmbg. U.S. Aggregate Index	-0.8	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6
All Endowments-US Fixed Income Rank	33	88	41	91	54	38	59	59	76
Baird Ultra Short Bond	1.3	5.7	1.0	0.2	-	-	-	-	-
Blmbg. U.S. Short-term Government/Corporate Index	1.2	5.2	0.7	0.1	1.3	2.7	2.0	1.0	0.8
Ultrashort Bond Rank	55	50	25	33	-	-	-	-	-
Baird Aggregate Bond	-0.5	6.4	-13.4	-1.5	8.6	9.5	-0.3	4.2	3.5
Blmbg. U.S. Aggregate Index	-0.8	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6
eV US Core Fixed Inc Rank	46	17	67	56	39	22	57	24	30
Northern Trust Aggregate Bond Index	-0.8	5.2	-13.0	-1.3	7.2	8.7	-0.1	3.4	2.5
Blmbg. U.S. Aggregate Index	-0.8	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6
eV US Core Fixed Inc Rank	88	86	44	45	82	66	38	71	75

Endowment

Calendar Performance (Net of Fees)

As of March 31, 2024

	YTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)
U.S. Equity Composite	9.0	23.5	-19.0	24.5	19.6	29.8	-6.3	19.7	14.3
Russell 3000 Index	10.0	26.0	-19.2	25.7	20.9	31.0	-5.2	21.1	12.7
All Endowments-US Equity Rank	72	52	76	84	35	59	63	84	12
Rhumbline S&P 500 Index	10.5	26.2	-	-	-	-	-	-	-
S&P 500 Index	10.6	26.3	-18.1	28.7	18.4	31.5	-4.4	21.8	12.0
eV US Large Cap Core Equity Rank	48	25	-	-	-	-	-	-	-
NT Russell 2000 Equity Index	5.2	16.8	-20.4	14.7	20.2	25.6	-10.9	14.8	21.6
Russell 2000 Index	5.2	16.9	-20.4	14.8	20.0	25.5	-11.0	14.6	21.3
eV US Small Cap Core Equity Rank	69	53	75	92	35	43	50	45	33
International Equity Composite	4.2	15.8	-12.7	9.8	6.8	22.0	-16.4	26.7	6.3
MSCI AC World ex USA (Net)	4.7	15.6	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5
All Endowments-Intl Equity Rank	54	52	7	14	96	78	64	82	29
Dodge & Cox International Stock Fund	3.1	16.7	-6.8	11.0	2.1	22.8	-18.0	23.9	8.3
MSCI AC World ex USA Value (Net)	3.4	17.3	-8.6	10.5	-0.8	15.7	-14.0	22.7	8.9
Foreign Large Value Rank	67	63	31	61	49	11	87	41	21
Northern Trust ACWI ex-US Equity Index	4.5	15.2	-15.7	7.7	10.7	21.4	-13.9	26.9	4.6
MSCI AC World ex USA (Net)	4.7	15.6	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5
eV ACWI ex-US All Cap Equity Rank	59	64	37	66	67	71	40	66	29
Goldman Sachs International Small Cap Insights	6.4	15.1	-18.6	13.0	7.7	21.6	-18.8	33.0	-
MSCI EAFE Small Cap (Net)	2.4	13.2	-21.4	10.1	12.3	25.0	-17.9	33.0	2.2
Foreign Small/Mid Blend Rank	3	36	45	51	88	71	51	35	-

Endowment

Calendar Performance (Net of Fees)
As of March 31, 2024

	YTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)
Global Low Volatility Composite	6.0	8.6	-	-	-	-	-	-	-
MSCI AC World Minimum Volatility Index (Net)	4.7	7.7	-10.3	13.9	2.7	21.1	-1.6	17.9	7.4
MFS Low Volatility Global Equity Fund	6.0	-	-	-	-	-	-	-	-
MSCI AC World Minimum Volatility Index (Net)	4.7	7.7	-10.3	13.9	2.7	21.1	-1.6	17.9	7.4
eV Global Low Volatility Equity Rank	46	-	-	-	-	-	-	-	-
Hedge Fund of Funds Composite	5.4	12.8	-6.8	12.9	10.6	11.1	-2.2	8.8	4.4
HFRI Fund of Funds Composite Index	4.2	6.1	-5.3	6.2	10.9	8.4	-4.0	7.8	0.5
Grosvenor Institutional Partners, L.P.	4.0	8.0	-6.0	7.7	17.1	6.0	-1.6	6.1	2.3
HFRI Fund of Funds Composite Index	4.2	6.1	-5.3	6.2	10.9	8.4	-4.0	7.8	0.5
Parametric Defensive Equity Fund LLC	6.3	16.8	-7.6	17.7	4.6	16.3	-2.9	11.7	8.2
CBOE S&P 500 Covered Combo Index	7.0	14.7	-13.8	20.8	-0.2	19.5	-4.9	15.4	7.9
Real Estate Composite	-1.3	-5.8	6.1	21.5	1.3	6.2	8.0	8.8	9.2
NFI-ODCE	-2.6	-12.7	6.5	21.1	0.3	4.4	7.4	6.7	7.8
Morgan Stanley Prime Property Fund, LLC	-1.3	-5.8	6.1	21.5	1.3	6.2	8.0	8.8	9.2
NFI-ODCE	-2.6	-12.7	6.5	21.1	0.3	4.4	7.4	6.7	7.8

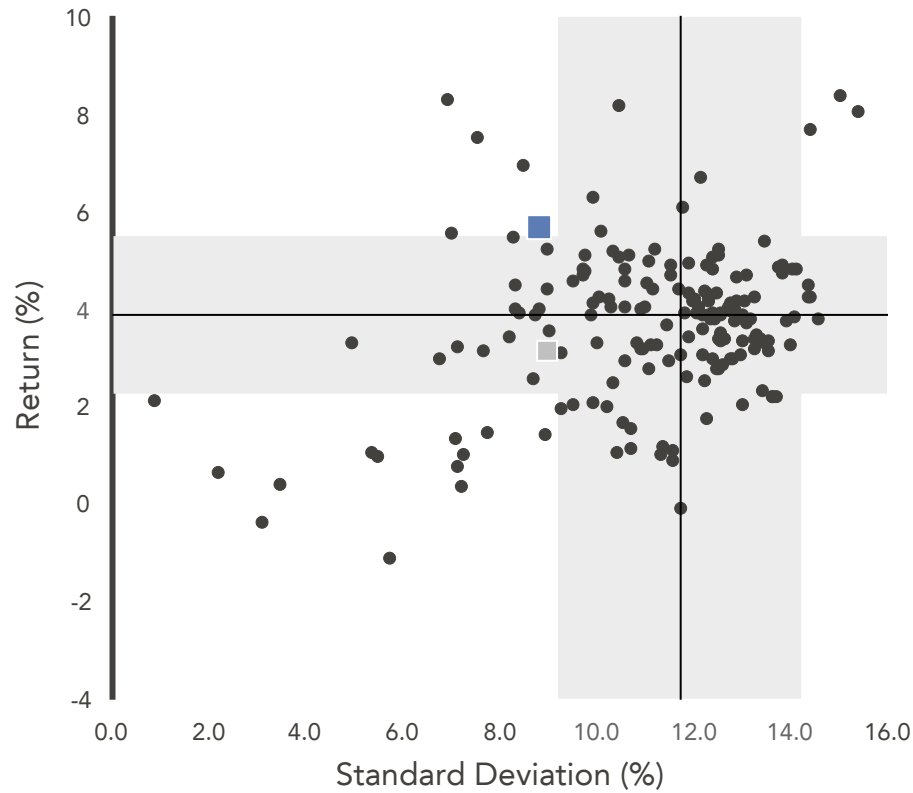
Endowment

vs. All Endowments-Total Fund

Annualized Risk vs. Return

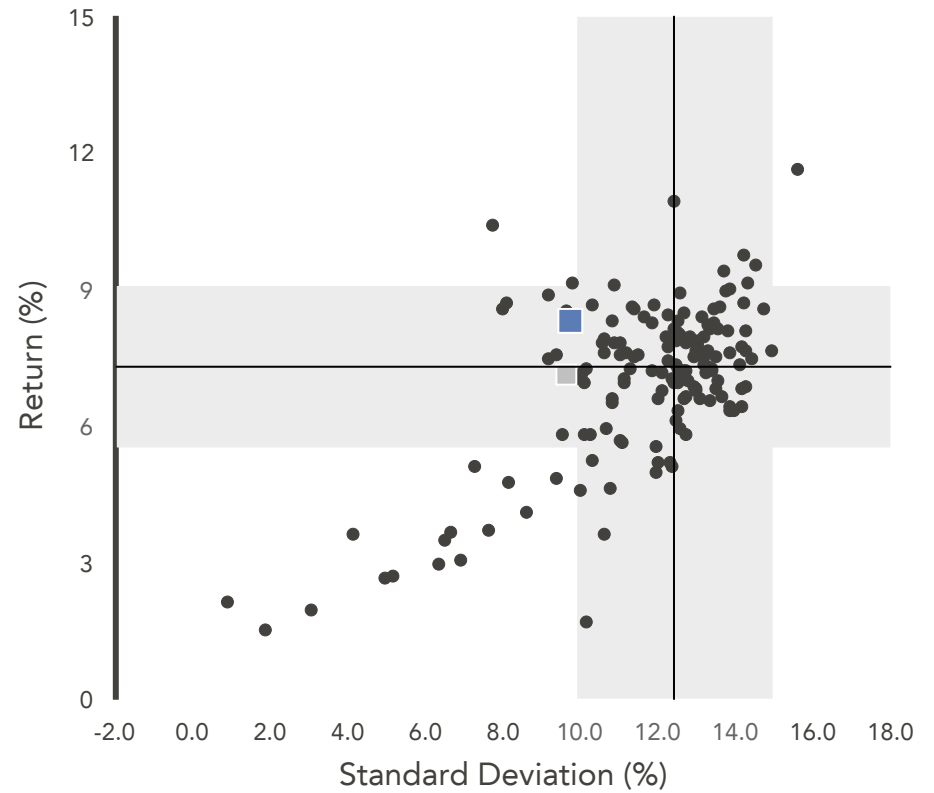
As of March 31, 2024

3 Years



	Return	Standard Deviation
■ Total Fund Composite	5.7	8.8
■ Total Fund Custom Benchmark	3.2	9.0
— Median	3.9	11.7
Population	173	173

5 Years



	Return	Standard Deviation
■ Total Fund Composite	8.3	9.7
■ Total Fund Custom Benchmark	7.1	9.6
— Median	7.3	12.4
Population	152	152

Endowment

Private Equity Overview (Net of Fees)
As of March 31, 2024

Investments		Commitment (\$)	Cumulative Contributions (\$)	Cumulative Distributions (\$)	Valuations		Performance				
Account Name	Vintage Year				Valuation (\$)	Total Value (\$)	DPI	RVPI	TVPI	SI (%)	
2013											
Levine Leichtman Capital Partners V, L.P.	2013	10,000,000	15,218,931	28,084,612	304,973	28,389,584	1.8	0.0	1.9	16.9	
PIMCO BRAVO Fund II, L.P.	2013	5,000,000	4,375,502	5,588,453	220,049	5,808,502	1.3	0.1	1.3	6.3	
Sub Total		15,000,000	19,594,433	33,673,065	525,022	34,198,086	1.7	0.0	1.7	14.8	
2017											
Levine Leichtman Capital Partners VI-A, L.P.	2017	7,000,000	7,931,163	2,129,712	10,196,977	12,326,689	0.3	1.3	1.6	15.0	
PIMCO BRAVO Fund III Onshore Feeder TE, L.P.	2017	4,000,000	4,000,000	1,937,363	3,890,303	5,827,666	0.5	1.0	1.5	9.1	
Sub Total		11,000,000	11,931,163	4,067,074	14,087,280	18,154,354	0.3	1.2	1.5	12.5	
2021											
PIMCO BRAVO Fund IV Onshore Feeder, L.P.	2021	7,000,000	6,300,000	32,973	5,175,858	5,208,831	0.0	0.8	0.8	-8.8	
Sub Total		7,000,000	6,300,000	32,973	5,175,858	5,208,831	0.0	0.8	0.8	-8.8	
Total		33,000,000	37,825,596	37,773,112	19,788,160	57,561,271	1.0	0.5	1.5	14.0	

Endowment

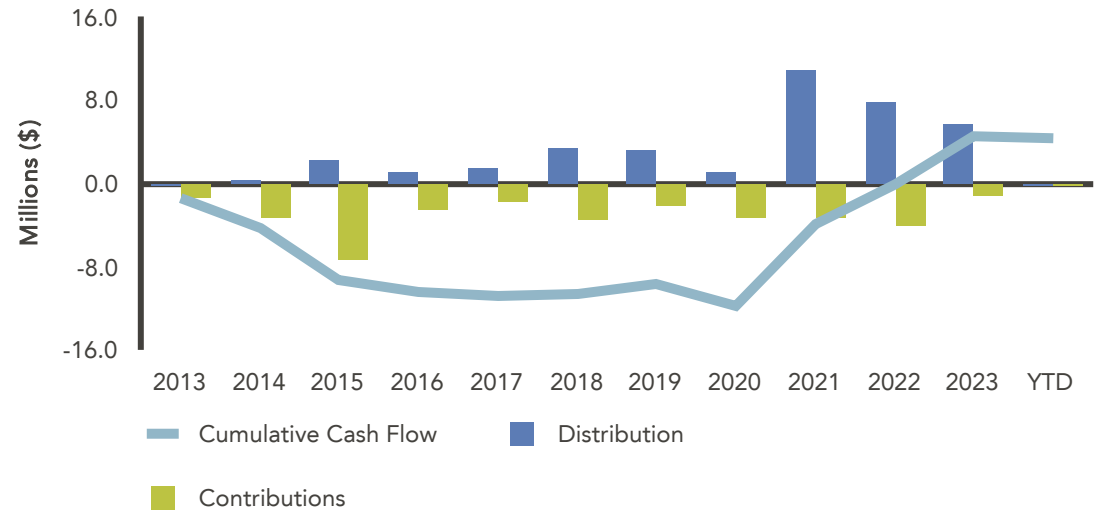
Private Markets Overview
As of March 31, 2024

Investments		Performance						
Account Name	Vintage Year	1 Year	3 Years	5 Years	Since Inception (%)	PME (%)	Kaplan Schoar	PME Benchmark Name
2013								
Levine Leichtman Capital Partners V, L.P.	2013	5.5	29.3	26.6	16.9	13.2	1.1	Russell 3000 Index
PIMCO BRAVO Fund II, L.P.	2013	8.5	-2.5	-1.6	6.3	2.3	1.2	Blmbg. U.S. Aggregate Index
Sub Total		5.7	25.8	22.0	14.8	10.9	1.1	
2017								
Levine Leichtman Capital Partners VI-A, L.P.	2017	11.2	18.8	16.5	15.0	13.3	1.0	Russell 3000 Index
PIMCO BRAVO Fund III Onshore Feeder TE, L.P.	2017	12.5	10.3	8.8	9.1	0.3	1.4	Blmbg. U.S. Aggregate Index
Sub Total		11.5	15.7	13.2	12.5	8.5	1.1	
2021								
PIMCO BRAVO Fund IV Onshore Feeder, L.P.	2021	-3.3	-	-	-8.8	-2.8	0.9	Blmbg. U.S. Aggregate Index
Sub Total		-3.3	-	-	-8.8	-2.8	0.9	
Total		7.0	16.9	16.5	14.0	9.9	1.1	

Cash Flow Summary

Capital Committed (\$):	33,000,000
Capital Invested (\$):	34,608,620
Management Fees (\$):	3,216,474
Expenses (\$):	-
Interest (\$):	-
Total Contributions (\$):	37,825,596
Remaining Capital Commitment (\$):	2,038,258
Total Distributions (\$):	37,773,112
Market Value (\$):	19,788,160
Inception Date:	06/30/2013
Inception IRR (%):	15.4
TVPI:	1.5
DPI:	1.0
RVPI:	0.5
PIC:	1.1
Direct Alpha:	1.8
KS-PME:	1.1
ICM/PME:	13.4
PME+ (%):	13.3

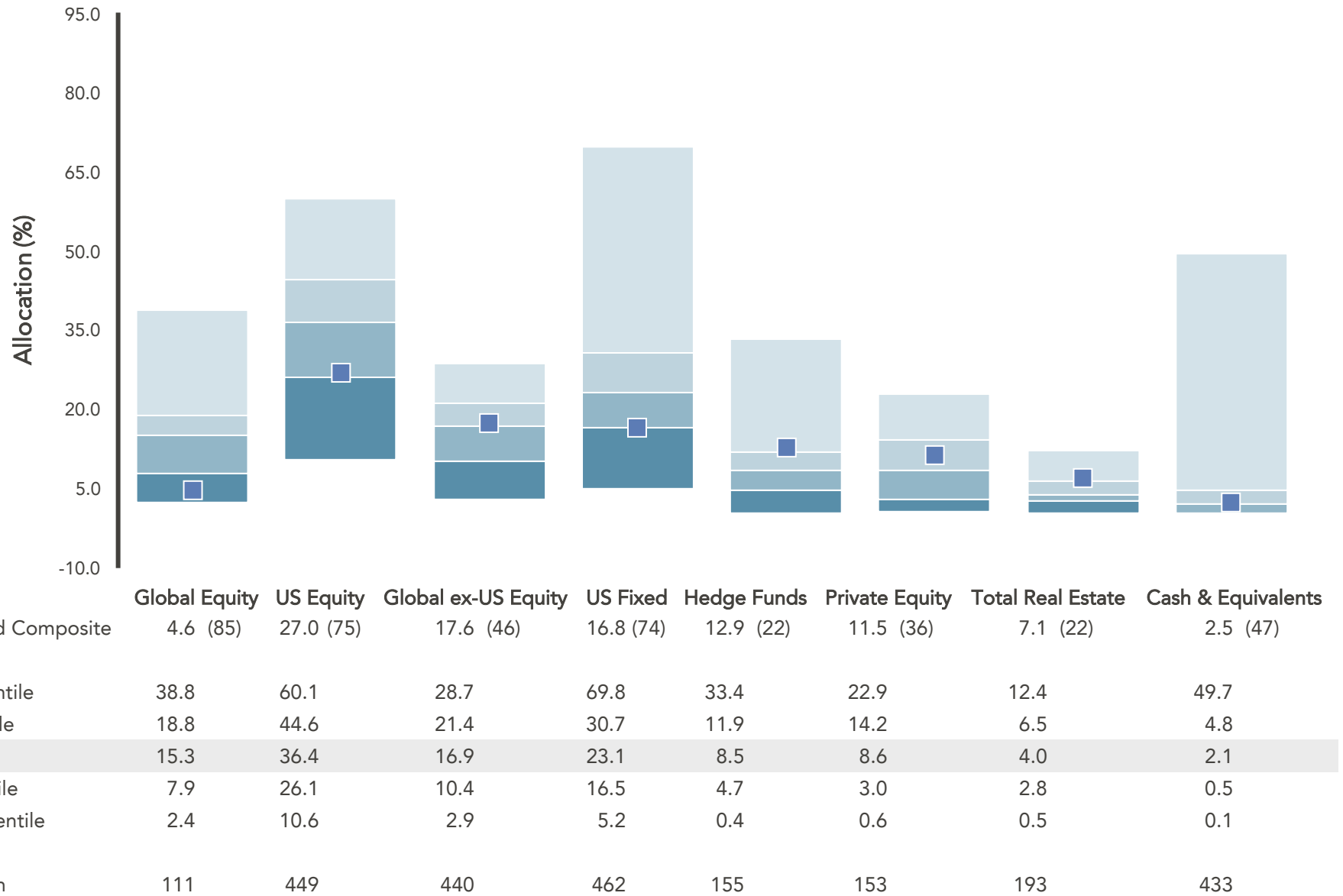
Cash Flow Analysis



Endowment

vs. All Endowments-Total Fund

Asset Allocation
As of March 31, 2024

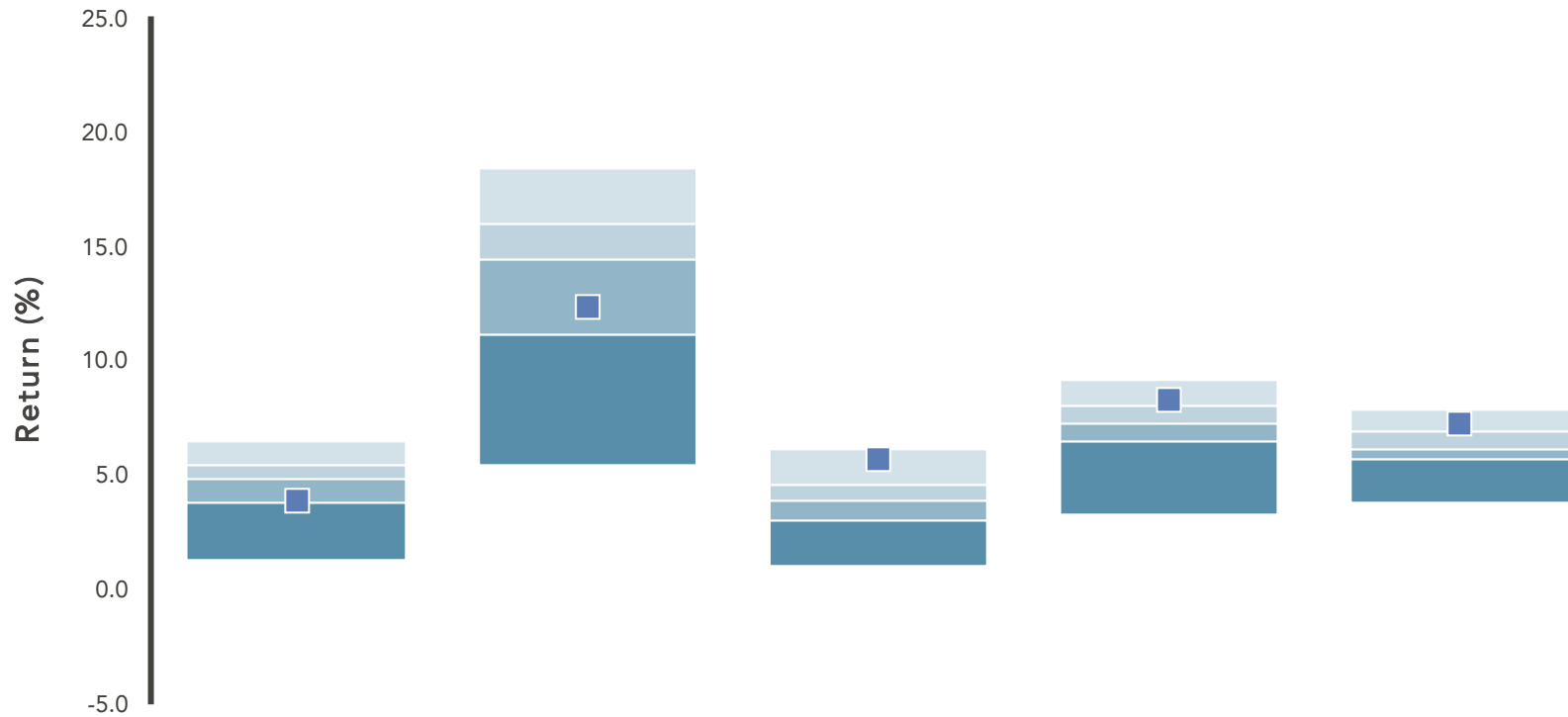


Endowment

vs. All Endowments-Total Fund

Annualized Performance (Net of Fees)

As of March 31, 2024



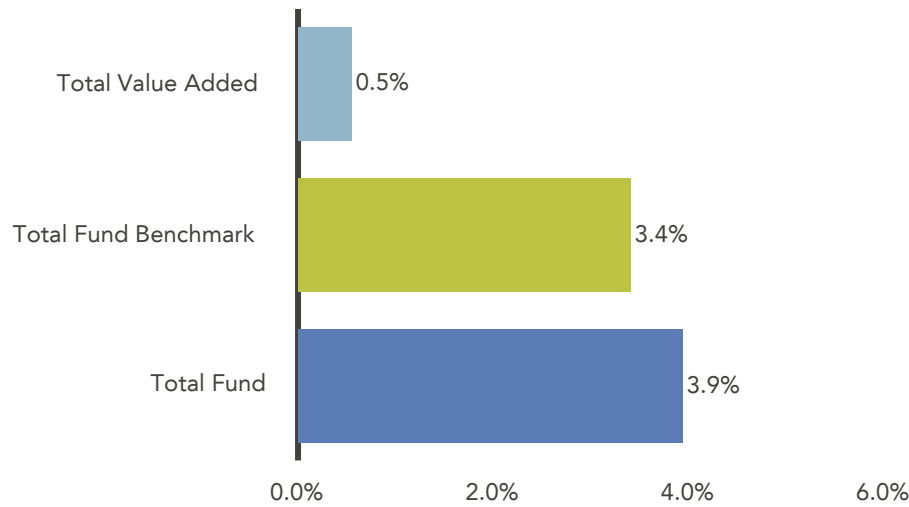
	1 Quarter	1 Year	3 Years	5 Years	10 Years
■ Total Fund Composite	3.9 (73)	12.3 (69)	5.7 (6)	8.3 (19)	7.3 (15)
5th Percentile	6.5	18.4	6.2	9.1	7.9
1st Quartile	5.5	16.0	4.6	8.1	6.9
Median	4.8	14.5	3.9	7.3	6.2
3rd Quartile	3.8	11.2	3.0	6.5	5.7
95th Percentile	1.3	5.4	1.0	3.3	3.8
Population	248	216	173	152	110

Endowment

Total Fund Attribution
1 Quarter Ending March 31, 2024

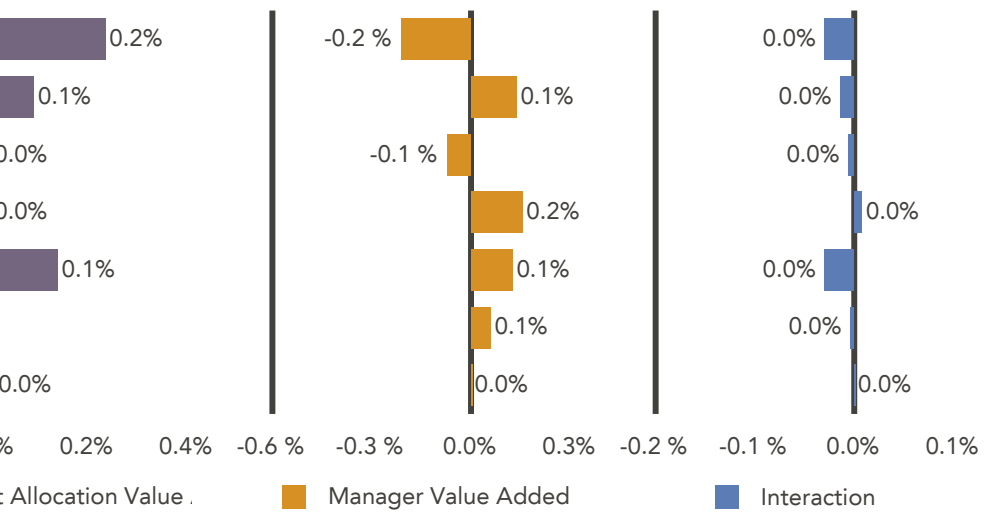
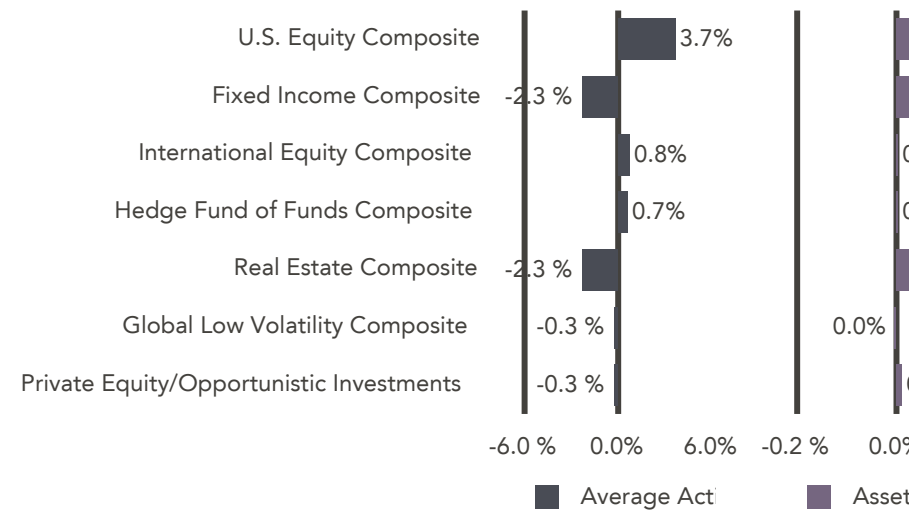
Total Fund Performance

Total Value Added: 0.5%



Total Asset Allocation: 0.5%

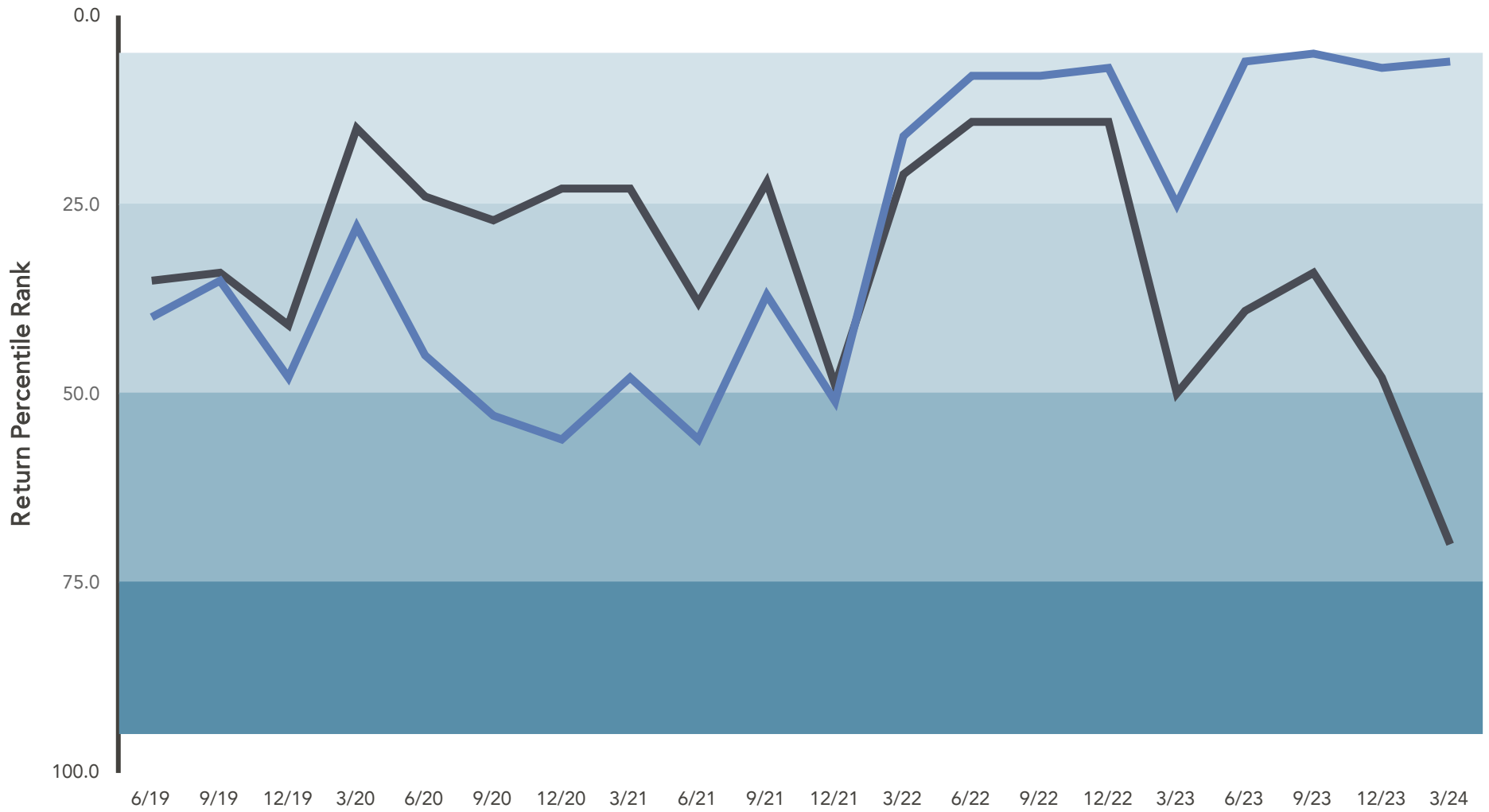
Total Manager Val. Added: 0.2% Total Interaction: -0.1%



Endowment

All Endowments-Total Fund

Rolling Percentile Rank
Rolling 12 Quarters as of March 31, 2024



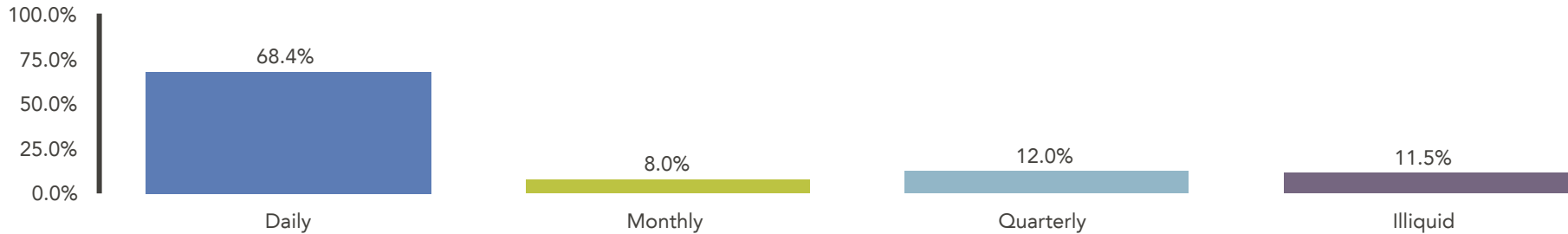
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
— Total Fund Composite	20	9 (45%)	7 (35%)	4 (20%)	0 (0%)
— Total Fund Custom Benchmark	20	9 (45%)	10 (50%)	1 (5%)	0 (0%)

Endowment

Statistics Summary
3 Years Ending March 31, 2024

	Sharpe Ratio	Tracking Error	Alpha	Beta	R-Squared	Information Ratio	Standard Deviation	Up Capture	Down Capture
Baird Ultra Short Bond	0.3	0.2	0.2	1.1	0.9	1.5	0.9	113.4	93.7
Blmbg. U.S. Short-term Government/Corporate Index	-0.7	0.0	0.0	1.0	1.0	-	0.8	100.0	100.0
Baird Aggregate Bond	-0.6	0.5	0.3	1.0	1.0	0.6	7.3	102.4	99.1
Blmbg. U.S. Aggregate Index	-0.7	0.0	0.0	1.0	1.0	-	7.1	100.0	100.0
Northern Trust Aggregate Bond Index	-0.7	0.6	-0.1	1.0	1.0	-0.2	7.0	98.2	99.4
Blmbg. U.S. Aggregate Index	-0.7	0.0	0.0	1.0	1.0	-	7.1	100.0	100.0
NT Russell 2000 Equity Index	0.0	0.3	0.0	1.0	1.0	-0.1	21.1	99.7	99.7
Russell 2000 Index	0.0	0.0	0.0	1.0	1.0	-	21.1	100.0	100.0
Dodge & Cox International Stock Fund	0.2	4.0	0.4	1.1	0.9	0.2	17.1	116.5	117.3
MSCI AC World ex USA Value (Net)	0.2	0.0	0.0	1.0	1.0	-	15.5	100.0	100.0
Northern Trust ACWI ex-US Equity Index	0.0	2.0	-0.1	1.0	1.0	0.0	17.0	105.3	105.8
MSCI AC World ex USA (Net)	0.0	0.0	0.0	1.0	1.0	-	16.2	100.0	100.0
Goldman Sachs International Small Cap Insights	0.0	4.1	3.0	0.9	0.9	0.7	17.5	100.2	88.4
MSCI EAFE Small Cap (Net)	-0.1	0.0	0.0	1.0	1.0	-	18.1	100.0	100.0
Grosvenor Institutional Partners, L.P.	0.5	3.3	2.7	0.6	0.4	0.5	4.0	82.1	35.3
HFRI Fund of Funds Composite Index	0.1	0.0	0.0	1.0	1.0	-	4.1	100.0	100.0
Parametric Defensive Equity Fund LLC	0.7	3.4	3.5	0.8	0.9	0.6	9.3	90.3	70.6
CBOE S&P 500 Covered Combo Index	0.4	0.0	0.0	1.0	1.0	-	11.2	100.0	100.0
Morgan Stanley Prime Property Fund, LLC	0.4	2.9	3.4	0.8	0.9	1.0	8.4	94.8	51.8
NFI-ODCE	0.0	0.0	0.0	1.0	1.0	-	9.4	100.0	100.0

Liquidity Schedule Summary



Investments	Inception	Subscriptions	Redemptions	Market Value	Daily	Monthly	Quarterly	Illiquid
Baird Ultra Short Bond	06/12/2020	Daily	Daily	7,538,401	7,538,401	-	-	-
Baird Aggregate Bond	12/30/2014	Daily	Daily	11,176,204	11,176,204	-	-	-
Northern Trust Aggregate Bond Index	10/29/2014	Daily	Daily	10,083,187	10,083,187	-	-	-
Rhumblin S&P 500 Index	12/30/2022	Daily	Daily	34,093,643	34,093,643	-	-	-
NT Russell 2000 Equity Index	12/31/2007	Daily	Daily	12,297,372	12,297,372	-	-	-
Dodge & Cox International Stock Fund	08/01/2008	Daily	Daily	12,391,417	12,391,417	-	-	-
Northern Trust ACWI ex-US Equity Index	09/11/2008	Daily	Daily	13,044,148	13,044,148	-	-	-
Goldman Sachs International Small Cap Insights	12/29/2016	Daily	Daily	4,806,666	4,806,666	-	-	-
MFS Low Volatility Global Equity Fund	01/31/2023	Daily	Daily	7,938,638	7,938,638	-	-	-
Grosvenor Institutional Partners, L.P.	04/01/2009	Quarterly	Quarterly	8,419,068	-	-	8,419,068	-
Parametric Defensive Equity Fund LLC	08/28/2015	Monthly	Monthly	13,822,279	-	13,822,279	-	-
Morgan Stanley Prime Property Fund, LLC	12/30/2010	Quarterly	Quarterly	12,265,812	-	-	12,265,812	-
Levine Leichtman Capital Partners V, LP	03/01/2013	Illiquid	Illiquid	304,973	-	-	-	304,973
Levine Leichtman Capital Partners VI, LP	12/31/2017	Illiquid	Illiquid	10,196,977	-	-	-	10,196,977
PIMCO BRAVO Fund Onshore Feeder II, LP	12/16/2013	Illiquid	Illiquid	220,049	-	-	-	220,049
PIMCO BRAVO Fund III Onshore Feeder TE	11/16/2017	Illiquid	Illiquid	3,890,303	-	-	-	3,890,303
PIMCO BRAVO Fund IV Onshore Feeder, LP	12/23/2021	Illiquid	Illiquid	5,175,858	-	-	-	5,175,858
Northern Trust Money Market	11/14/2013	Daily	Daily	4,131,034	4,131,034	-	-	-
PNC Money Market	02/29/2024	Daily	Daily	89,424	89,424	-	-	-
Total (\$)				171,885,452	117,590,133	13,822,279	20,684,880	19,788,160
Total (%)				100.0	68.4	8.0	12.0	11.5

Endowment

Fee Schedule
As of March 31, 2024

Asset Class	Investment Manager	Fee Schedule	Est. Annual Fee ¹	Expense Ratio	Industry Median ²
Short-Term Fixed Income	Baird Ultra Short Bond	0.15% on the Balance	\$11,308	0.15%	0.50%
Core Fixed Income	Baird Aggregate Bond	0.30% on the Balance	\$33,529	0.30%	0.30%
Core Fixed Income	Northern Trust Aggregate Bond Index	0.08% on the first \$25 million 0.06% on the next \$25 million 0.02% on the Balance	\$8,067	0.08%	0.30%
Large-Cap Core	Rhumbline S&P 500 Index	0.04% on the Balance	\$13,637	0.04%	0.50%
Small-Cap Core	NT Russell 2000 Equity Index	0.08% on the first \$25 million 0.06% on the next \$25 million 0.02% on the Balance	\$9,838	0.08%	0.80%
Non-U.S. Large-Cap Core	Dodge & Cox International Stock Fund	0.60% on the Balance	\$74,349	0.60%	0.85%
Non-U.S. All-Cap Core	Northern Trust ACWI ex-US Equity Index	0.12% on the Balance	\$15,653	0.12%	0.75%
Non-U.S. Small-Cap Core	Goldman Sachs International Small Cap Insights	0.90% on the Balance	\$43,260	0.90%	1.29%
Global Low-Volatility	MFS Low Volatility Global Equity Fund	0.68% on the Balance	\$53,983	0.68%	0.72%

¹ Expense Ratio & Estimated Annual Fee are Based on Market Value at Quarter End.

² Source: Marquette Associates Investment Management Fee Study.

Endowment

Fee Schedule
As of March 31, 2024

Asset Class	Investment Manager	Fee Schedule	Est. Annual Fee ¹	Expense Ratio	Industry Median ²
Multi-Strat. Hedge FoF	Grosvenor Institutional Partners, L.P.	1.15% on the first \$25 million 1.00% on the next \$25 million	\$96,819	1.15%	1.00%
Defensive Equity	Parametric Defensive Equity Fund LLC	0.325% on the Balance	\$44,922	0.325%	1.00%
Core Real Estate	Morgan Stanley Prime Property Fund, LLC	0.84% on the Balance Plus 5% Incentive Fee	\$103,033	0.84%	1.00%
Mezz. Private Equity	Levine Leichtman Capital Partners V, LP	1.50% on the Balance Plus 20% Carried Interest after 8% Preferred Return	\$4,575	1.50%	1.50%
Mezz. Private Equity	Levine Leichtman Capital Partners VI, LP	1.75% on Committed Capital Plus 20% Carried Interest after 8% Preferred Return	\$122,500	1.20%	1.03%
Opportunistic Fixed Income	PIMCO BRAVO Fund Onshore Feeder II, LP	1.80% on the Balance Plus 20% Carried Interest after 8% Preferred Return	\$3,961	1.80%	1.75%
Opportunistic Fixed Income	PIMCO BRAVO Fund III Onshore Feeder TE	1.50% on the Balance Plus 20% Carried Interest after 8% Preferred Return	\$58,355	1.50%	1.75%
Opportunistic Fixed Income	PIMCO BRAVO Fund IV Onshore Feeder, LP	1.50% on the Balance Plus 20% Carried Interest after 8% Preferred Return	\$77,638	1.50%	1.75%
Total Investment Management Fees			\$775,425	0.45%	0.76%

¹ Expense Ratio & Estimated Annual Fee are Based on Market Value at Quarter End.

² Source: Marquette Associates Investment Management Fee Study.



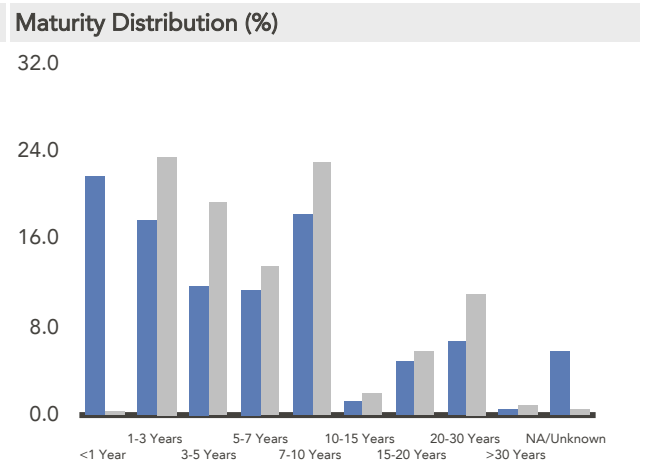
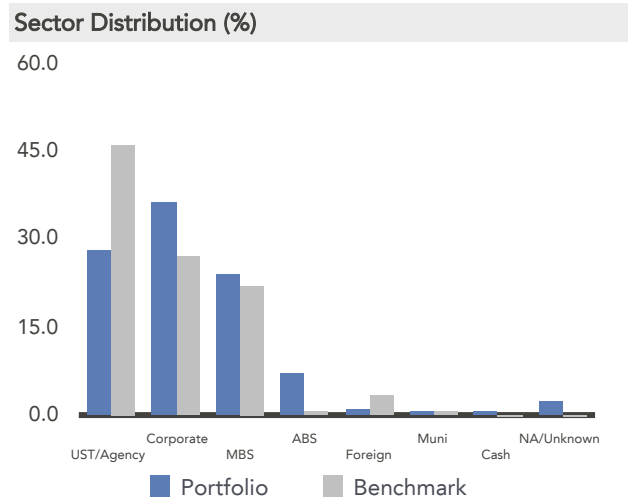
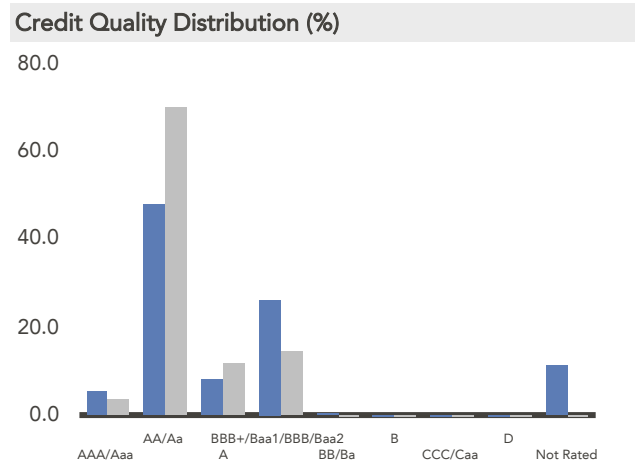
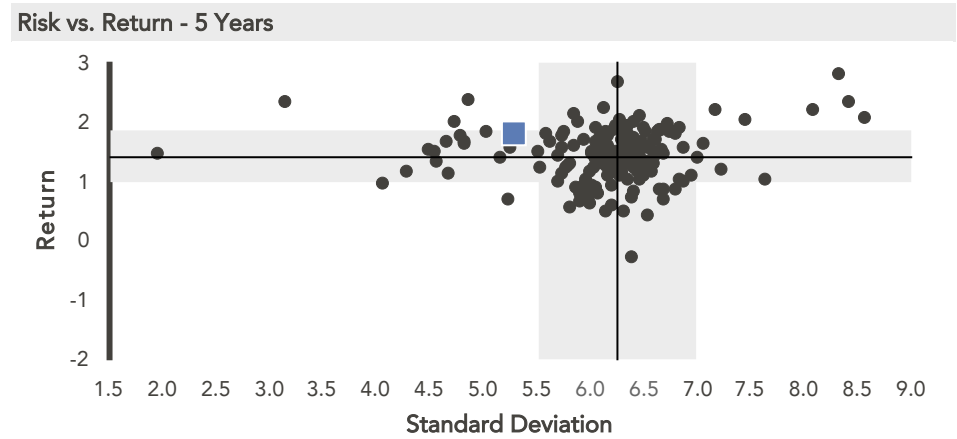
Fixed Income Composite

Fixed Income Composite

Portfolio Characteristics
As of December 31, 2023

	Market Value (\$)	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Fixed Income Composite	28,898,507	3.1	5.6	6.1	-2.4	1.8	2.1	3.8	Apr 03
Blmbg. U.S. Aggregate Float Adjusted		3.8	6.7	5.6	-3.3	1.2	1.8	-	
Fixed Income Composite Rank		92	96	33	14	18	39	11	

Portfolio Characteristics	Portfolio	Blmbg. U.S. Aggregate Float Adjusted
Avg. Maturity (yrs.)	6.5	8.5
Avg. Quality	A	AA
Coupon Rate (%)	3.2	3.2
Modified Duration (yrs.)	4.8	6.2
Effective Duration (yrs.)	4.8	6.1
Yield To Maturity (%)	5.0	4.5
Yield To Worst (%)	5.0	4.5

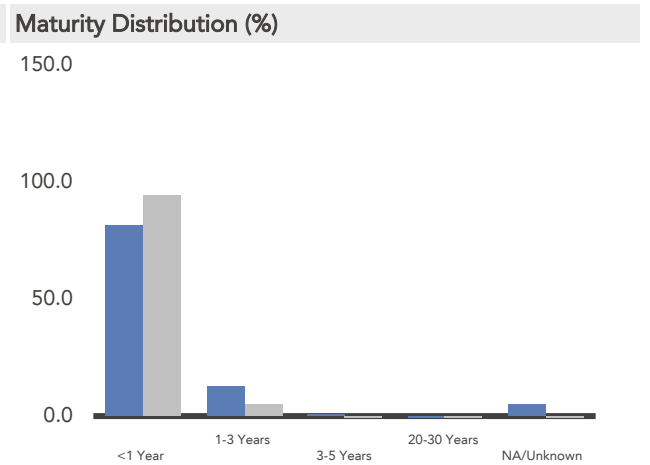
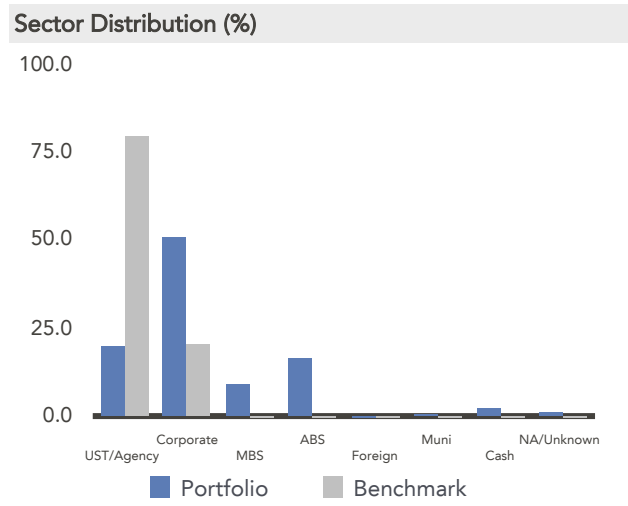
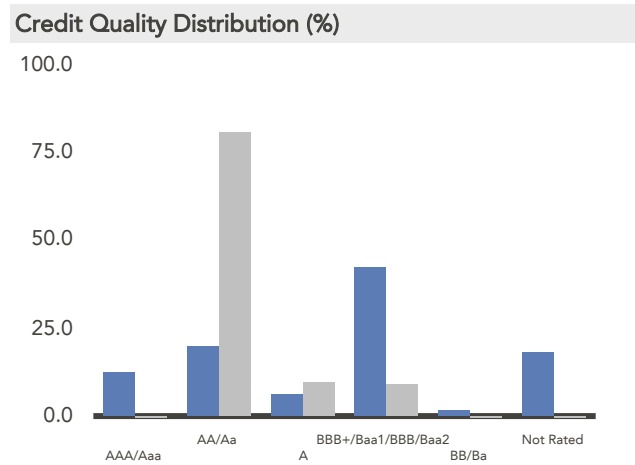
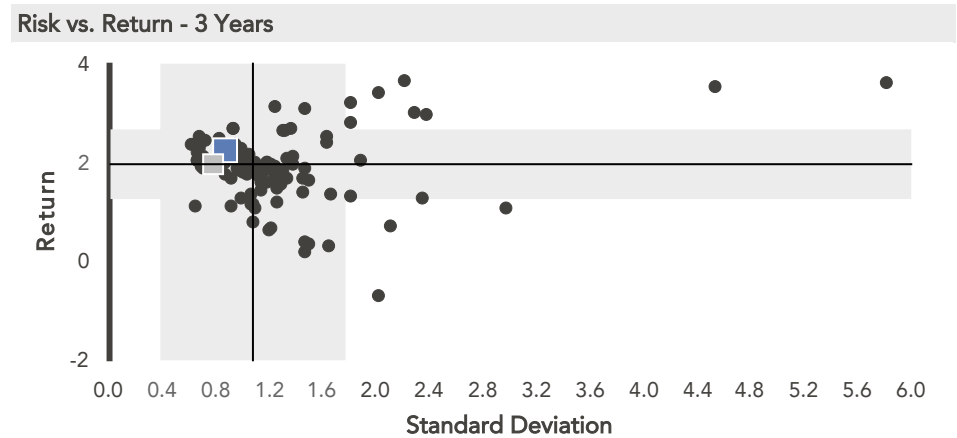


Baird Ultra Short Bond

Portfolio Characteristics
As of December 31, 2023

	Market Value (\$)	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Baird Ultra Short Bond	7,438,754	0.7	1.8	5.7	2.3	-	-	2.1	Jul 20
Blmbg. U.S. Short-term Govt/Corp Index		0.6	1.6	5.2	2.0	2.0	1.4	1.7	
Baird Ultra Short Bond Rank		47	55	50	27	-	-	32	

Portfolio Characteristics	Portfolio	Blmbg. U.S. Short-term Govt/Corp Index
Avg. Maturity (yrs.)	0.6	0.6
Avg. Quality	A	AA
Coupon Rate (%)	2.8	2.1
Modified Duration (yrs.)	0.5	0.5
Effective Duration (yrs.)	0.5	0.5
Yield To Maturity (%)	5.7	5.1
Yield To Worst (%)	5.7	5.2

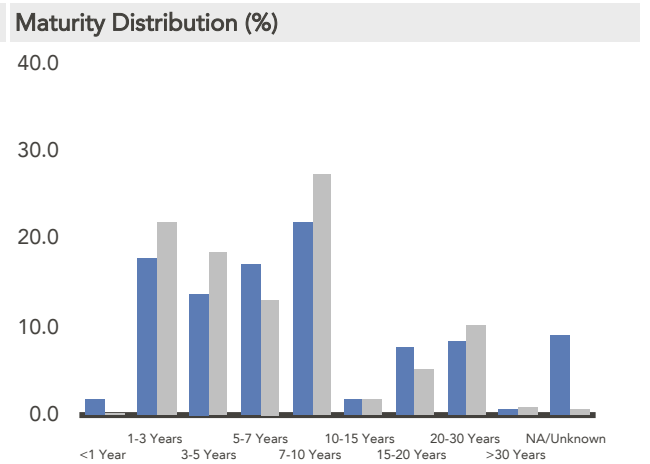
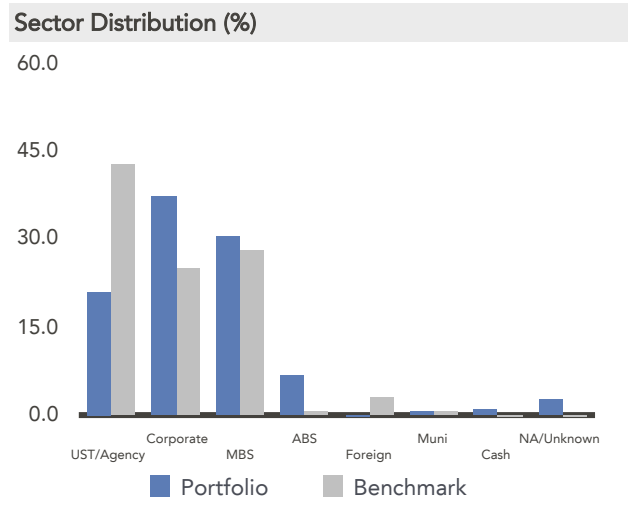
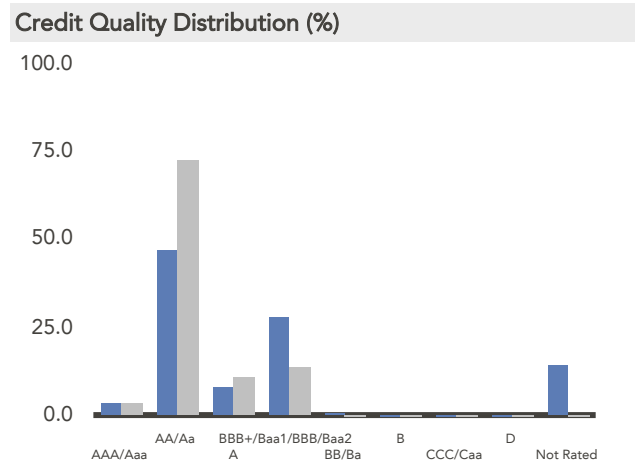
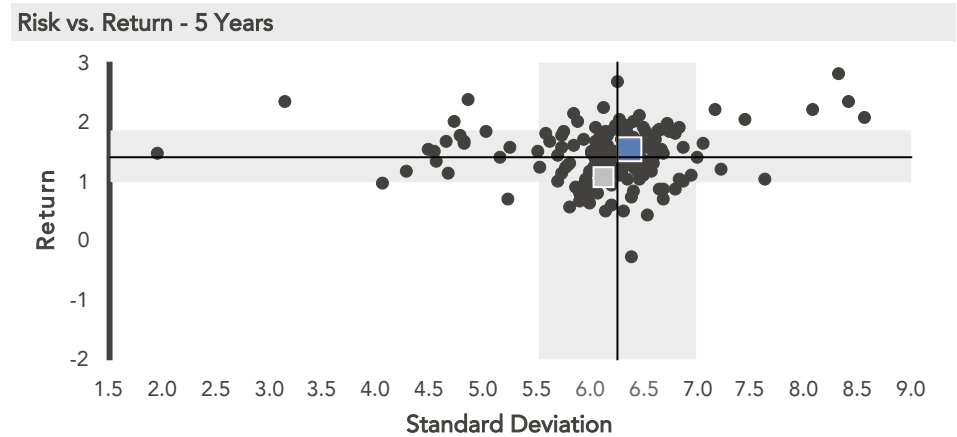


Baird Aggregate Bond

Portfolio Characteristics
As of December 31, 2023

	Market Value (\$)	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Baird Aggregate Bond	11,296,780	4.1	7.2	6.4	-3.1	1.6	-	1.7	Jan 15
Blmbg. U.S. Aggregate Index		3.8	6.8	5.5	-3.3	1.1	1.8	1.4	
Baird Aggregate Bond Rank		11	15	17	52	36	-	29	

Portfolio Characteristics	Portfolio	Blmbg. U.S. Aggregate Index
Avg. Maturity (yrs.)	8.6	8.4
Avg. Quality	A	AA
Coupon Rate (%)	3.4	3.2
Modified Duration (yrs.)	6.3	6.2
Effective Duration (yrs.)	6.4	6.1
Yield To Maturity (%)	4.9	4.5
Yield To Worst (%)	4.9	4.6

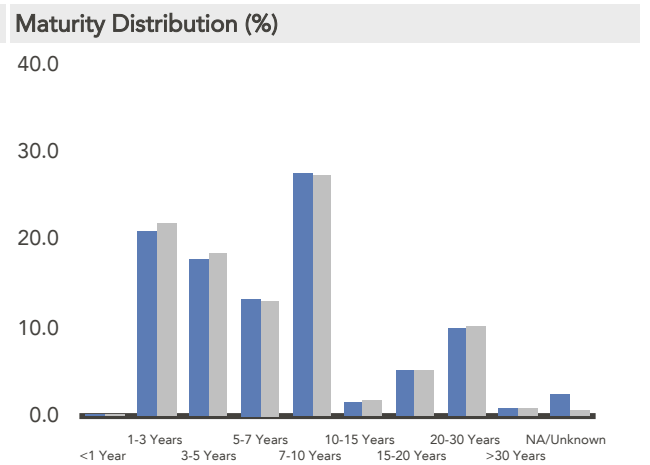
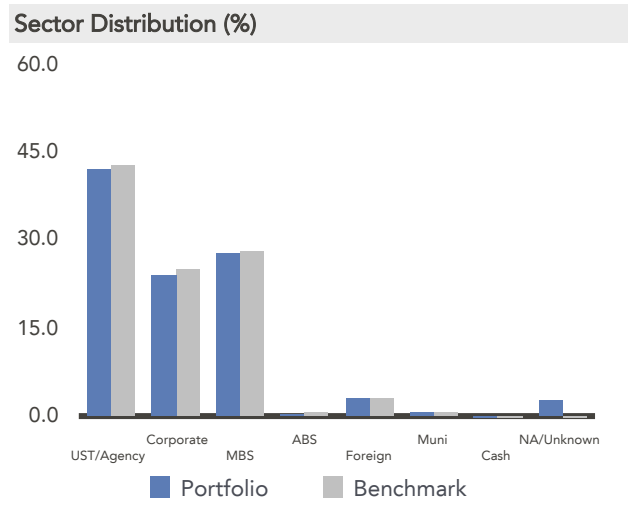
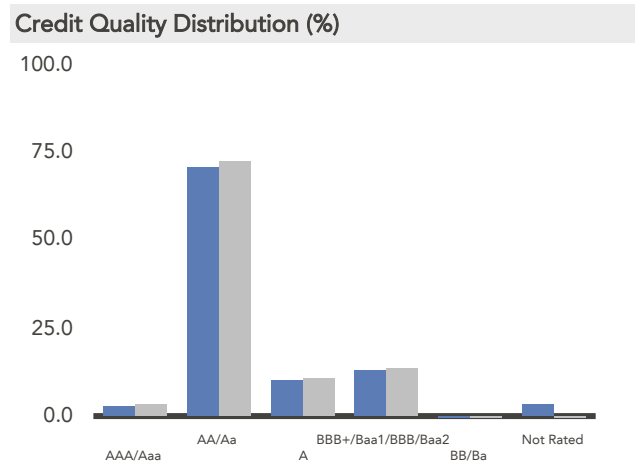
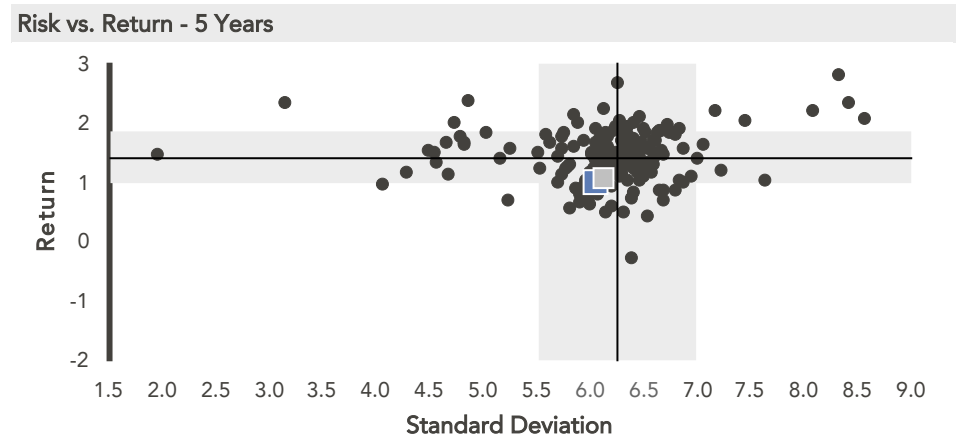


Northern Trust Aggregate Bond Index

Portfolio Characteristics
As of December 31, 2023

	Market Value (\$)	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Northern Trust Aggregate Bond Index	10,162,973	3.8	6.8	5.2	-3.3	1.0	-	1.3	Nov 14
Blmbg. U.S. Aggregate Index		3.8	6.8	5.5	-3.3	1.1	1.8	1.4	
Northern Trust Aggregate Bond Index Rank		53	55	86	67	86	-	84	

Portfolio Characteristics	Portfolio	Blmbg. U.S. Aggregate Index
Avg. Maturity (yrs.)	8.5	8.4
Avg. Quality	AA	AA
Coupon Rate (%)	3.1	3.2
Modified Duration (yrs.)	6.2	6.2
Effective Duration (yrs.)	6.2	6.1
Yield To Maturity (%)	4.5	4.5
Yield To Worst (%)	4.5	4.6





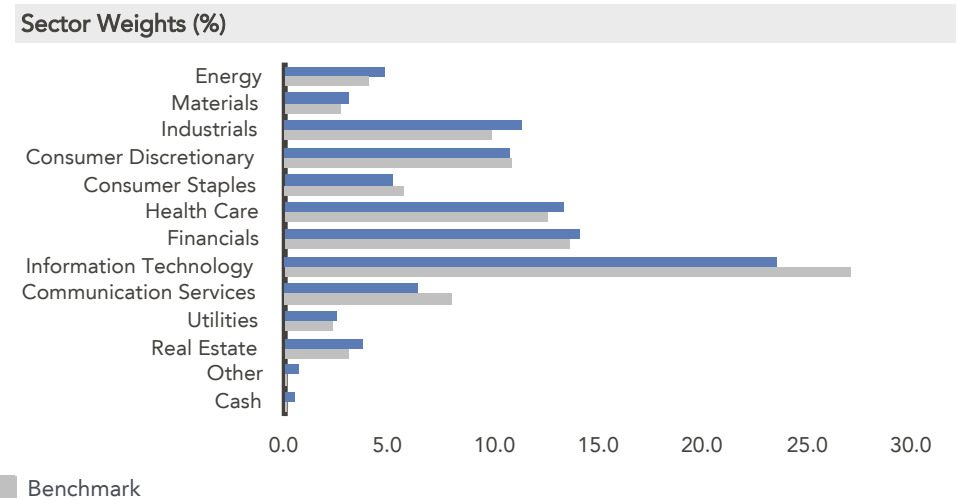
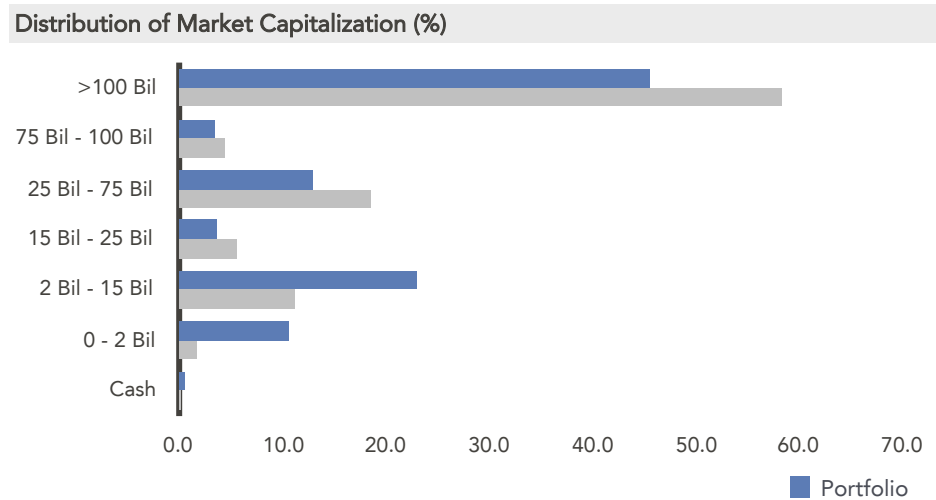
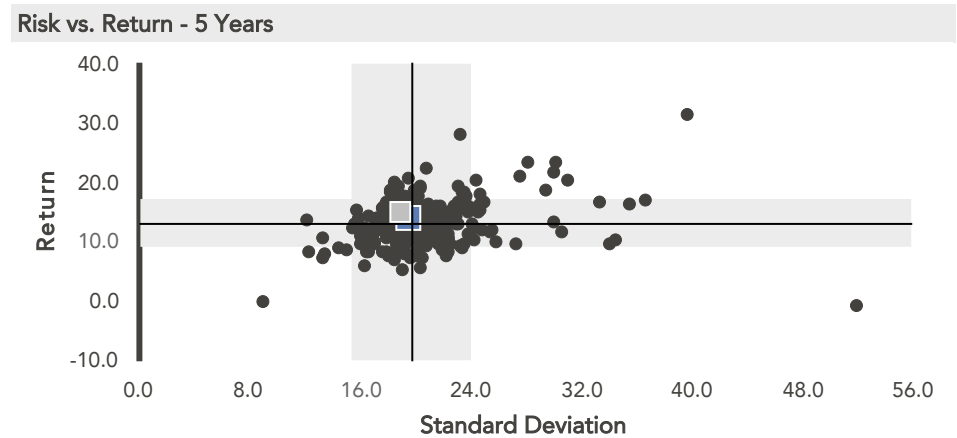
U.S. Equity Composite

U.S. Equity Composite

Portfolio Characteristics
As of December 31, 2023

	Market Value \$	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
U.S. Equity Composite	42,539,469	6.5	12.3	23.5	7.6	14.1	10.6	7.2	Nov 99
Russell 3000 Index		5.3	12.1	26.0	8.5	15.2	11.5	7.6	
U.S. Equity Composite Rank		29	40	43	49	42	34	88	

Portfolio Characteristics	Portfolio	Russell 3000 Index
Wtd. Avg. Mkt. Cap \$M	\$478,033	\$618,101
Median Mkt. Cap \$M	\$1,457	\$2,175
Price/Earnings ratio	20.7	22.8
Price/Book ratio	3.5	4.1
5 Yr. EPS Growth Rate (%)	15.7	16.6
Current Yield (%)	1.5	1.5
Beta (5 Years, Monthly)	1.0	1.0
Number of Stocks	2,475	2,976



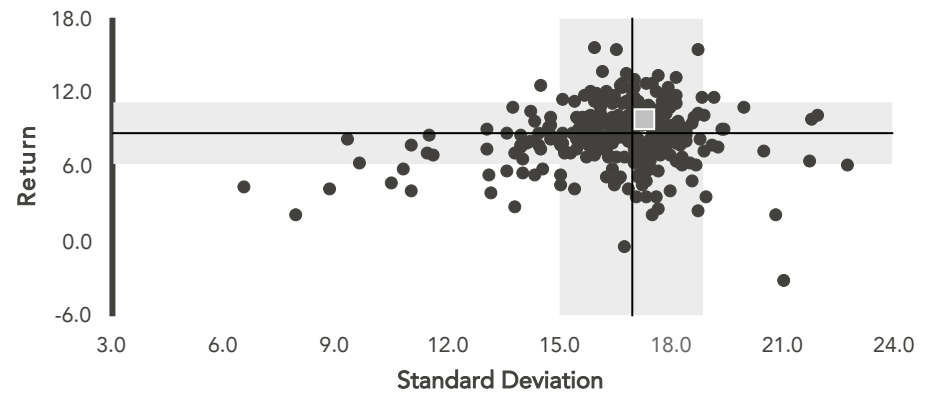
Rhumblin S&P 500 Index

Portfolio Characteristics
As of December 31, 2023

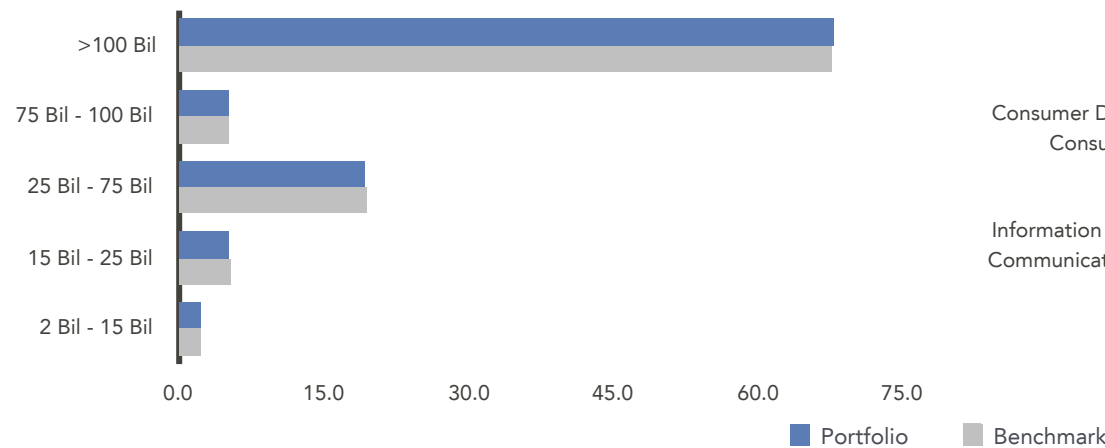
	Market Value \$	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Rhumblin S&P 500 Index	30,849,648	4.5	11.7	26.2	-	-	-	26.2	Jan 23
S&P 500 Index		4.5	11.7	26.3	10.0	15.7	12.0	26.3	
Rhumblin S&P 500 Index Rank		53	46	25	-	-	-	25	

Portfolio Characteristics	Portfolio	S&P 500 Index
Wtd. Avg. Mkt. Cap \$M	\$710,953	\$714,085
Median Mkt. Cap \$M	\$33,658	\$33,545
Price/Earnings ratio	24.0	24.0
Price/Book ratio	4.4	4.4
5 Yr. EPS Growth Rate (%)	16.9	16.9
Current Yield (%)	1.5	1.5
Beta	-	1.0
Number of Stocks	504	503

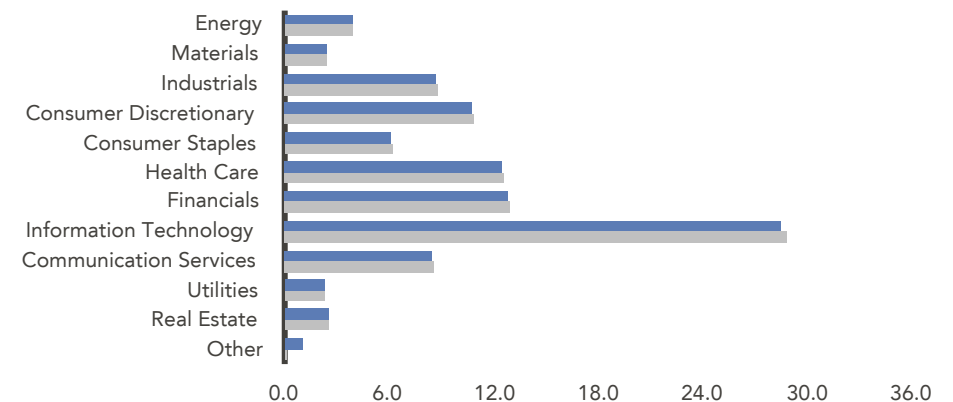
Risk vs. Return - 3 Years



Distribution of Market Capitalization (%)



Sector Weights (%)

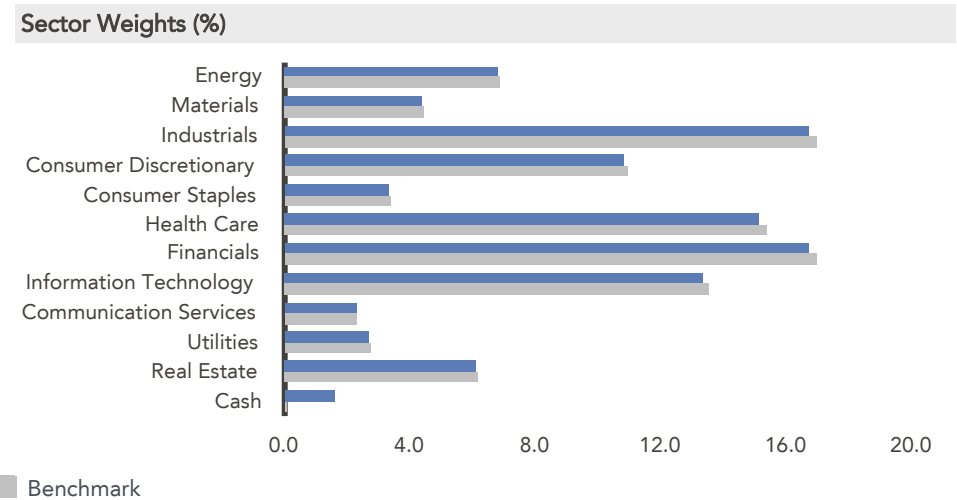
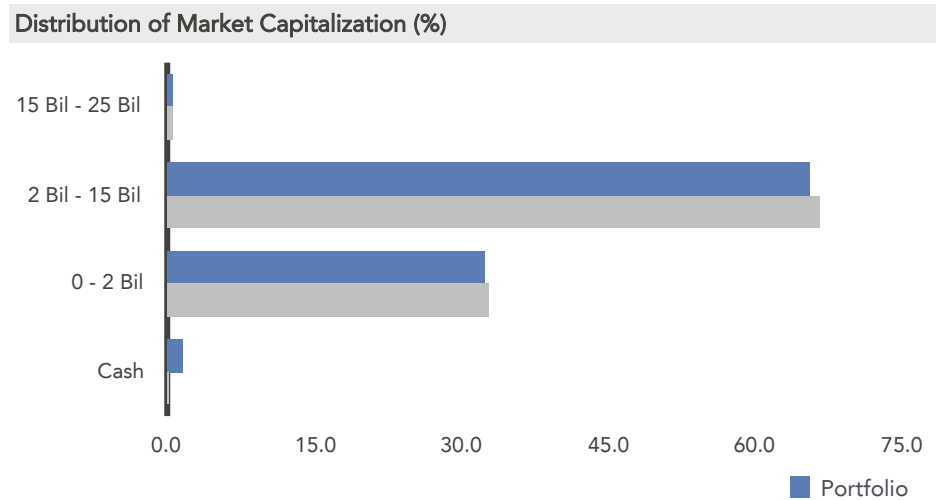
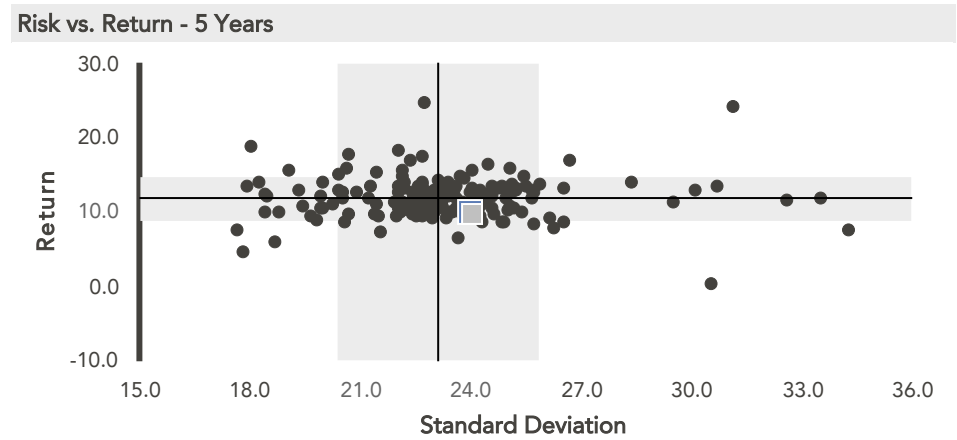


NT Russell 2000 Equity Index

Portfolio Characteristics
As of December 31, 2023

	Market Value \$	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
NT Russell 2000 Equity Index	11,689,821	12.2	14.0	16.8	2.2	10.0	7.3	8.3	Jan 04
Russell 2000 Index		12.2	14.0	16.9	2.2	10.0	7.2	8.1	
NT Russell 2000 Equity Index Rank		17	22	53	88	83	76	78	

Portfolio Characteristics	Portfolio	Russell 2000 Index
Wtd. Avg. Mkt. Cap \$M	\$3,167	\$3,219
Median Mkt. Cap \$M	\$958	\$958
Price/Earnings ratio	14.8	14.8
Price/Book ratio	2.4	2.4
5 Yr. EPS Growth Rate (%)	11.9	11.9
Current Yield (%)	1.5	1.5
Beta (5 Years, Monthly)	1.0	1.0
Number of Stocks	1,971	1,966



International Equity Composite

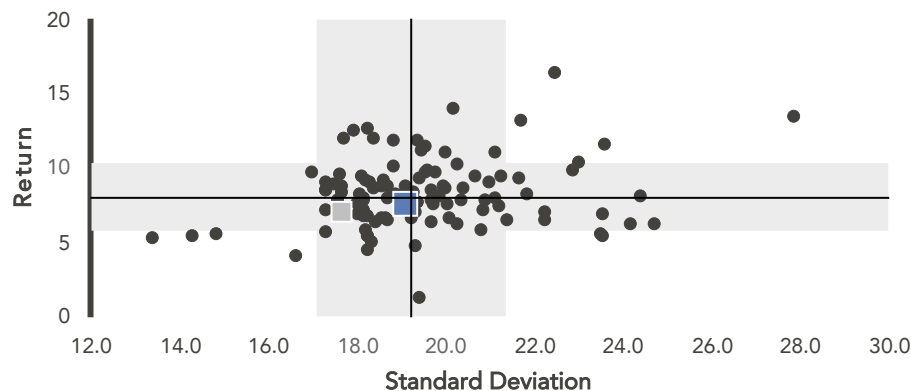
International Equity Composite

Portfolio Characteristics
As of December 31, 2023

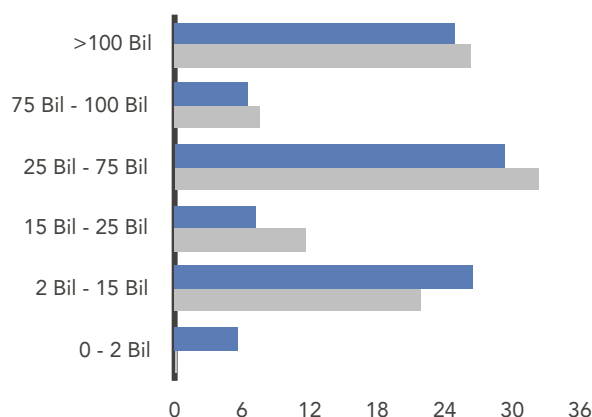
	Market Value \$	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
International Equity Composite	29,009,786	5.0	8.6	15.8	3.5	7.7	3.8	3.6	Nov 99
MSCI AC World ex USA (Net)		5.0	9.8	15.6	1.5	7.1	3.8	4.3	
International Equity Composite Rank		55	81	57	30	64	79	100	

Portfolio Characteristics	Portfolio	MSCI AC World ex USA (Net)
Wtd. Avg. Mkt. Cap \$M	\$87,510	\$90,266
Median Mkt. Cap \$M	\$7,704	\$9,828
Price/Earnings ratio	11.7	13.6
Price/Book ratio	2.2	2.5
5 Yr. EPS Growth Rate (%)	13.8	10.4
Current Yield (%)	2.8	3.1
Beta (5 Years, Monthly)	1.1	1.0
Number of Stocks	2,780	2,312

Risk vs. Return - 5 Years



Distribution of Market Capitalization (%)

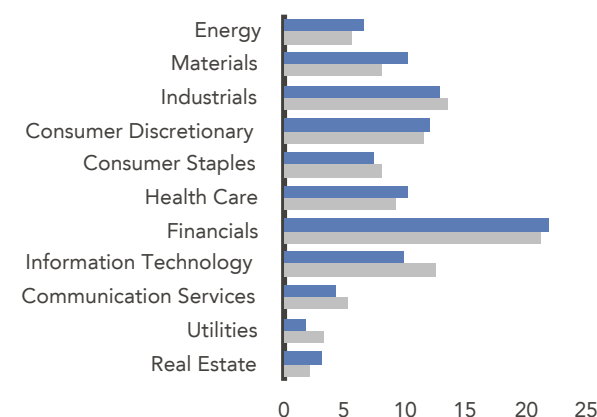


Region (%)

Region (%)	Portfolio	Benchmark
Canada	5.7	7.7
United States	1.8	0.2
Europe	51.2	42.2
Asia Pacific	22.7	24.6
Developed Markets	81.3	74.6
Americas	2.8	2.6
Europe	0.3	0.7
Asia Pacific	12.8	18.7
Emerging Markets	15.9	22.0
Other	2.8	3.4
Total	100.0	100.0

■ Portfolio ■ Benchmark

Sector Weights (%)



International Equity Composite

International Equity Composite	
Canada	5.7
United States	1.8
Austria	0.3
Belgium	1.2
Denmark	1.1
Finland	0.6
France	8.9
Germany	5.3
Ireland	1.3
Italy	1.6
Luxembourg	0.2
Netherlands	5.2
Norway	1.3
Portugal	0.2
Spain	2.5
Sweden	2.0
Switzerland	9.3
United Kingdom	10.2
Europe	51.2
Australia	3.4
Hong Kong	2.5
Japan	16.1
New Zealand	0.1
Singapore	0.6
Asia Pacific	22.7
Developed Markets	81.3

Country Allocation As of December 31, 2023

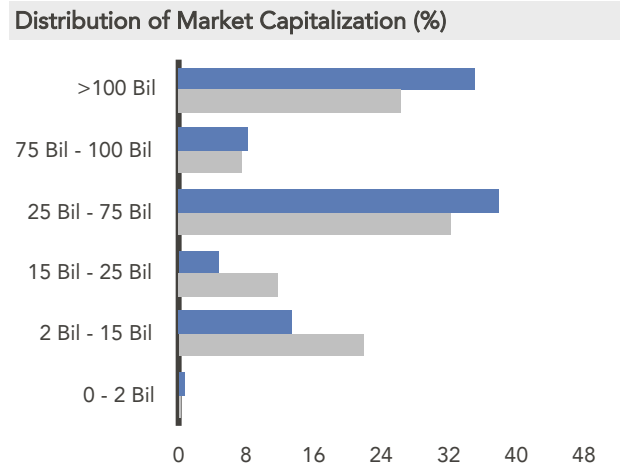
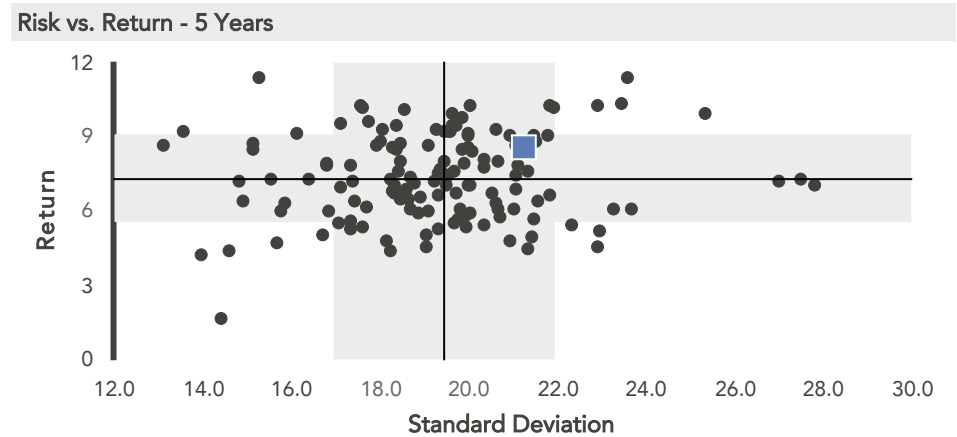
International Equity Composite	
Brazil	2.2
Chile	0.1
Colombia	0.0
Mexico	0.5
Peru	0.0
Americas	2.8
Czech Republic	0.0
Greece	0.1
Hungary	0.0
Poland	0.1
Turkey	0.1
Europe	0.3
China	3.6
India	3.7
Indonesia	0.2
Korea	2.0
Malaysia	0.2
Philippines	0.1
Taiwan	2.7
Thailand	0.3
Asia Pacific	12.8
Emerging Markets	15.9

Dodge & Cox International Stock Fund

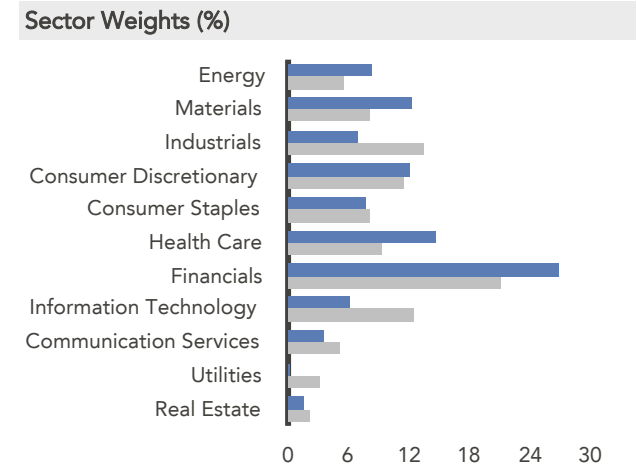
Portfolio Characteristics
As of December 31, 2023

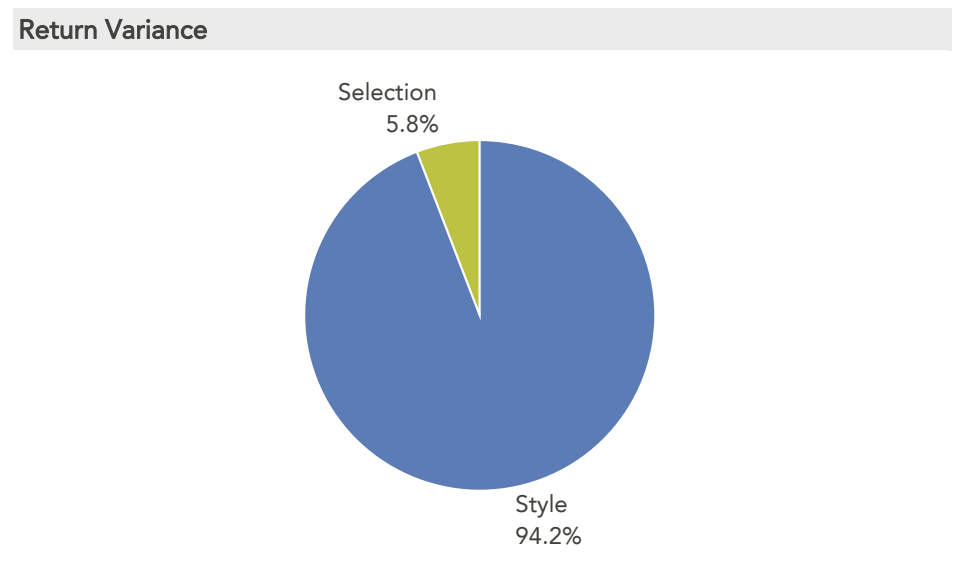
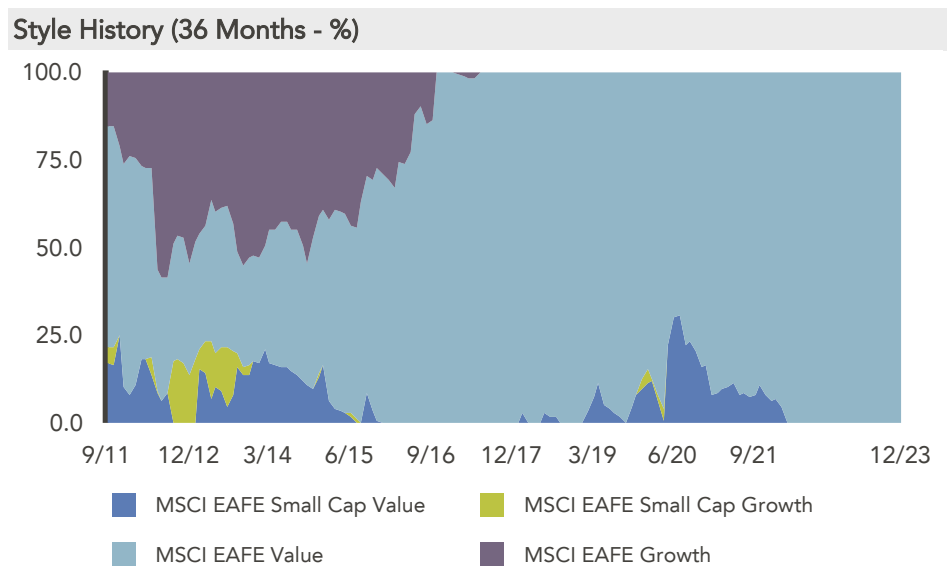
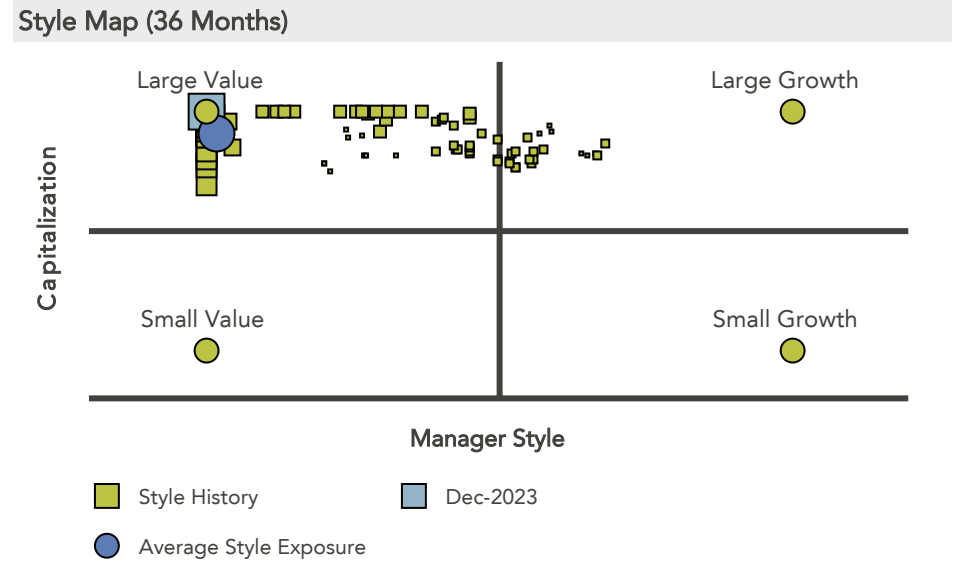
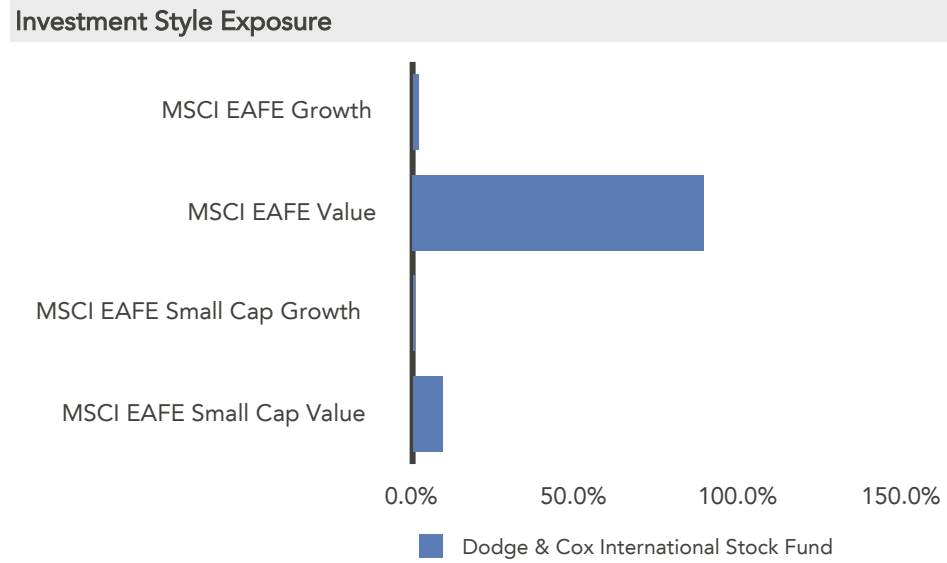
	Market Value \$	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Dodge & Cox International Stock Fund	12,015,031	4.7	6.8	16.7	6.5	8.6	4.0	4.4	Aug 08
MSCI AC World ex USA (Net)		5.0	9.8	15.6	1.5	7.1	3.8	3.4	
Dodge & Cox International Stock Fund Rank		61	87	63	44	30	31	16	

Portfolio Characteristics	Portfolio	MSCI AC World ex USA (Net)
Wtd. Avg. Mkt. Cap \$M	\$122,922	\$90,266
Median Mkt. Cap \$M	\$43,934	\$9,828
Price/Earnings ratio	10.4	13.6
Price/Book ratio	2.0	2.5
5 Yr. EPS Growth Rate (%)	18.2	10.4
Current Yield (%)	2.0	3.1
Beta (5 Years, Monthly)	1.1	1.0
Number of Stocks	73	2,312



Region (%)	Portfolio
Canada	5.3
United States	3.8
Europe	64.3
Asia Pacific	10.4
Developed Markets	83.8
Americas	4.1
Asia Pacific	11.0
Emerging Markets	15.1
Other	1.1
Total	100.0



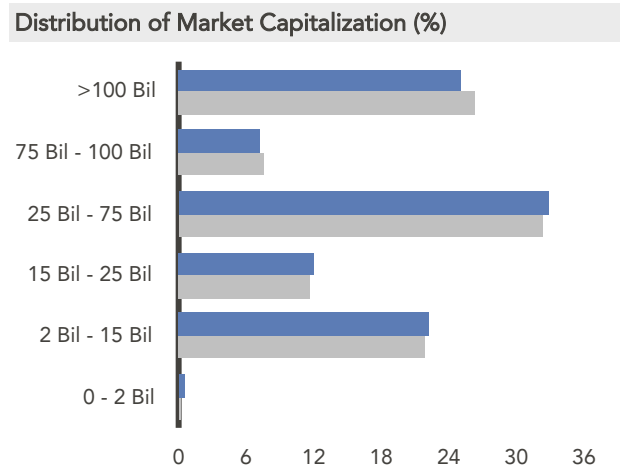
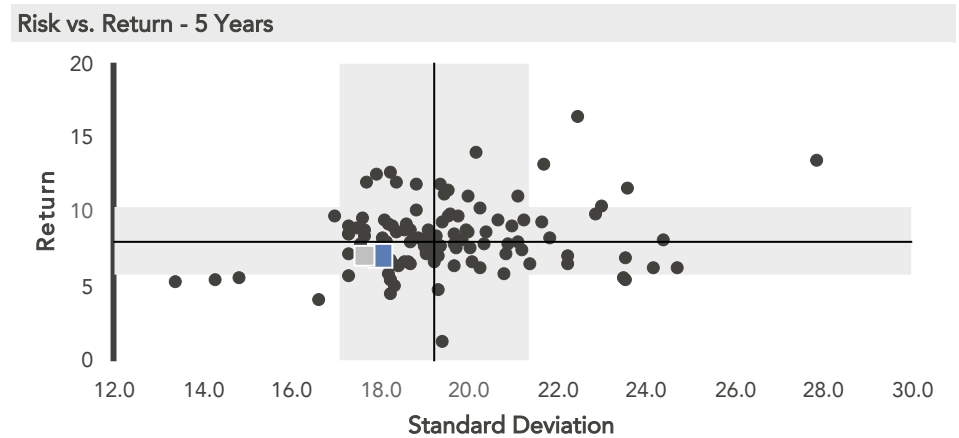


Northern Trust ACWI ex-US Equity Index

Portfolio Characteristics
As of December 31, 2023

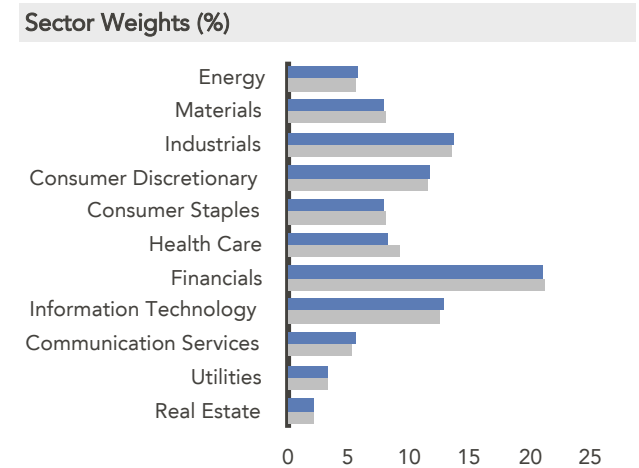
	Market Value \$	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Northern Trust ACWI ex-US Equity Index	12,477,603	5.0	9.7	15.2	1.5	7.1	3.8	4.9	Oct 08
MSCI AC World ex USA (Net)		5.0	9.8	15.6	1.5	7.1	3.8	4.9	
Northern Trust ACWI ex-US Equity Index Rank		57	60	64	51	73	79	81	

Portfolio Characteristics	Portfolio	MSCI AC World ex USA (Net)
Wtd. Avg. Mkt. Cap \$M	\$87,950	\$90,266
Median Mkt. Cap \$M	\$9,543	\$9,828
Price/Earnings ratio	13.8	13.6
Price/Book ratio	2.4	2.5
5 Yr. EPS Growth Rate (%)	10.4	10.4
Current Yield (%)	3.1	3.1
Beta (5 Years, Monthly)	1.0	1.0
Number of Stocks	2,307	2,312



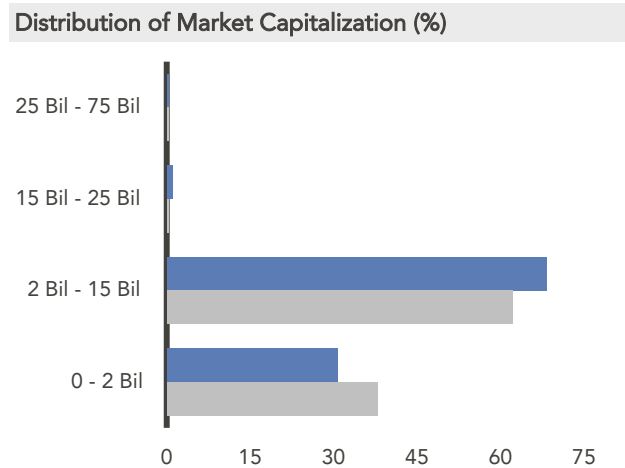
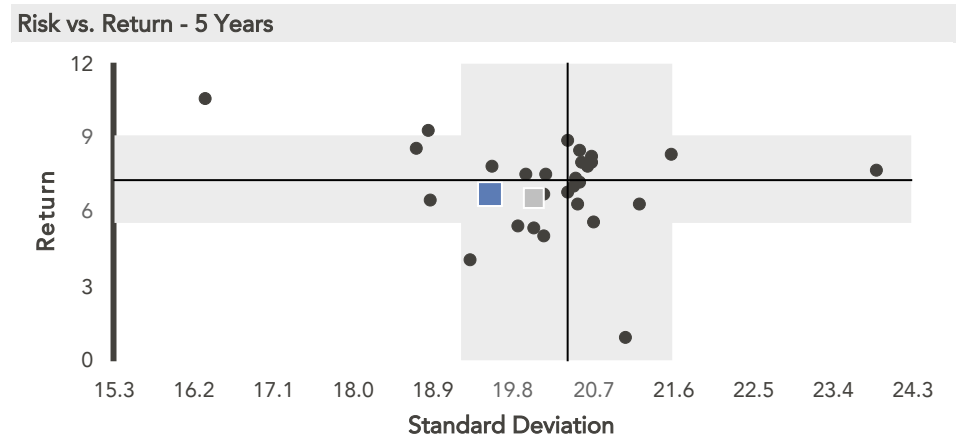
Region (%)	Portfolio	Benchmark
Canada	8.1	7.7
United States	0.2	0.2
Europe	39.8	42.2
Asia Pacific	25.3	24.6
Developed Markets	73.4	74.6
Americas	2.8	2.6
Europe	0.7	0.7
Asia Pacific	19.1	18.7
Emerging Markets	22.6	22.0
Other	4.0	3.4
Total	100.0	100.0

■ Portfolio ■ Benchmark



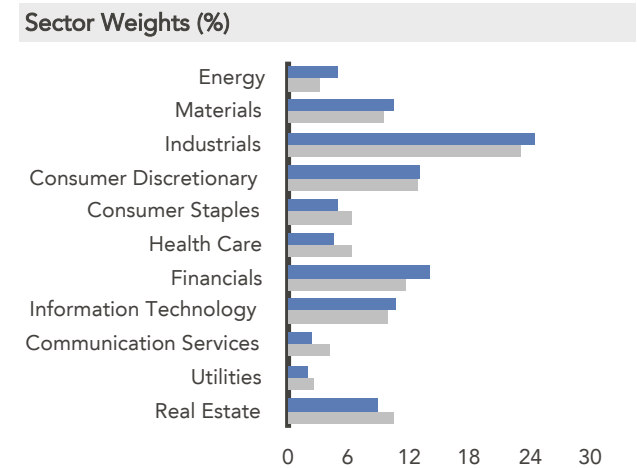
	Market Value \$	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
Goldman Sachs International Small Cap Insights	4,517,153	6.2	10.2	15.1	2.0	6.8	-	6.0	Jan 17
MSCI EAFE Small Cap (Net)		7.3	11.1	13.2	-0.7	6.6	4.8	6.0	
Goldman Sachs International Small Cap Insights Rank		81	73	36	49	63	-	43	

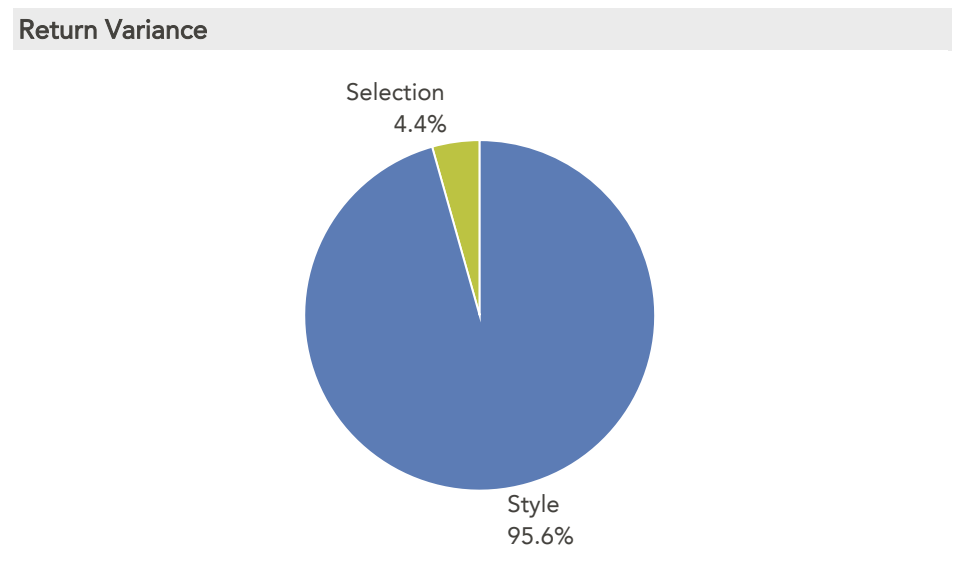
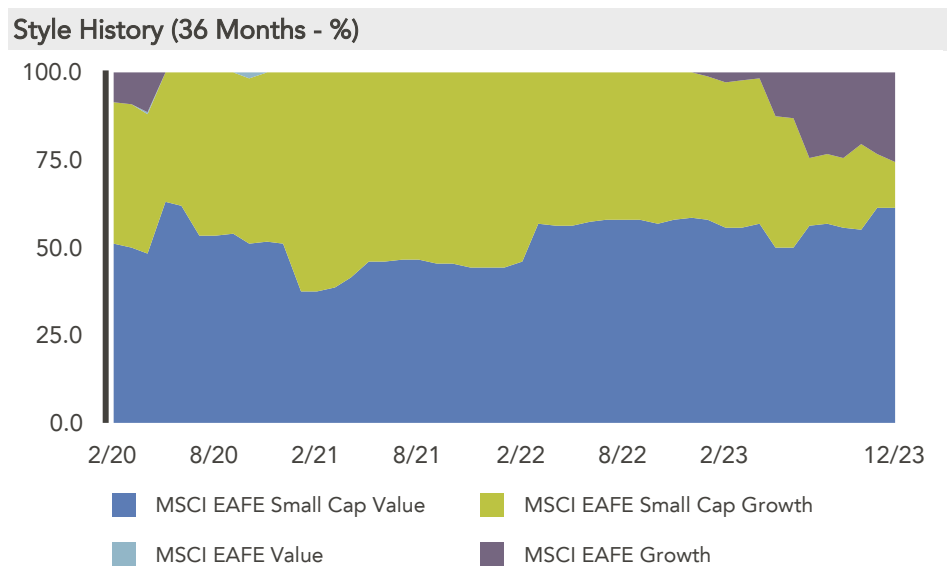
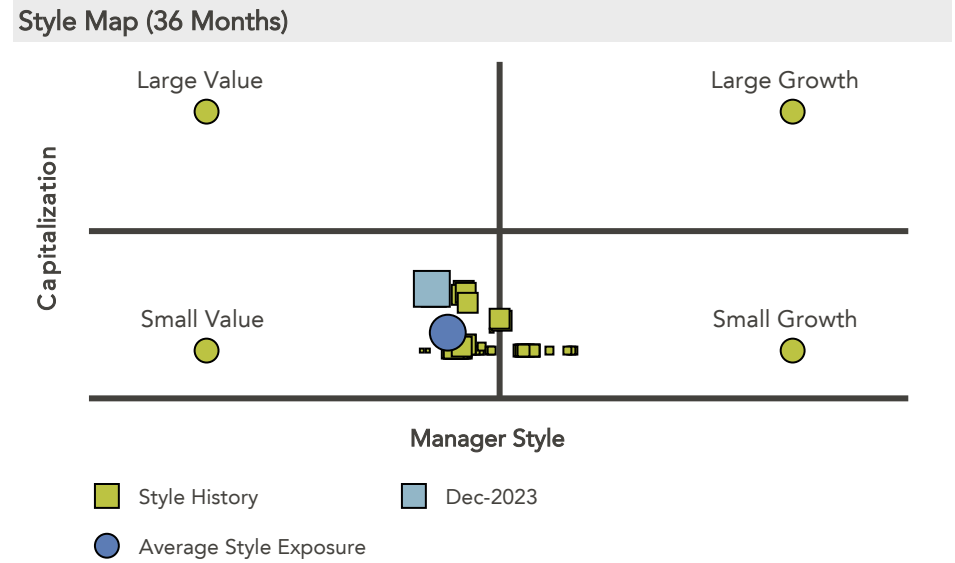
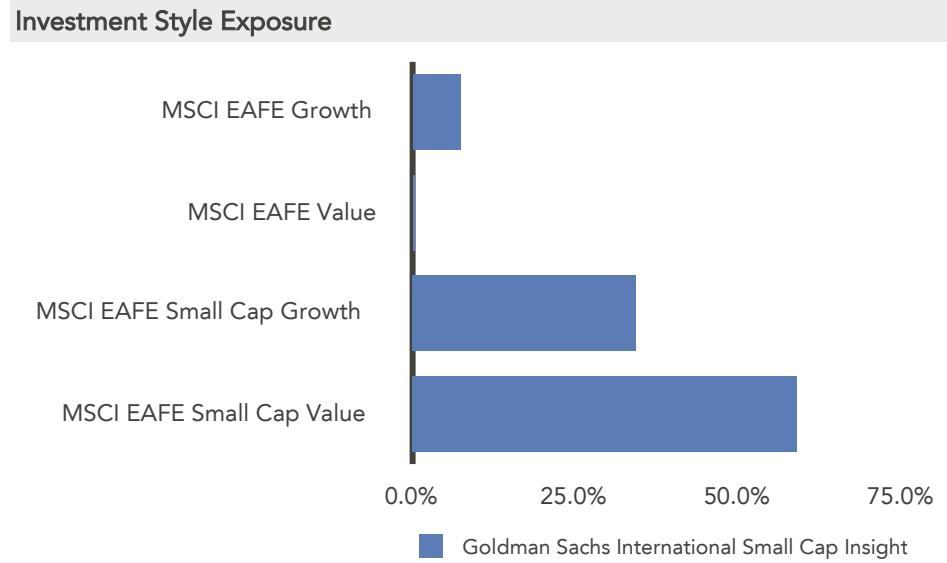
Portfolio Characteristics	Portfolio	MSCI EAFE Small Cap (Net)
Wtd. Avg. Mkt. Cap \$M	\$3,570	\$2,846
Median Mkt. Cap \$M	\$2,150	\$1,284
Price/Earnings ratio	10.4	13.5
Price/Book ratio	1.9	2.1
5 Yr. EPS Growth Rate (%)	12.9	8.0
Current Yield (%)	4.1	3.1
Beta (5 Years, Monthly)	1.0	1.0
Number of Stocks	430	2,173



Region (%)	Portfolio	Benchmark
United States	0.9	0.4
Europe	51.4	49.4
Asia Pacific	44.4	46.9
Developed Markets	96.6	96.7
Asia Pacific	0.0	0.2
Emerging Markets	0.0	0.2
Other	3.4	3.1
Total	100.0	100.0

■ Portfolio ■ Benchmark





Global Low Volatility Composite

Global Low Volatility Composite

Country Allocation
As of December 31, 2023

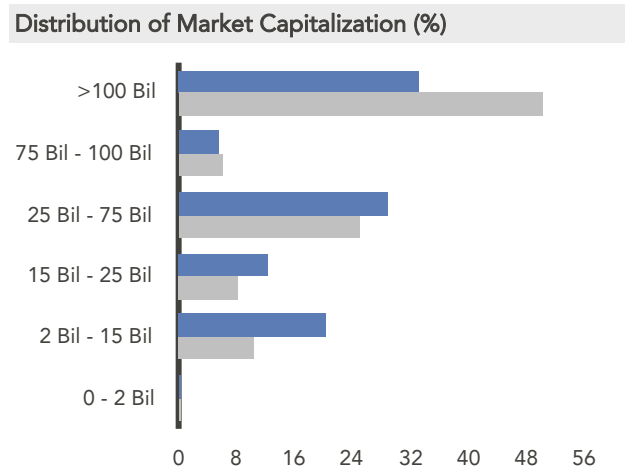
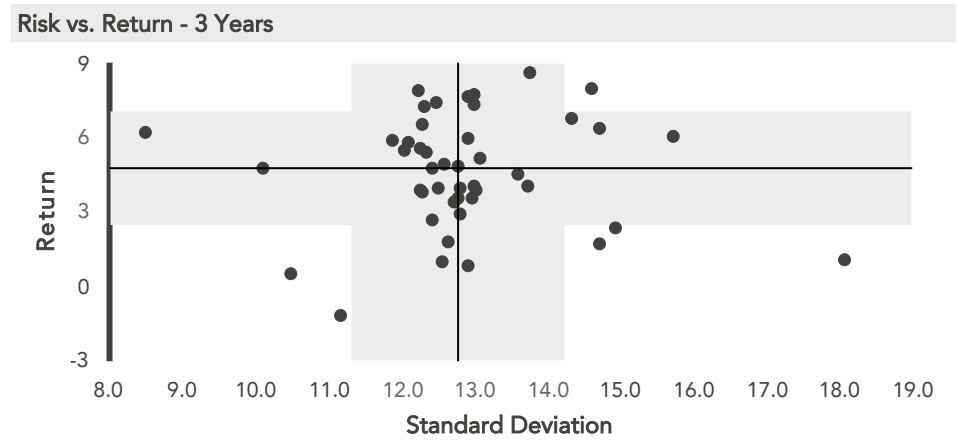
Global Low Volatility Composite	
Canada	5.4
United States	51.8
Denmark	0.7
France	1.6
Ireland	3.4
Italy	1.2
Netherlands	0.7
Switzerland	4.1
United Kingdom	2.0
Europe	13.7
Hong Kong	1.5
Japan	11.0
Singapore	5.2
Asia Pacific	17.7
Developed Markets	88.6
Brazil	0.5
Americas	0.5
Korea	3.5
Philippines	3.4
Thailand	1.7
Asia Pacific	8.6
Emerging Markets	9.1
Other	2.3
Total	100.0

MFS Low Volatility Global Equity Fund

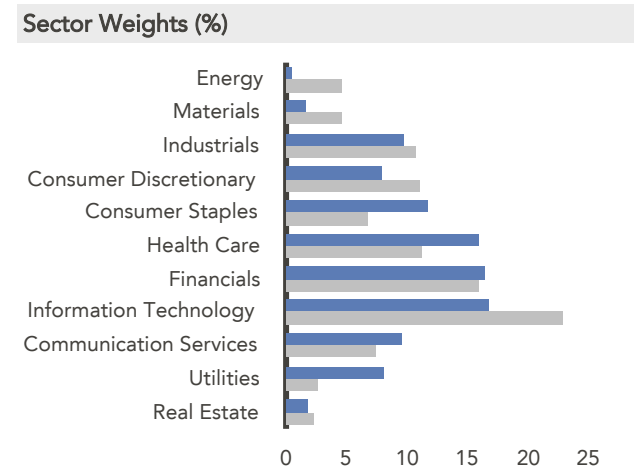
Portfolio Characteristics
As of December 31, 2023

	Market Value \$	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	SI (%)	Inception Date
MFS Low Volatility Global Equity Fund	7,510,037	3.7	8.7	-	-	-	-	8.6	Feb 23
MSCI AC World Index		4.8	11.1	22.8	6.2	12.3	8.5	14.6	
MFS Low Volatility Global Equity Fund Rank		28	22	-	-	-	-	26	

Portfolio Characteristics	Portfolio	MSCI AC World Index
Wtd. Avg. Mkt. Cap \$M	\$214,209	\$462,723
Median Mkt. Cap \$M	\$54,911	\$12,992
Price/Earnings ratio	18.5	18.9
Price/Book ratio	2.8	3.5
5 Yr. EPS Growth Rate (%)	15.8	14.8
Current Yield (%)	2.1	2.1
Beta	-	1.0
Number of Stocks	97	2,921



Region (%)	Portfolio
Canada	5.3
United States	50.7
Europe	14.9
Asia Pacific	17.9
Developed Markets	88.8
Americas	0.5
Asia Pacific	8.4
Emerging Markets	8.9
Other	2.3
Total	100.0



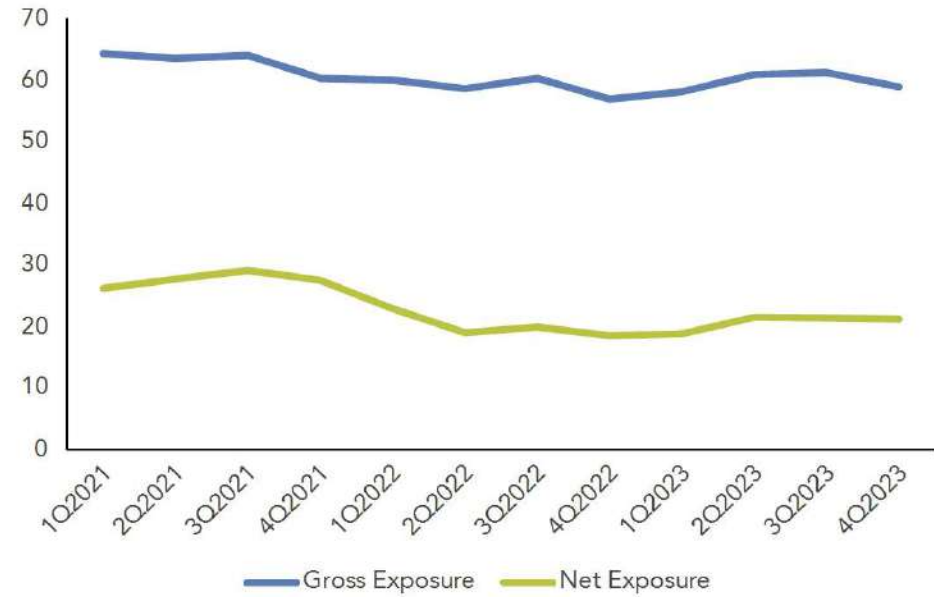
■ Portfolio ■ Benchmark

Hedge Fund of Funds Composite

Characteristics	
Fund Inception/Vintage Year	2000
Product Assets (\$M)	\$4,124,708,941.0
# of Underlying Managers	27
% of Portfolio in Top 3 Hedge Funds	27.8%
Aggregate Portfolio Leverage	290.0%
As of Date	12/31/2023

Strategy Breakdown	Weight	Attribution
Credit	11.2%	1.9%
Event Driven		
Global Macro/CTA	7.0%	-0.7%
Multi-Strategy	18.1%	1.5%
Hedged Equity	37.7%	4.5%
Relative Value	18.8%	2.5%
Short Selling		
Other	7.3%	1.4%
Total	100.0%	11.1%

Gross/Net Positioning



Top 10 Inv. Holdings Detail

Fund	Type	FMV (\$M)	Weight	Qtr Return	Fund Sz (\$M)	Fund Inc.	Inv. Inc.	SEC Reg?
Citadel Kensington Ltd	Other	\$486.0	11.8%	2.4%	\$24,487.0	Jan 2000	Jan 2000	Yes
Kinetic Partners Off LP	Hedged Equity	\$153.0	3.7%	7.6%	\$486.0	Dec 2021	Mar 2022	Yes
Elliott Feeder Ltd	Other	\$211.0	5.1%	2.4%	\$832.0	Oct 2020	Oct 2020	Yes
GCM Special Opps Ltd	Other	\$302.0	7.3%	0.9%	\$1,376.0	Sep 2014	Sep 2014	Yes
Canyon VRF Cay Ltd	Credit	\$199.0	4.8%	2.9%	\$4,200.0	Jan 2023	Jan 2023	Yes
Aspex Global	Hedged Equity	\$146.0	3.6%	4.7%	\$6,183.0	Sep 2018	Mar 2019	Yes
Woodline Offshore Fund	Other	\$202.0	4.9%	3.2%	\$5,272.0	Feb 2019	Aug 2019	Yes
D1 Capital Offshore	Hedged Equity	\$356.0	8.7%	2.3%	\$10,409.0	Apr 2018	Jul 2018	Yes
Maplelane Offshore Ltd	Hedged Equity	\$142.0	3.5%	1.9%	\$783.0	Oct 2013	Jul 2019	Yes
Belmont Harbor Ltd	Hedged Equity	\$269.0	6.5%	1.7%	\$603.0	Oct 2020	Oct 2020	Yes
Total	Total	\$2,466.0	59.9%					



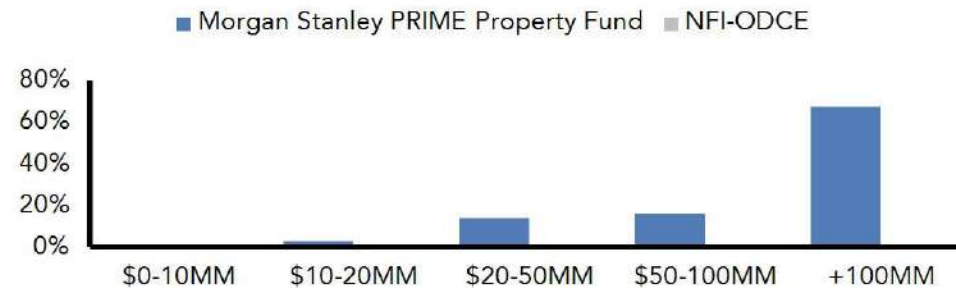
Real Estate Composite

Characteristics	
Fund GAV (\$MM)	\$41,537.6
Fund NAV (\$MM)	\$31,941.1
Cash (% of NAV)	0.2%
# of Investments	535
% in Top 10 by NAV	13.9%
Leverage %	24.2%
Occupancy	91.9%
# of MSAs	53
1-Year Dividend Yield	4.0%
As of Date	12/31/2023

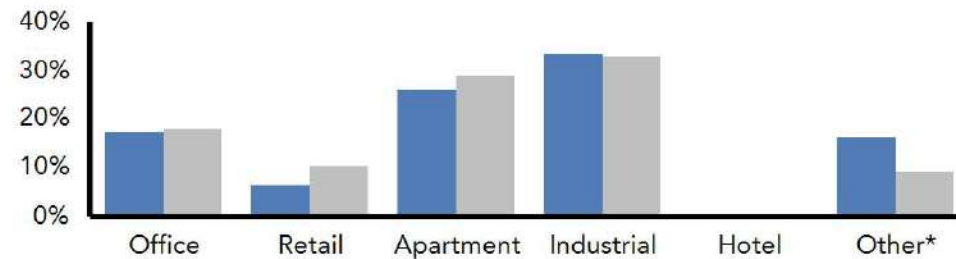
Top 10 Holdings	Location	% of NAV
One Post Office Square	Boston, MA	2.4%
Fashion Valley Mall	San Diego, CA	1.7%
Hills Plaza	San Francisco, CA	1.6%
155 North Wacker	Chicago, IL	1.4%
One Maritime Plaza	San Francisco, CA	1.2%
AMLI Midtown Miami	Miami, FL	1.2%
151 N. Franklin	Chicago, IL	1.2%
Two Park Avenue	New York, NY	1.1%
200 Cambridgepark Drive	Cambridge, MA	1.1%
Wilshire Beverly Center	Los Angeles, CA	1.0%
Total		13.9%

Property Status	% of Portfolio
Pre-Development	0.6%
Development	2.1%
Initial Leasing	2.8%
Operating	94.0%
Re-Development	0.5%
Other	0.0%

Property Size Breakdown All charts by NAV, excluding cash & debt

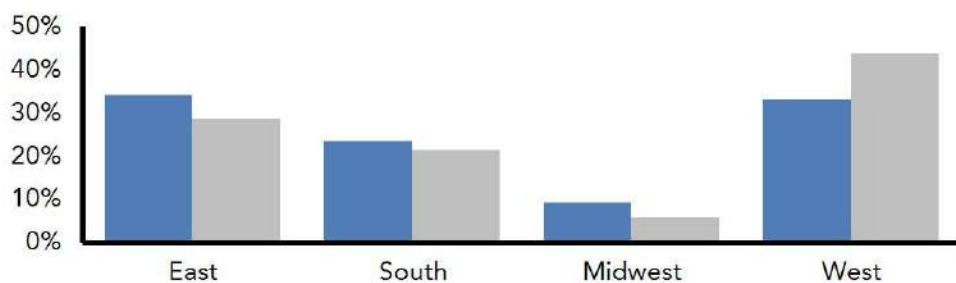


Property Type Breakdown



*Other includes Self Storage (94 investments, 5.5%), Healthcare (41 investments 6.9%), Student Housing (46 investments 3.2%) and Other includes land held for potential development (13 investments 0.8%)

Regional Breakdown

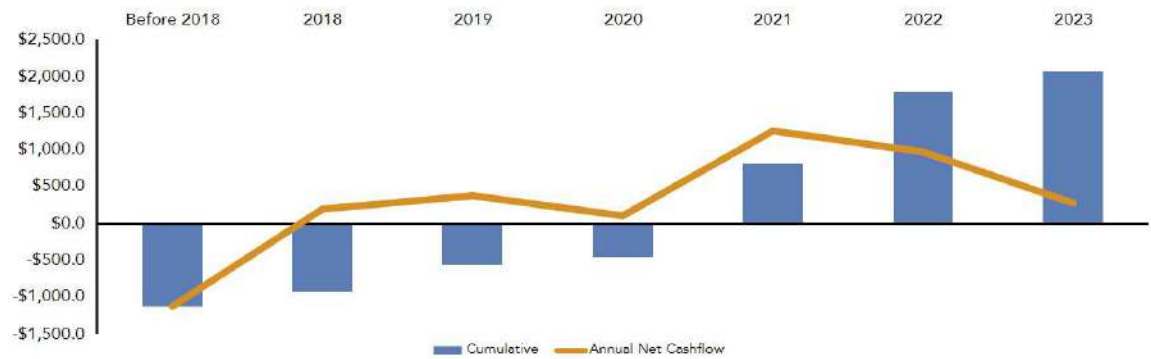


Private Equity/Opportunistic Investments

Characteristics

Fund Vintage Year	2013
Total Size of Fund (\$M)	\$1,644.1
Total Capital Called to Date	
% of Capital Called	85.1%
Capital Distributed (\$M)	
Capital Distributed (as a % of Capital Called)	\$85.1
Fund NAV (\$M)	\$608.4
Net Multiple	3.1x
Net IRR	17.3%
As of Date	3/31/2023

Annual Cash Flow Summary (\$M)

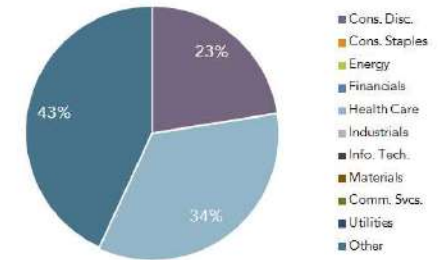


	Active Investments			Total Investments		
	Total Active	Written Up	Written Down	Total	Realized	Written Off
# of Properties	3	0	0	11	8	0
Current + Realized MV (\$M)	\$823.5	\$0.0	\$0.0	\$4,300.5	\$3,477.0	\$0.0
% of Portfolio	19.1%	0.0%	0.0%	100.0%	80.9%	0.0%

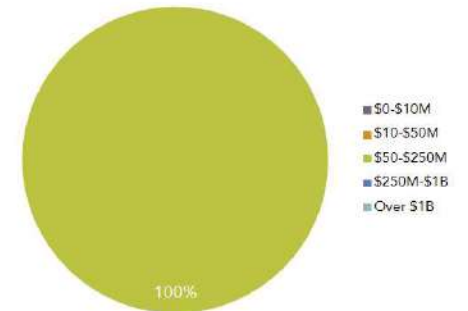
Top Ten Holdings by Market Value

Holding	Type	Initial Investment Date	% of Portfolio	Total Investment (\$M)	Fair Market Value (\$M)	Total Distribution (\$M)
Genova Diagnostics	Health Care	11/12/2013	4.3%	\$158.0	\$26.4	\$83.8
Smith System	Other	6/9/2014	24.0%	\$75.0	\$145.8	\$78.4
Therapeutic Research Center	Other	8/23/2017	71.7%	\$171.3	\$436.1	\$52.9
Name						
Total			100.0%	\$404.3	\$608.3	\$215.1

Portfolio Company Sector Exposure



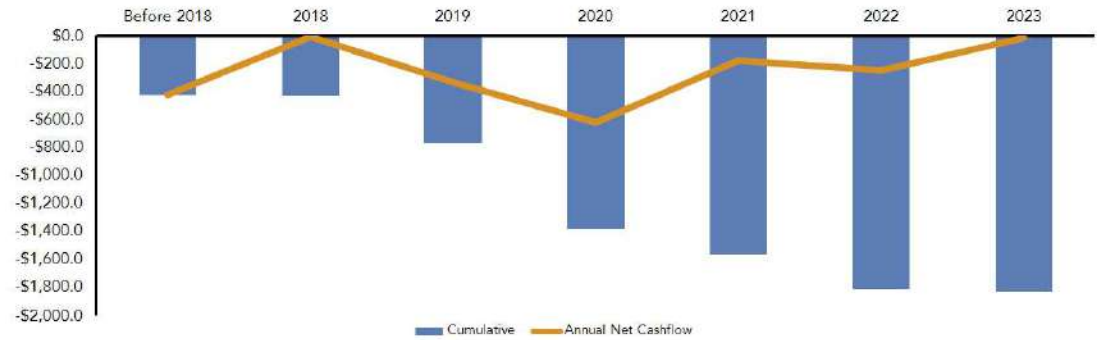
Portfolio Company Annual Revenue



Characteristics

Fund Vintage Year	2017
Total Size of Fund (\$M)	\$2,500.5
Total Capital Called to Date	
% of Capital Called	79.9%
Capital Distributed (\$M)	
Capital Distributed (as a % of Capital Called)	\$79.9
Fund NAV (\$M)	\$3,360.7
Net Multiple	1.9x
Net IRR	16.2%
As of Date	3/31/2023

Annual Cash Flow Summary (\$M)

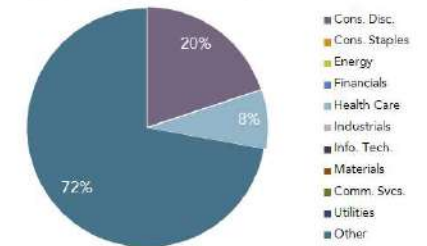


	Active Investments			Total Investments		
	Total Active	Written Up	Written Down	Total	Realized	Written Off
# of Properties	9	0	0	9	0	0
Current + Realized MV (\$M)	\$3,758.8	\$0.0	\$0.0	\$3,758.8	\$0.0	\$0.0
% of Portfolio	100.0%	0.0%	0.0%	100.0%	0.0%	0.0%

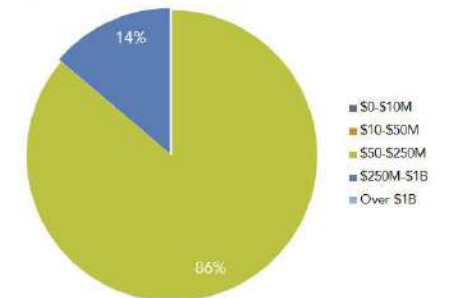
Top Ten Holdings by Market Value

Holding	Type	Initial Investment Date	% of Portfolio	Total Investment (\$M)	Fair Market Value (\$M)	Total Distribution (\$M)
Law Business Research	Other	12/22/2017	10.5%	\$205.7	\$354.4	\$37.6
Capsa Healthcare	Other	9/8/2017	8.9%	\$168.9	\$299.6	\$82.8
Club Champion	Consumer Discretionary	2/1/2019	9.0%	\$150.5	\$303.1	\$45.1
Sierra	Health Care	4/30/2019	6.3%	\$157.8	\$210.4	\$73.9
Tropical Smoothie Cafe	Consumer Discretionary	9/4/2020	17.3%	\$246.2	\$580.1	\$134.1
BigHand	Other	11/2/2020	9.7%	\$245.8	\$326.6	\$11.9
Suveto	Other	10/30/2020	13.8%	\$300.0	\$464.6	\$4.8
Encore Fire Protection	Other	6/2/2021	11.2%	\$193.8	\$376.7	\$4.7
Technical Safety Services	Other	6/22/2022	13.2%	\$329.3	\$445.2	\$3.2
Total			99.9%	\$1,998.0	\$3,360.7	\$398.0

Portfolio Company Sector Exposure



Portfolio Company Annual Revenue



Investment Manager Evaluation Terminology

The following terminology has been developed by Marquette Associates to facilitate efficient communication among the Investment Manager, Investment Consultant, and the Plan Sponsor. Each term signifies a particular status with the Fund and any conditions that may require improvement. In each case, communication is made only after consultation with the Trustees and/or the Investment Committee of the Plan.

In Compliance – Marquette has not been notified of any issues or changes to the investment manager that would materially impede upon its ability to execute the investment strategy or adhere to any applicable investment guidelines.

Alert – The investment manager has experienced a problem in performance (usually relative to a benchmark), a change in investment characteristics, an alteration in management style, ownership, or key investment professionals, and/or any other irregularities that may impede upon its ability to execute the investment strategy or adhere to any applicable investment guidelines.

On Notice – The investment manager has experienced continued concern with one or more Alert issues. Failure to improve upon stated issues within a certain time frame may justify termination.

Termination – The investment manager has been terminated and transition plans are in place.

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May 2024 Market Environment

Market Tracker

May 2024

U.S. Equity Returns

	May	YTD	1 Yr
S&P 500	5.0%	11.3%	28.2%
Russell 3000	4.7%	10.1%	27.6%
NASDAQ	7.0%	11.8%	30.4%
Dow Jones	2.6%	3.5%	20.0%

Non-U.S. Equity Returns

	May	YTD	1 Yr
ACWI	4.1%	8.9%	23.6%
ACWI ex. US	2.9%	5.8%	16.7%
EAFE Index	3.9%	7.1%	18.5%
EAFE Local	2.5%	11.7%	19.9%
EAFE Growth	3.8%	6.7%	13.8%
EAFE Value	3.9%	7.5%	23.6%
EAFE Small Cap	4.3%	3.7%	14.4%
Emerging Markets	0.6%	3.4%	12.4%
EM Small Cap	0.7%	3.7%	21.6%

Regional Returns

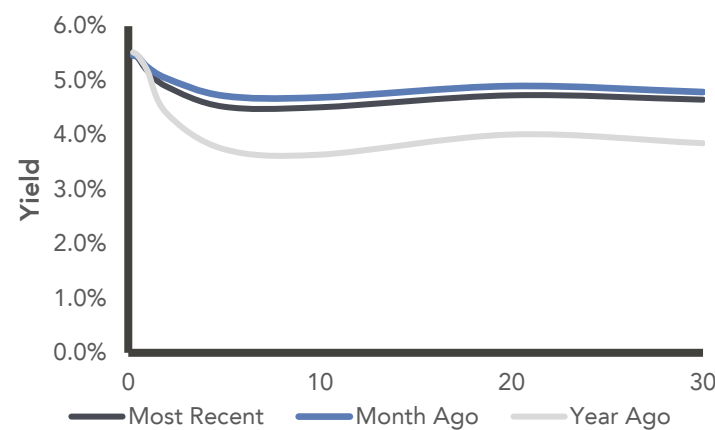
	May	YTD	1 Yr
Europe	4.8%	8.4%	20.0%
Asia ex-Japan	1.6%	5.3%	11.2%
EM Latin America	-3.1%	-10.2%	12.6%
UK	3.6%	8.8%	18.9%
Germany	4.3%	7.5%	18.0%
France	3.0%	5.9%	15.8%
Japan	1.3%	7.0%	18.6%
China	2.4%	6.8%	4.3%
Brazil	-5.0%	-15.6%	11.2%
India	0.7%	9.3%	31.5%

Real Estate Returns

	Qtr	YTD	1 Yr
NCREIF NPI National*	-1.0%	-1.0%	-7.2%
FTSE NAREIT	-3.0%	-4.3%	9.4%

*Returns as of March 31, 2024

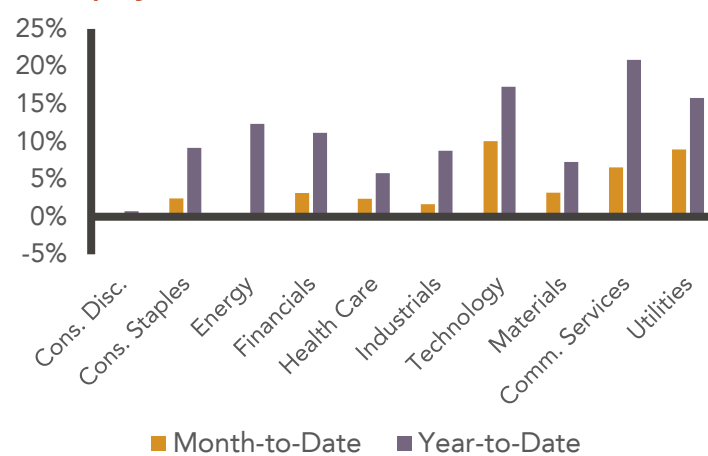
Yield Curve



Style Index Returns

	Month-to-Date			Year-to-Date		
	Value	Core	Growth	Value	Core	Growth
Large	3.2%	4.7%	6.0%	7.6%	10.6%	13.1%
Mid	3.6%	2.9%	1.1%	6.2%	5.7%	4.2%
Small	4.7%	5.0%	5.4%	0.8%	2.7%	4.6%

U.S. Equity Sector Returns



Fixed Income Returns

	May	YTD	1 Yr
Aggregate	1.7%	-1.6%	1.3%
Universal	1.7%	-1.2%	2.4%
Government	1.4%	-1.8%	-0.1%
Treasury	1.5%	-1.9%	-0.2%
Int. Gov/Credit	1.2%	-0.3%	2.7%
Long Gov/Credit	2.8%	-5.1%	-1.9%
TIPS	1.7%	-0.1%	1.6%
Municipal 5 Year	-0.6%	-1.8%	1.9%
High Yield	1.1%	1.6%	11.2%
Bank Loans	0.9%	4.2%	13.2%
Global Hedged	0.9%	-0.7%	3.2%
EM Debt Hard Currency	1.8%	1.7%	11.0%

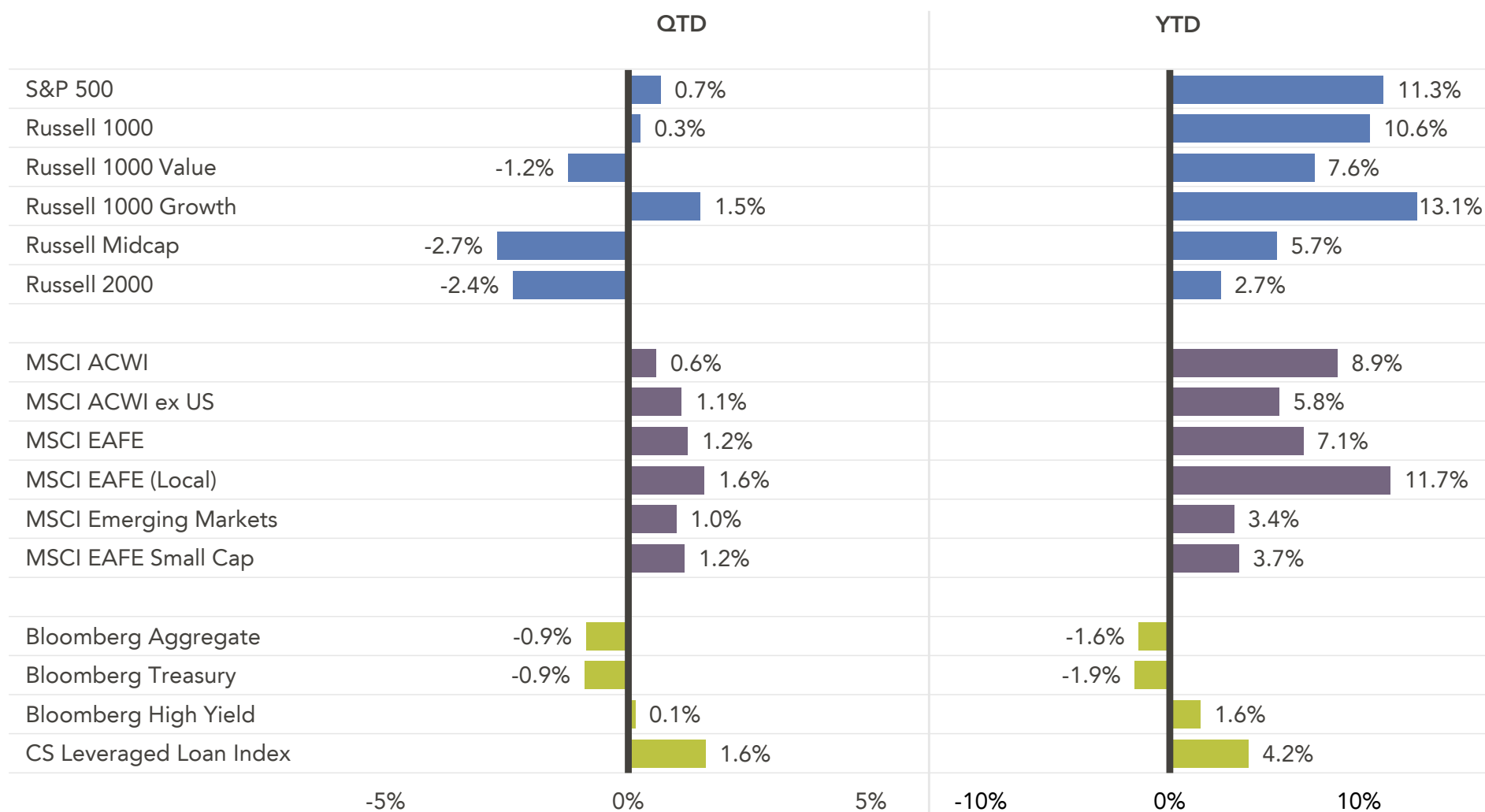
Hedge Fund Returns

	May	YTD	1 Yr
HFRX Equal Wtd.	0.3%	1.8%	6.0%
HFRX Hedged Equity	1.2%	3.9%	9.2%
HFRX Event Driven	0.5%	1.2%	5.2%
HFRX Macro	-0.5%	5.4%	4.1%
HFRX Relative Value	0.7%	0.8%	4.1%
CBOE PutWrite	1.5%	5.7%	10.1%

Commodity Returns

	May	YTD	1 Yr
GSCI Total	-1.9%	9.5%	18.4%
Precious Metals	4.6%	16.0%	20.6%
Livestock	-1.3%	8.6%	11.5%
Industrial Metals	1.8%	15.1%	20.7%
Energy	-1.4%	3.8%	10.1%
Agriculture	3.7%	-0.4%	1.0%
WTI Crude Oil	-4.8%	12.0%	27.0%
Gold	1.4%	12.5%	17.8%

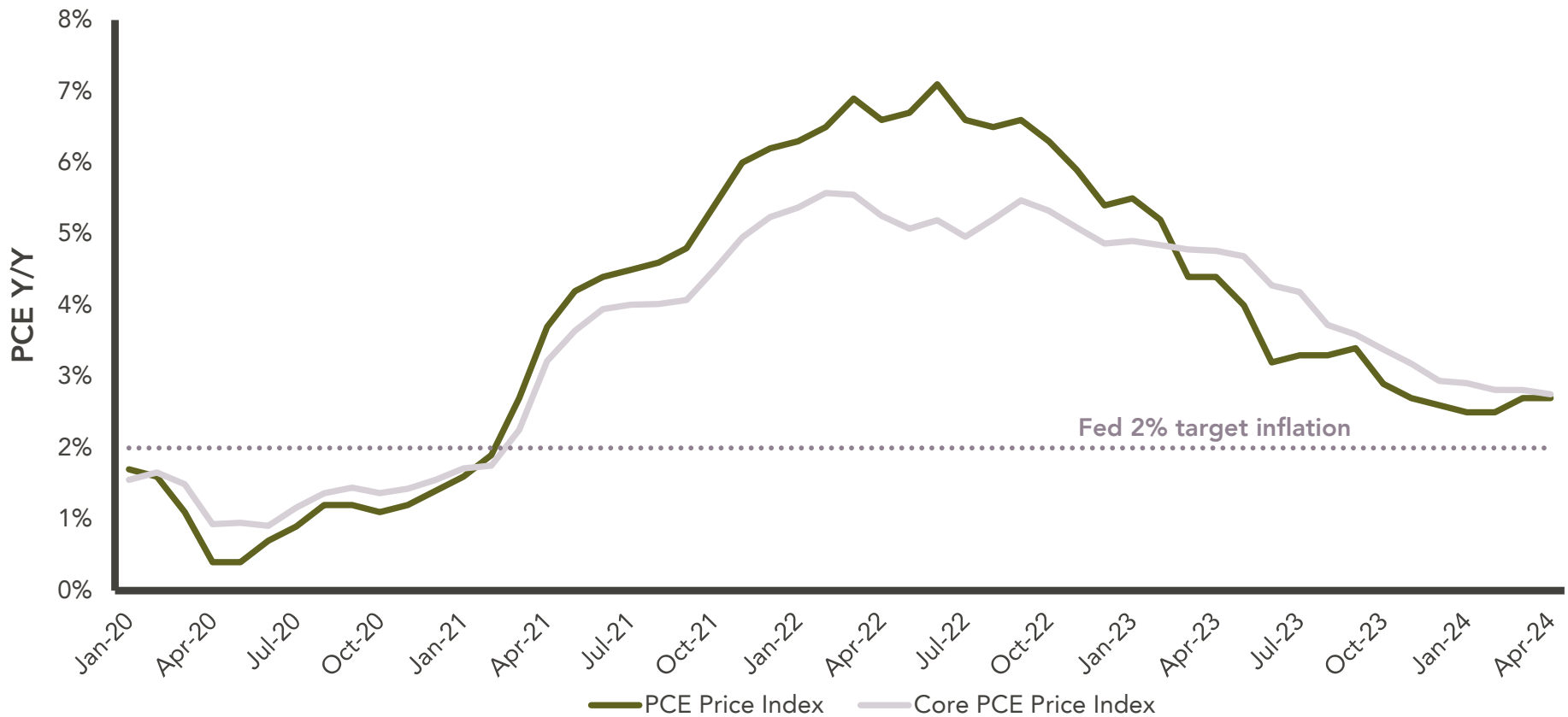
Index summary



Source: Bloomberg as of May 31, 2024

PCE

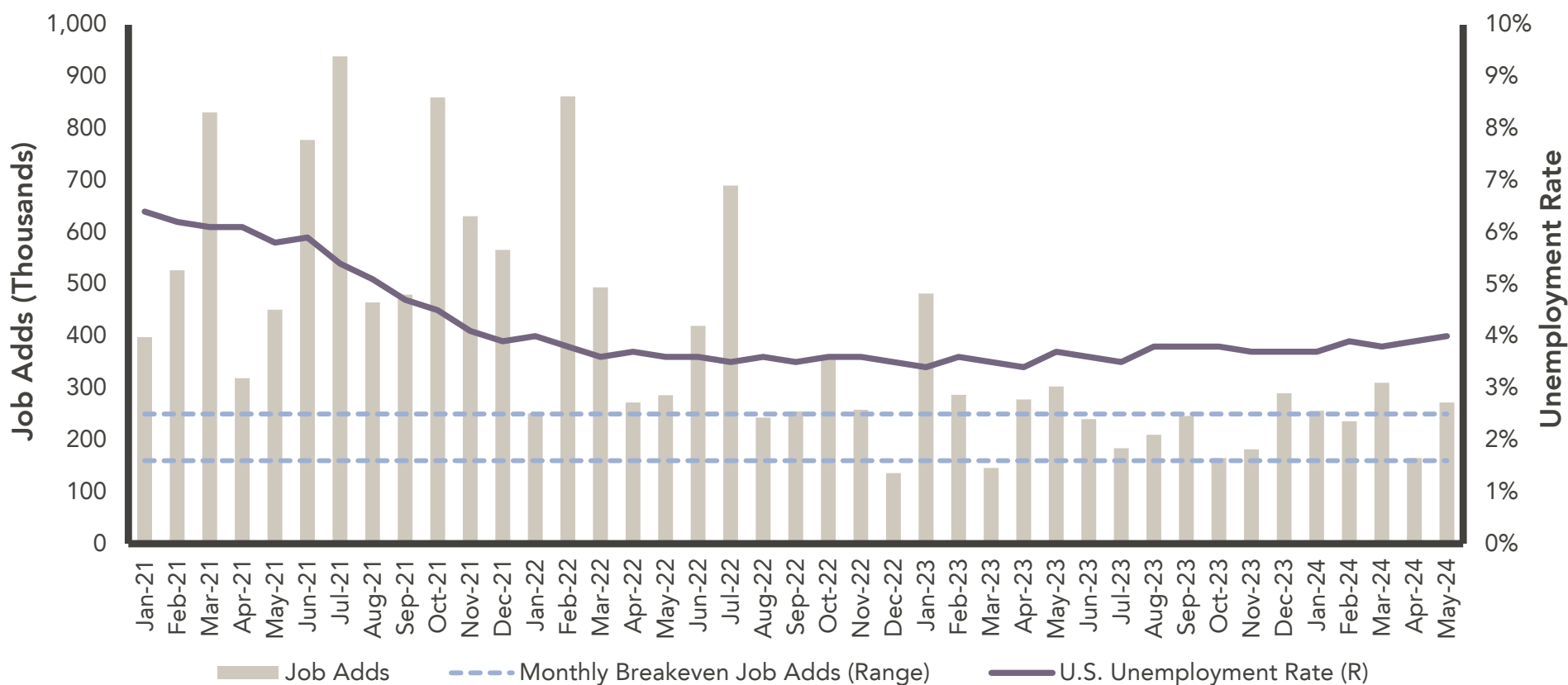
U.S. inflation tracked sideways in April, a sign that PCE levels above the Fed's target could persist into the future



Source: Bloomberg, Bureau of Economic Analysis as of April 30, 2024

Hiring and unemployment

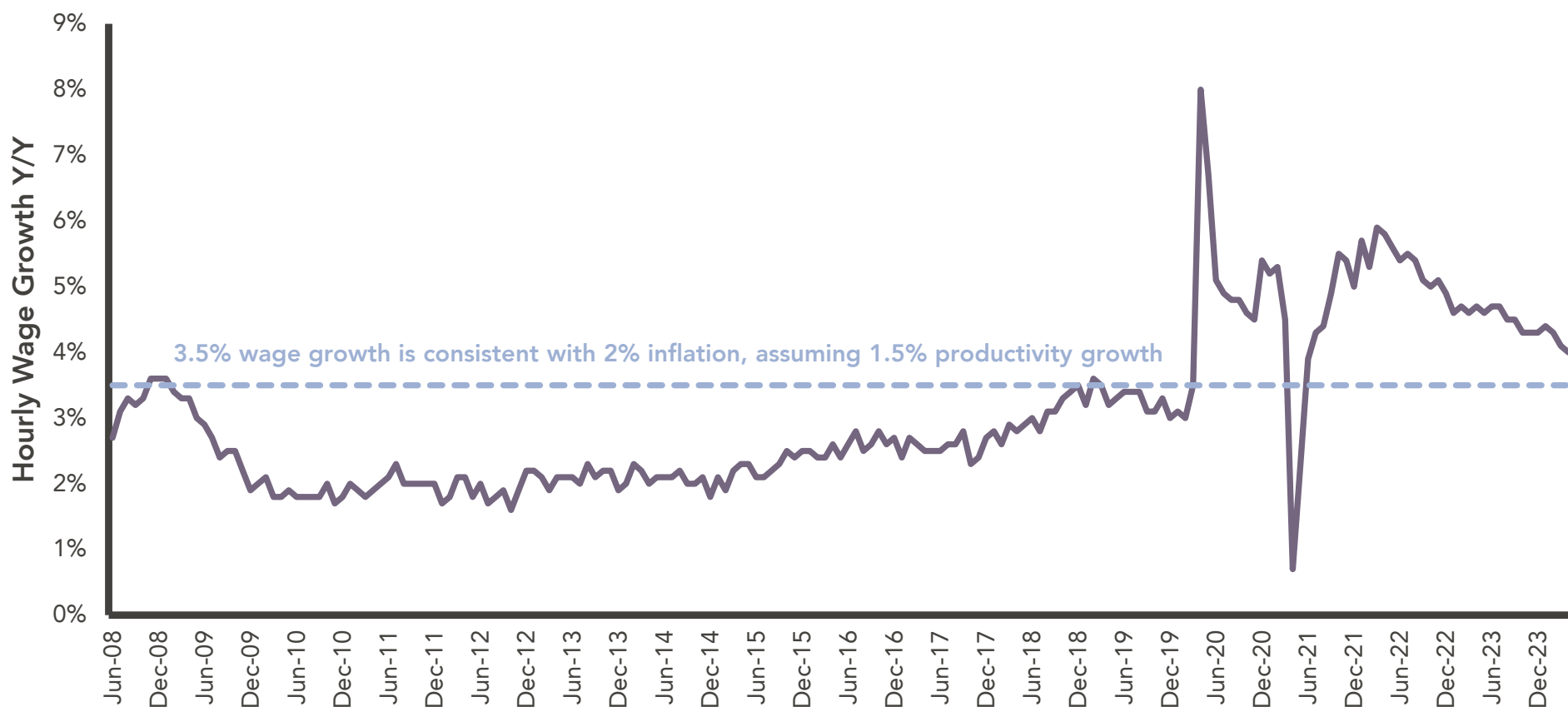
The U.S. economy added 272,000 jobs in May, which was well above consensus expectations; the unemployment rate ticked up to 4.0%



Source: Bloomberg, Bureau of Labor Statistics as of May 31, 2024. Monthly breakeven job adds are economists' estimates related to how fast payrolls can grow without tightening the labor market and stoking wage pressures (i.e., neutral payrolls growth).

Wage growth

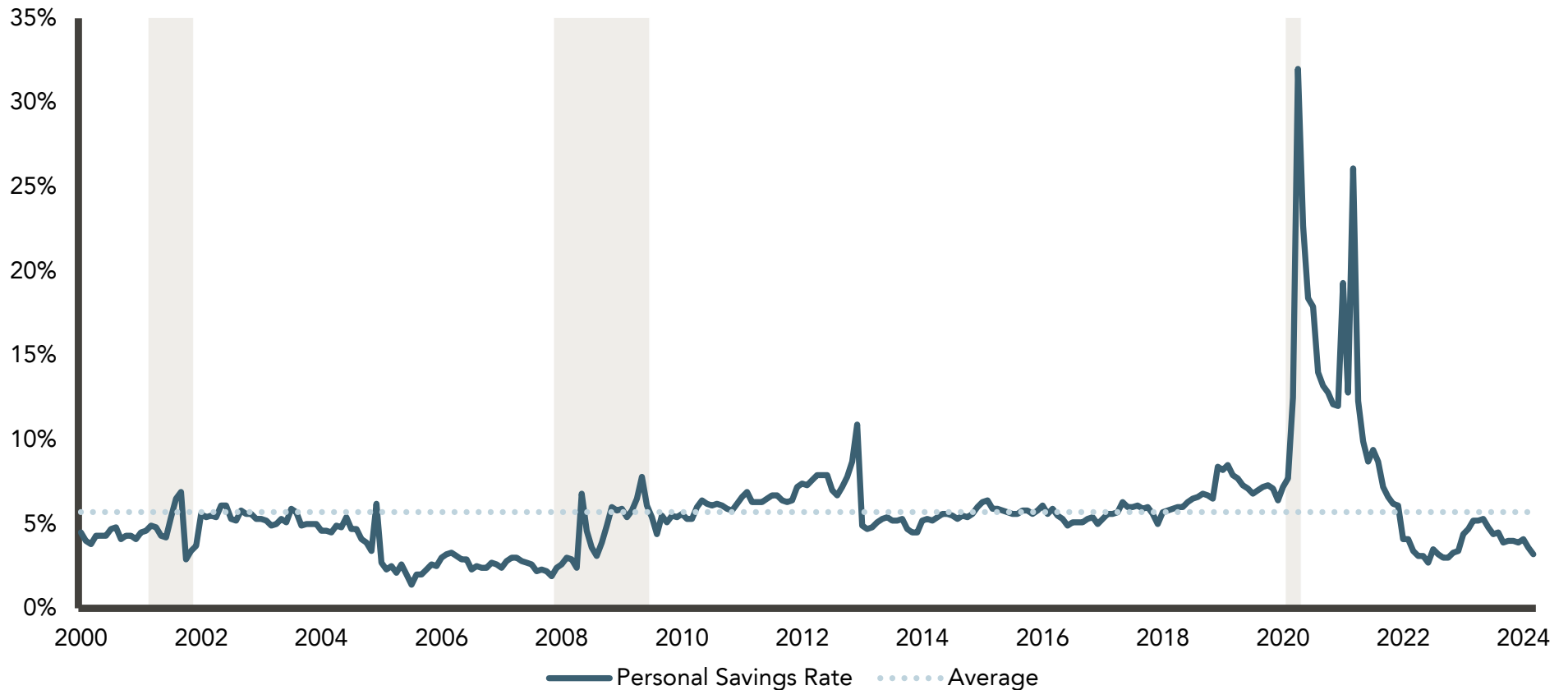
Wage growth remained strong in May and continues to sit above the 3.5% target that is consistent with the Fed's 2% inflation objective



Source: Bloomberg, Bureau of Labor Statistics as of May 31, 2024

Personal savings rates below long-term average levels

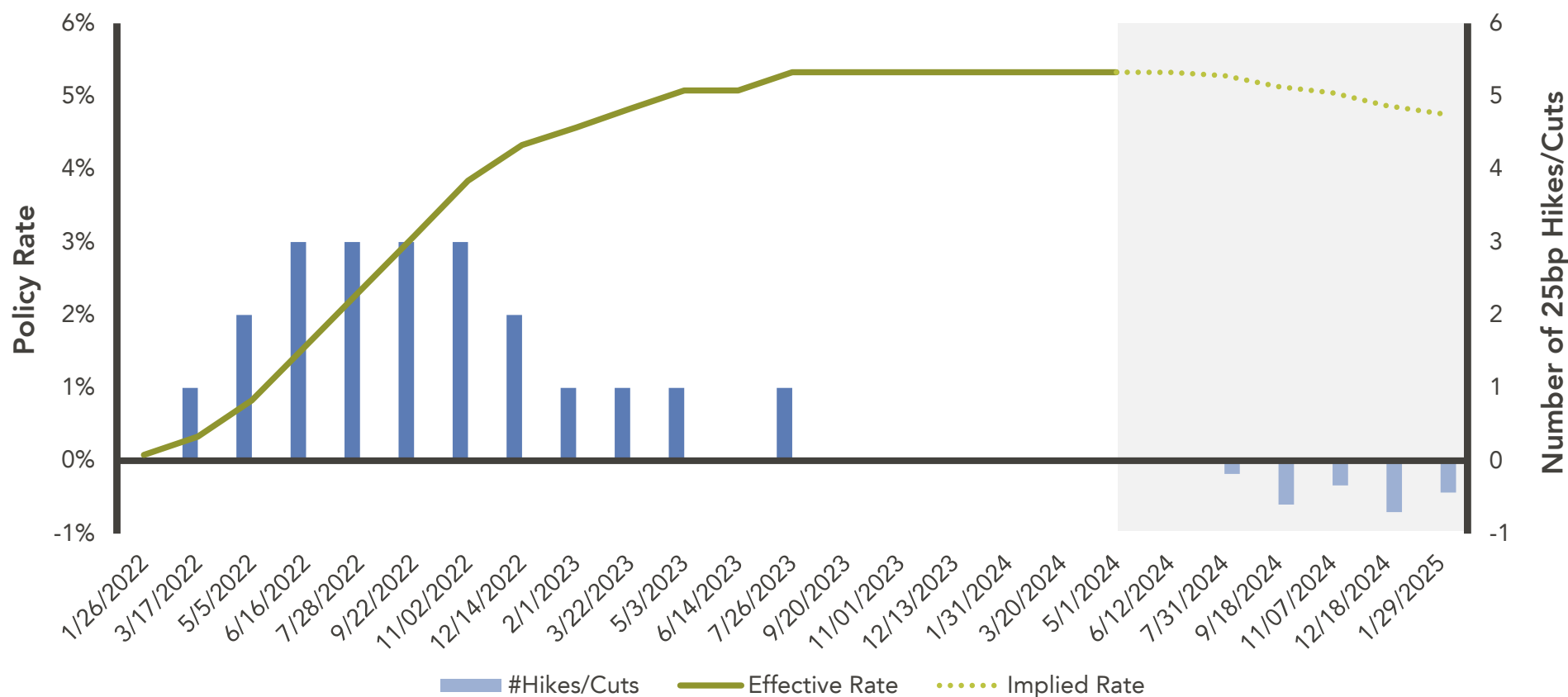
After a spike during the pandemic, personal savings rates have dropped to roughly 3.2%, indicating a depletion of excess consumer cash



Source: Federal Reserve Bank of St. Louis as of March 31, 2024. Shaded regions indicate periods of recession.

Rate expectations

The Federal Reserve held its policy rate constant at its May meeting; investors now expect 1–2 rate cuts before the end of the year



Source: Bloomberg as of June 4, 2024

Fixed income performance

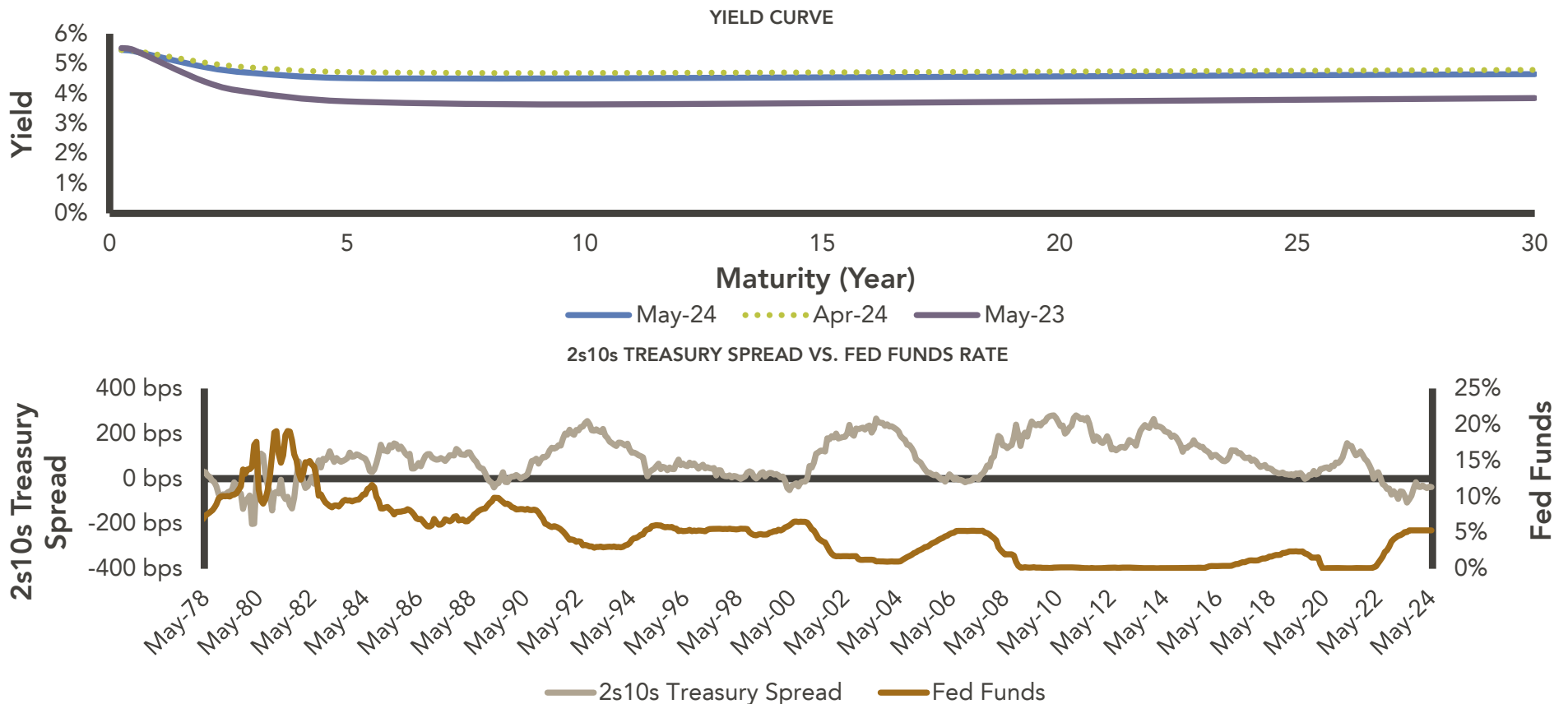
Fixed income indices posted strong returns in May; rate sensitive areas particularly benefitted as rates fell on cooling inflation data

		MTD (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)
Broad Market Index	Blm Aggregate	1.7	-0.9	-1.6	1.3	-3.1	-0.2	1.3
Intermediate Index	Blm Int. Gov./Credit	1.2	-0.2	-0.3	2.7	-1.4	0.8	1.5
Government Only Indices	Blm Long Gov.	2.9	-3.4	-6.5	-7.1	-9.9	-4.3	0.4
	Blm Int. Gov.	1.1	-0.3	-0.6	1.6	-1.7	0.3	1.0
	Blm 1-3 Year Gov.	0.7	0.3	0.6	3.4	0.1	1.0	1.1
	Blm U.S. TIPS	1.7	0.0	-0.1	1.6	-1.4	2.1	1.9
Credit Indices	Blm U.S. Long Credit	2.8	-2.2	-3.8	2.9	-5.8	-0.2	2.4
	Blm High Yield	1.1	0.1	1.6	11.2	1.8	4.2	4.3
	CS Leveraged Loan Index	0.9	1.6	4.2	13.2	6.0	5.4	4.6
Securitized Bond Indices	Blm MBS	2.0	-1.1	-2.1	0.5	-3.3	-0.8	0.8
	Blm ABS	0.9	0.3	1.0	4.5	0.5	1.6	1.8
	Blm CMBS	1.6	-0.2	0.8	4.1	-2.0	0.7	1.9
Non-U.S. Indices	Blm Global Aggregate Hedged	0.9	-0.7	-0.7	3.2	-1.7	0.4	2.0
	JPM EMBI Global Diversified	1.8	-0.3	1.7	11.0	-2.6	0.5	2.6
	JPM GBI-EM Global Diversified	1.6	-0.6	-2.7	5.1	-3.3	0.1	-0.7
Municipal Indices	Blm Municipal 5 Year	-0.6	-1.5	-1.8	1.9	-0.9	0.7	1.5
	Blm HY Municipal	0.8	0.1	1.7	8.2	-0.3	2.6	4.2

Source: Bloomberg, Credit Suisse, JPMorgan as of May 31, 2024. The local currency GBI index is hedged and denominated in U.S. dollars.

U.S. Treasury yield curve and steepness

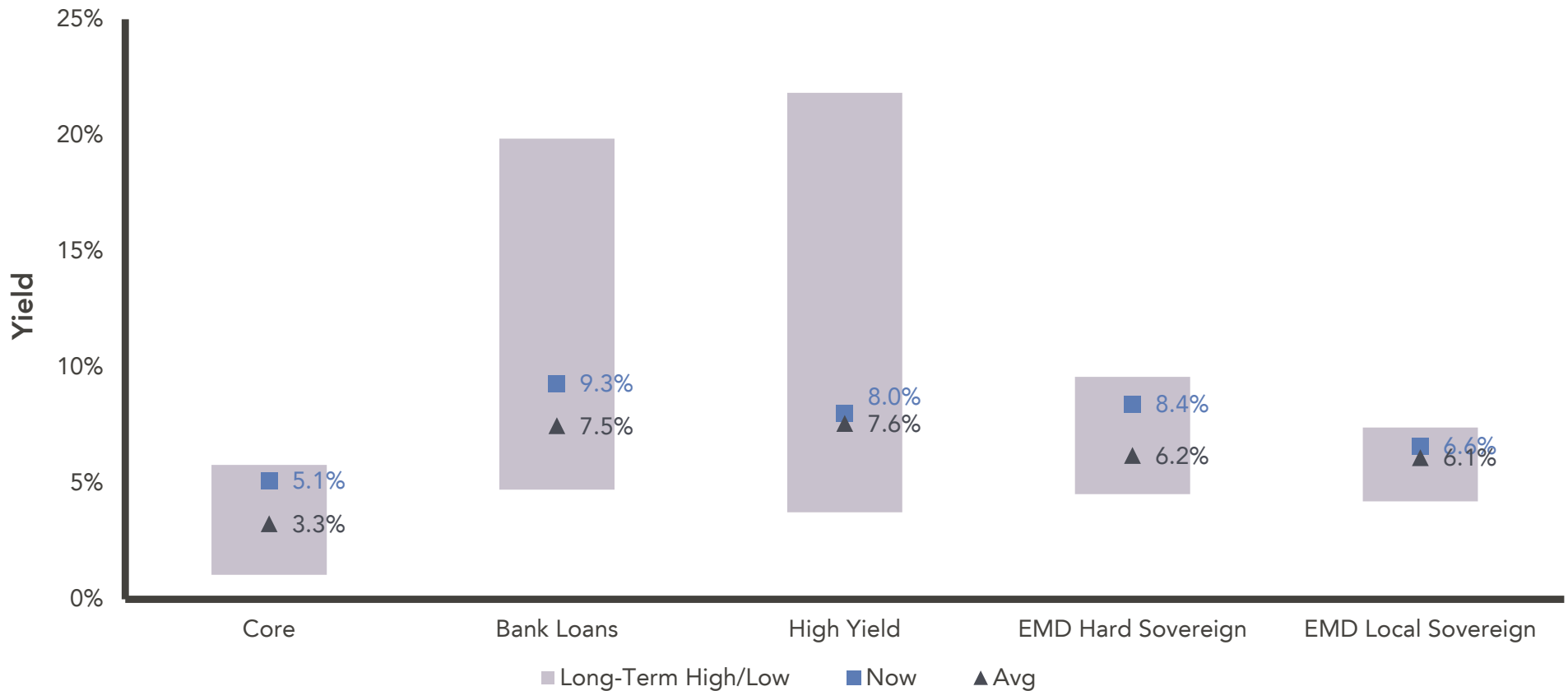
The yield curve shifted slightly lower in May, to some degree reversing the recent trend of upward pressure on rates



Source: Federal Reserve, Bloomberg as of May 31, 2024

Fixed income yields

Yields were lower across fixed income sectors in May as Treasury rates repriced downward on a better-than-expected CPI report



Source: Bloomberg, Credit Suisse, JPMorgan as of May 31, 2024. Long-term high, low, and average based on longest available data for each index.

U.S. equity performance

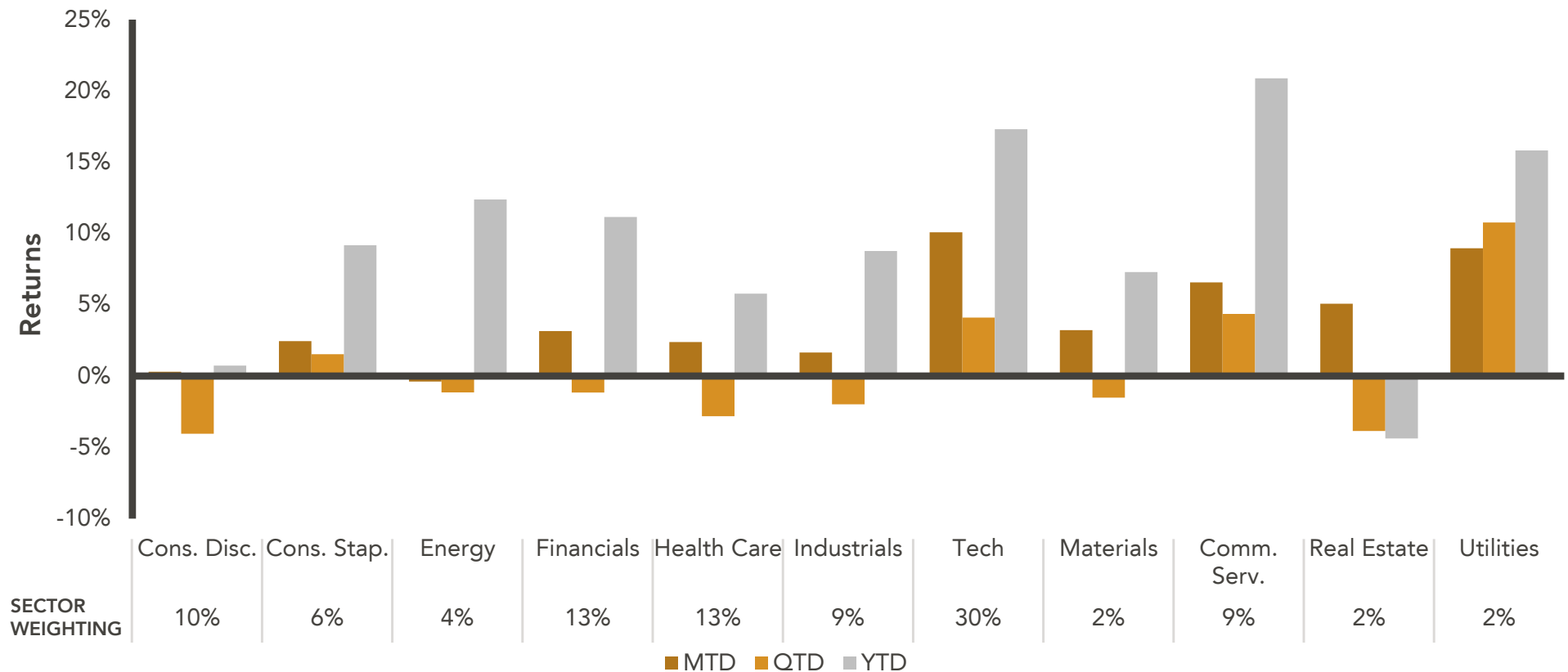
All major domestic equity benchmarks rallied in May, although returns were mixed across the style and market cap spectrums

		MTD (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)
Broad Market Indices	Dow Jones	2.6	-2.5	3.5	20.0	6.0	11.6	11.3
	Wilshire 5000	4.7	0.2	10.1	27.6	7.2	14.6	11.8
	Russell 3000	4.7	0.1	10.1	27.6	7.8	15.0	12.1
Large-Cap Market Indices	S&P 500	5.0	0.7	11.3	28.2	9.6	15.8	12.7
	Russell 1000	4.7	0.3	10.6	28.0	8.5	15.4	12.4
	Russell 1000 Value	3.2	-1.2	7.6	21.7	5.5	10.7	8.6
	Russell 1000 Growth	6.0	1.5	13.1	33.6	11.1	19.4	15.8
Mid-Cap Market Indices	Russell Mid-Cap	2.9	-2.7	5.7	23.1	3.1	11.1	9.5
	Russell Mid-Cap Value	3.6	-1.8	6.2	23.7	3.8	10.3	8.1
	Russell Mid-Cap Growth	1.1	-4.8	4.2	21.9	1.6	11.1	10.7
Small-Cap Market Indices	Russell 2000	5.0	-2.4	2.7	20.1	-1.7	8.6	7.7
	Russell 2000 Value	4.7	-2.0	0.8	21.8	-0.2	8.8	6.9
	Russell 2000 Growth	5.4	-2.8	4.6	18.4	-3.3	7.8	8.1

Source: Bloomberg as of May 31, 2024

S&P 500 sector performance

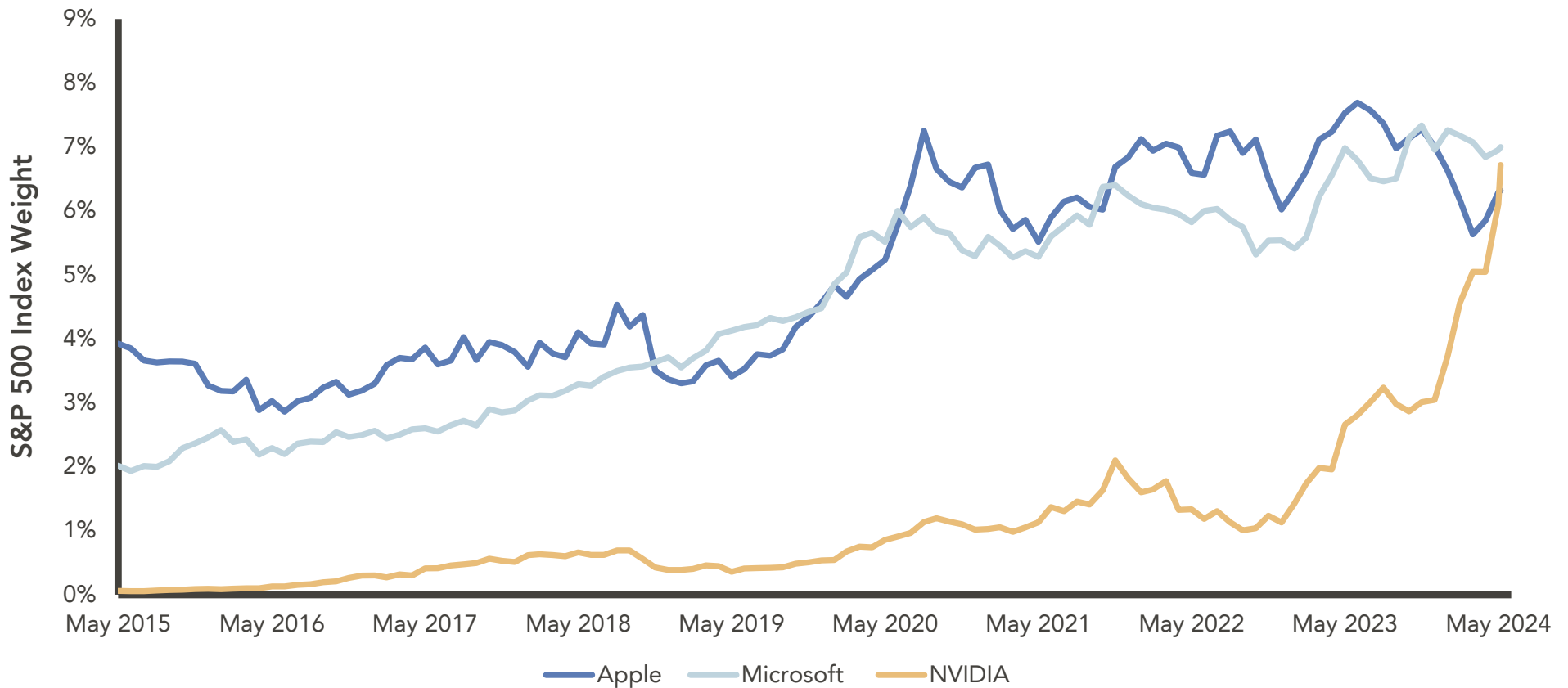
Energy was the only sector of the S&P 500 Index to notch a negative return in May; Information Technology and Utilities led the market



Source: Bloomberg as of May 31, 2024. Sector weights are as of March 31, 2024.

A change at the top

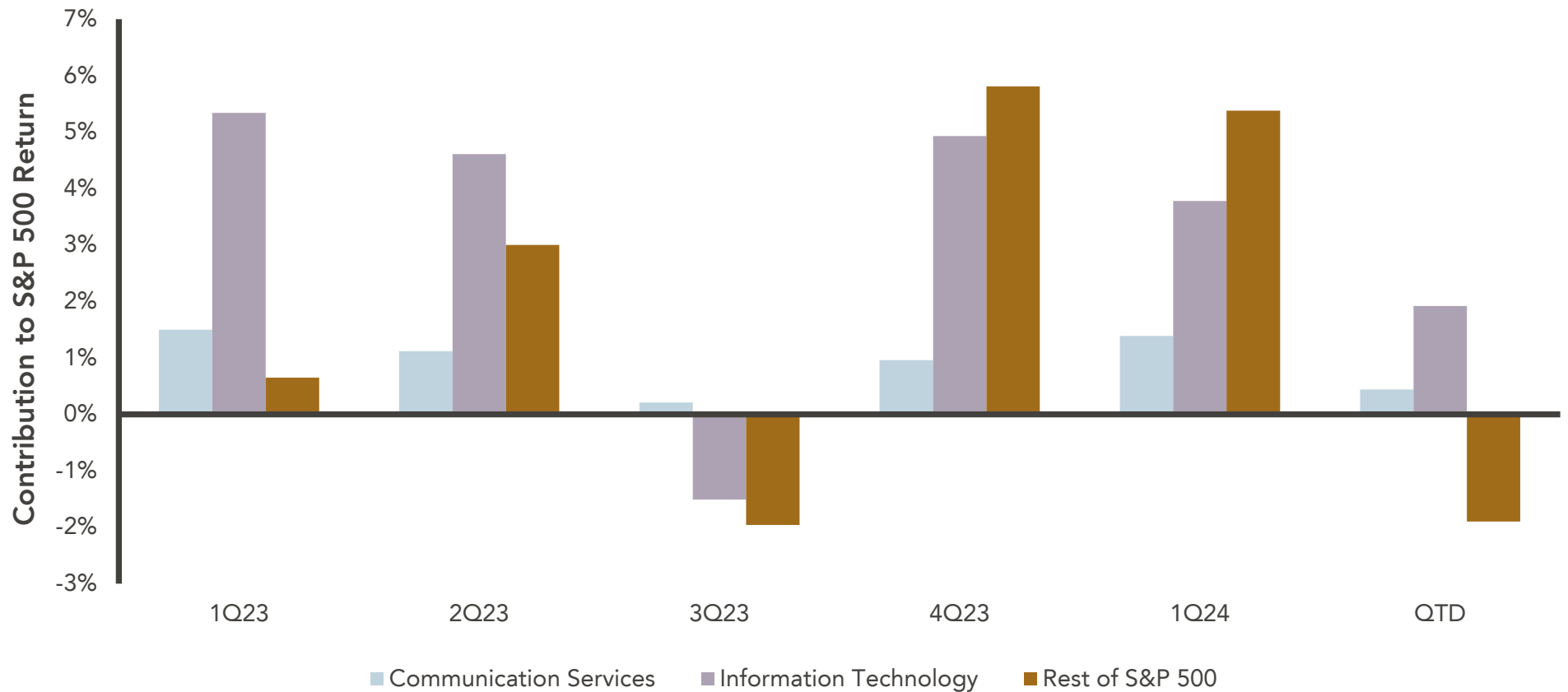
NVIDIA recently overtook Apple as the second-largest constituent of the S&P 500 Index; Microsoft maintains the largest index weight



Source: FactSet as of June 5, 2024

Market breadth has diminished in the second quarter

Market leadership has once again narrowed as tech-oriented sectors have exhibited renewed strength in 2Q amid positive earnings reports



Source: FactSet as of May 31, 2024

Global equity performance

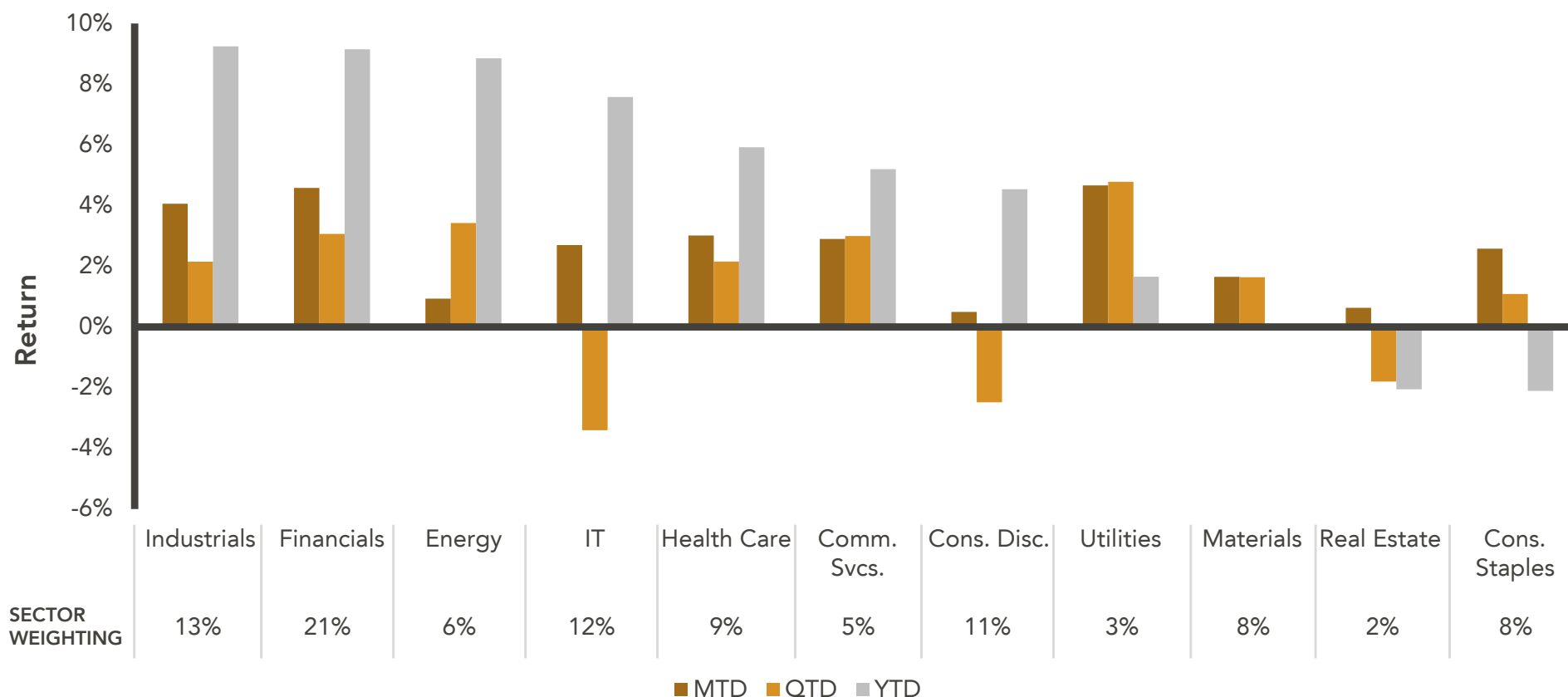
Small-cap stocks in developed markets rebounded significantly in May but still trail the broad market on a year-to-date basis

		MTD (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)
Global Equity Market Indices	MSCI ACWI	4.1	0.6	8.9	23.6	5.1	11.7	8.4
	MSCI ACWI ex-U.S.	2.9	1.1	5.8	16.7	0.3	6.8	4.0
Developed Markets Indices	MSCI EAFE	3.9	1.2	7.1	18.5	3.1	8.0	4.6
	MSCI EAFE Local	2.5	1.6	11.7	19.9	8.8	10.0	7.5
Emerging Markets Indices	MSCI Emerging Markets	0.6	1.0	3.4	12.4	-6.2	3.5	2.7
	MSCI EM Local	0.5	1.9	6.5	14.6	-2.7	5.7	5.7
Small-Cap Market Indices	MSCI EAFE Small-Cap	4.3	1.2	3.7	14.4	-2.9	5.7	4.8
	MSCI EM Small-Cap	0.7	2.6	3.7	21.6	2.3	10.1	5.0
Frontier Markets Index	MSCI Frontier	3.8	0.7	6.0	14.9	-2.4	2.7	0.7

Source: Bloomberg as of May 31, 2024

MSCI ACWI ex-U.S. sector performance

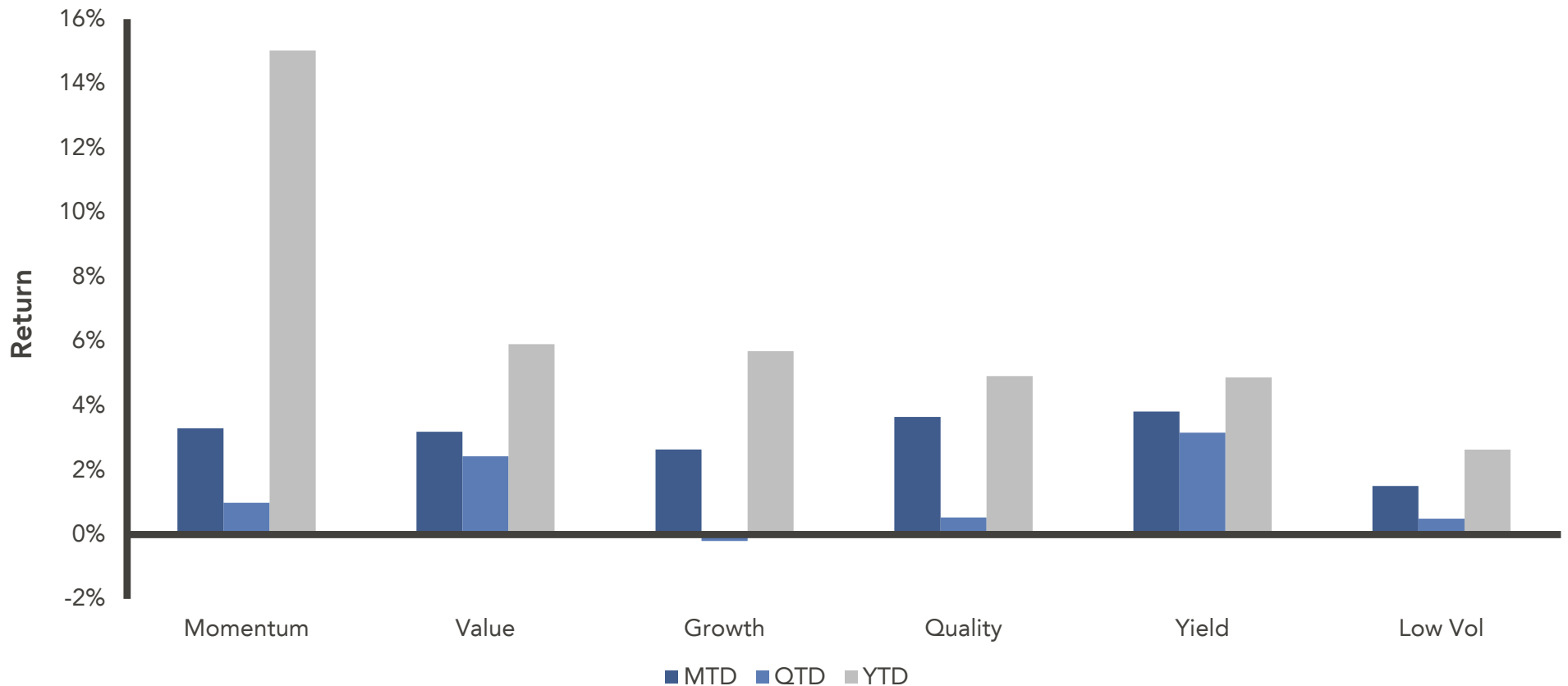
Industrials and Financials enjoyed a robust month of May and lead all sectors of the non-U.S. equity market on a year-to-date basis



Source: Bloomberg as of May 31, 2024. Sector weights based on the MSCI ACWI ex-U.S. Index as of March 31, 2024.

MSCI ACWI ex-U.S. factor performance

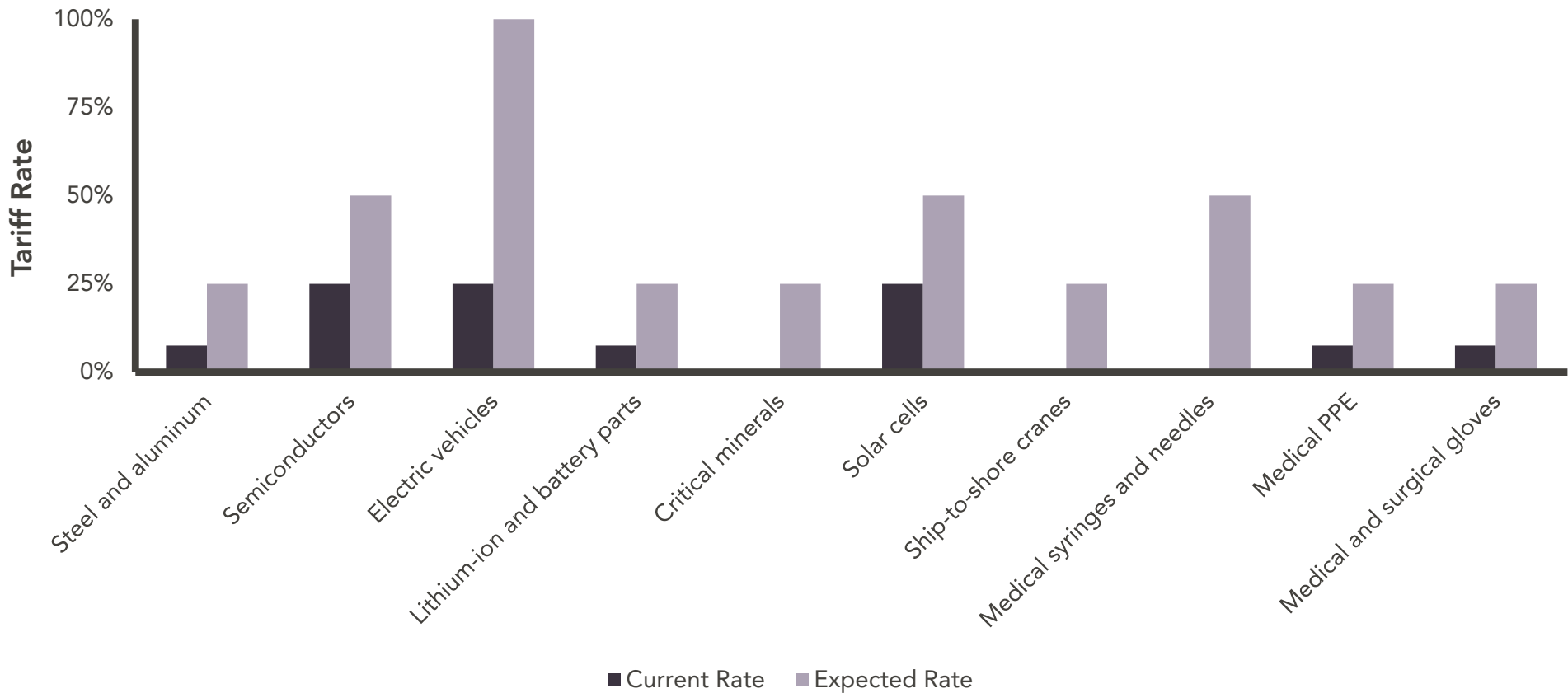
The momentum factor continues to lead the non-U.S. equity market on a year-to-date basis after a positive month of May



Source: Bloomberg as of May 31, 2024

The U.S. increases tariffs on key imports from China

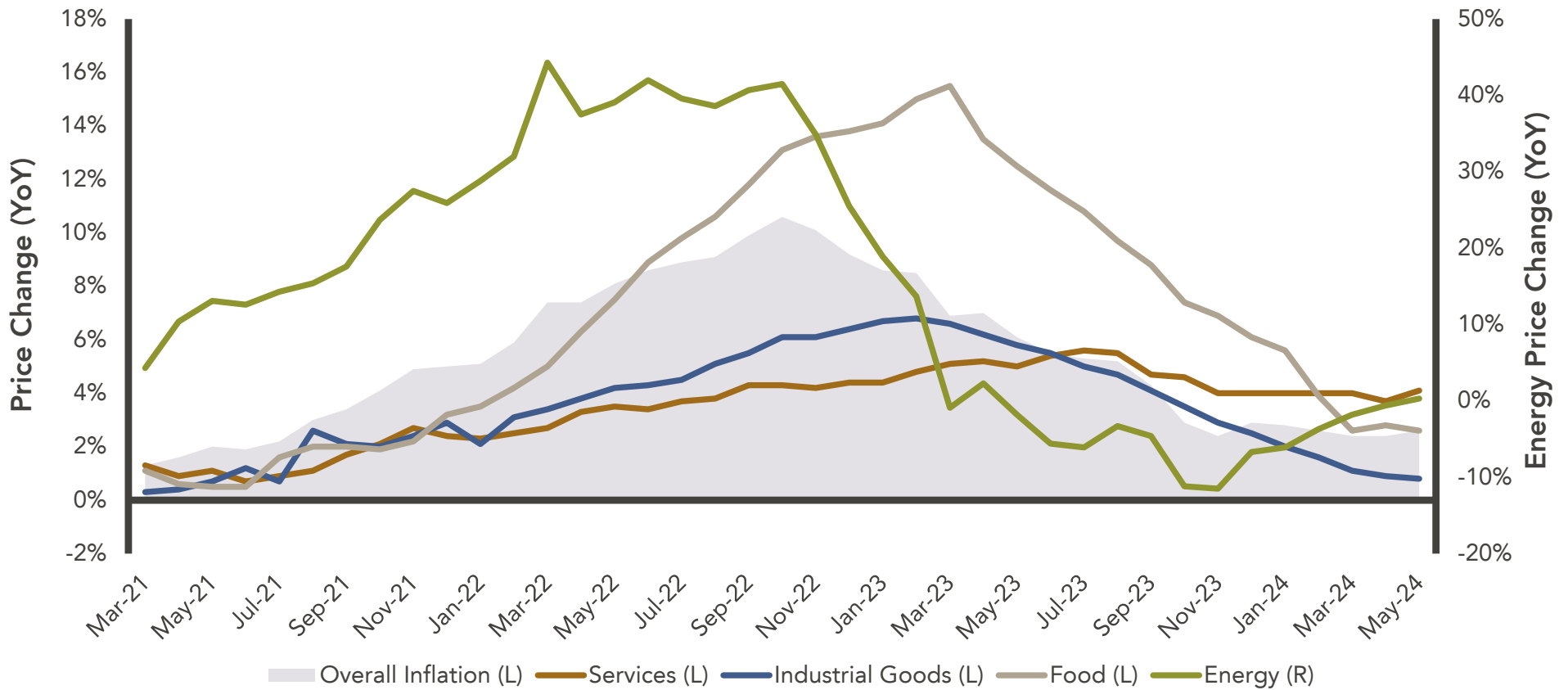
In May, the Biden Administration unveiled sweeping tariff hikes on various Chinese imports, putting pressure on U.S./China relations



Source: The White House as of May 14, 2024. The current tariff rates for Steel and Aluminum and Medical PPE are between 0% and 7.5%.

Inflation drivers in the eurozone

Unemployment and wage growth have kept services inflation elevated, a dynamic the ECB will watch closely going forward



Source: European Central Bank as of May 31, 2024. May 2024 values are estimated.

Real estate performance

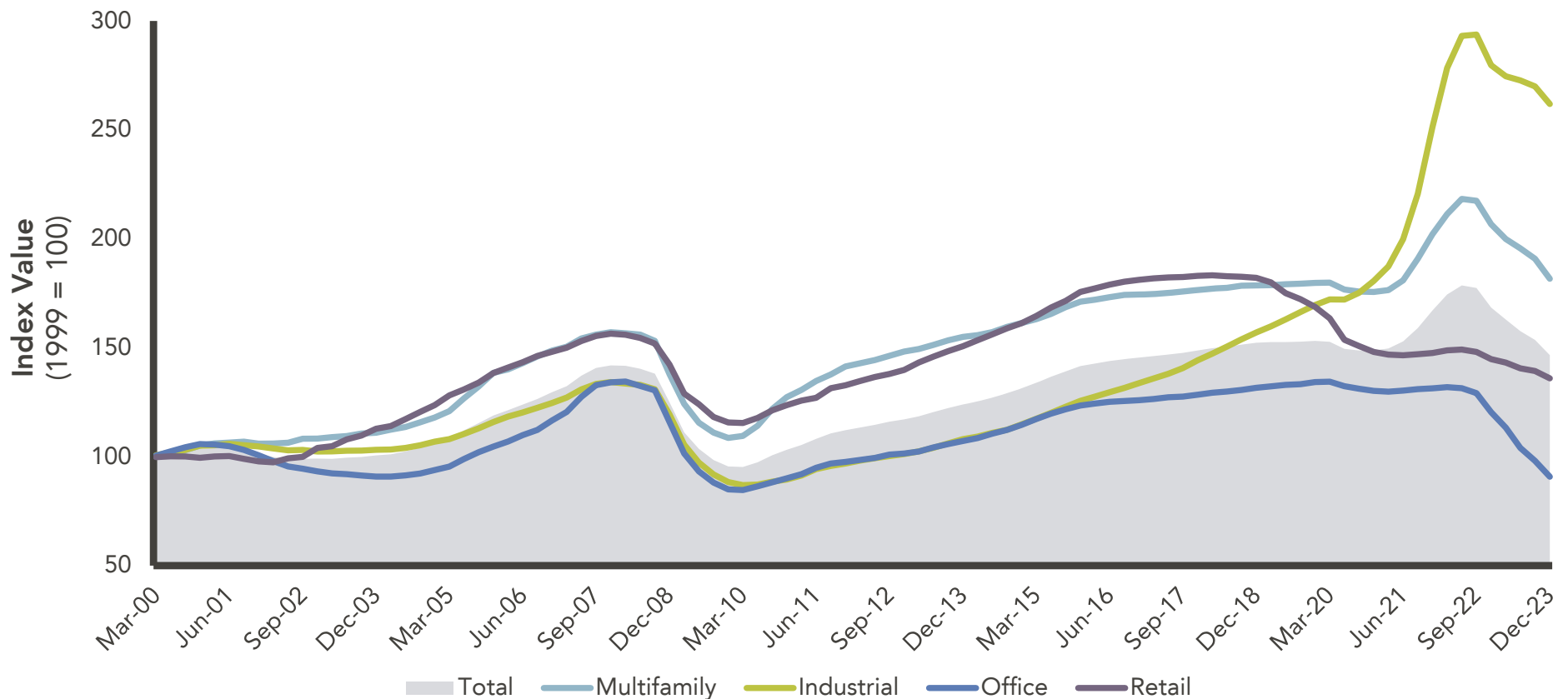
Valuation write-downs, particularly in the office sector, drove negative real estate performance for the sixth consecutive quarter

	QTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)
NPI	-1.0	-7.2	3.6	3.8	6.4
Income	1.2	4.5	4.2	4.2	4.5
Appreciation	-2.1	-11.2	-0.5	-0.5	1.8
NFI-ODCE	-2.4	-11.3	3.4	3.5	6.8
Income	1.0	3.8	3.7	3.8	4.2
Appreciation	-3.4	-14.6	-0.3	-0.4	2.5
FTSE NAREIT All Eq. REITs	-1.3	8.0	2.5	4.0	6.9
Property Type					
NPI Multifamily	-1.0	-6.3	5.0	4.6	6.3
NPI Industrial	0.1	-3.1	14.6	14.2	13.9
NPI Office	-3.8	-17.4	-7.0	-2.9	2.7
NPI Retail	0.6	-0.8	2.4	-0.2	4.0
NPI Hotel	0.8	8.7	9.5	-0.2	3.9
Geographic Sectors					
NPI East	-1.3	-8.5	0.8	1.7	4.4
NPI Midwest	-0.8	-5.0	1.9	1.5	4.6
NPI South	0.1	-3.1	7.1	5.8	7.5
NPI West	-1.4	-8.8	4.2	4.7	7.8

Source: NCREIF as of March 31, 2024

Real estate valuations

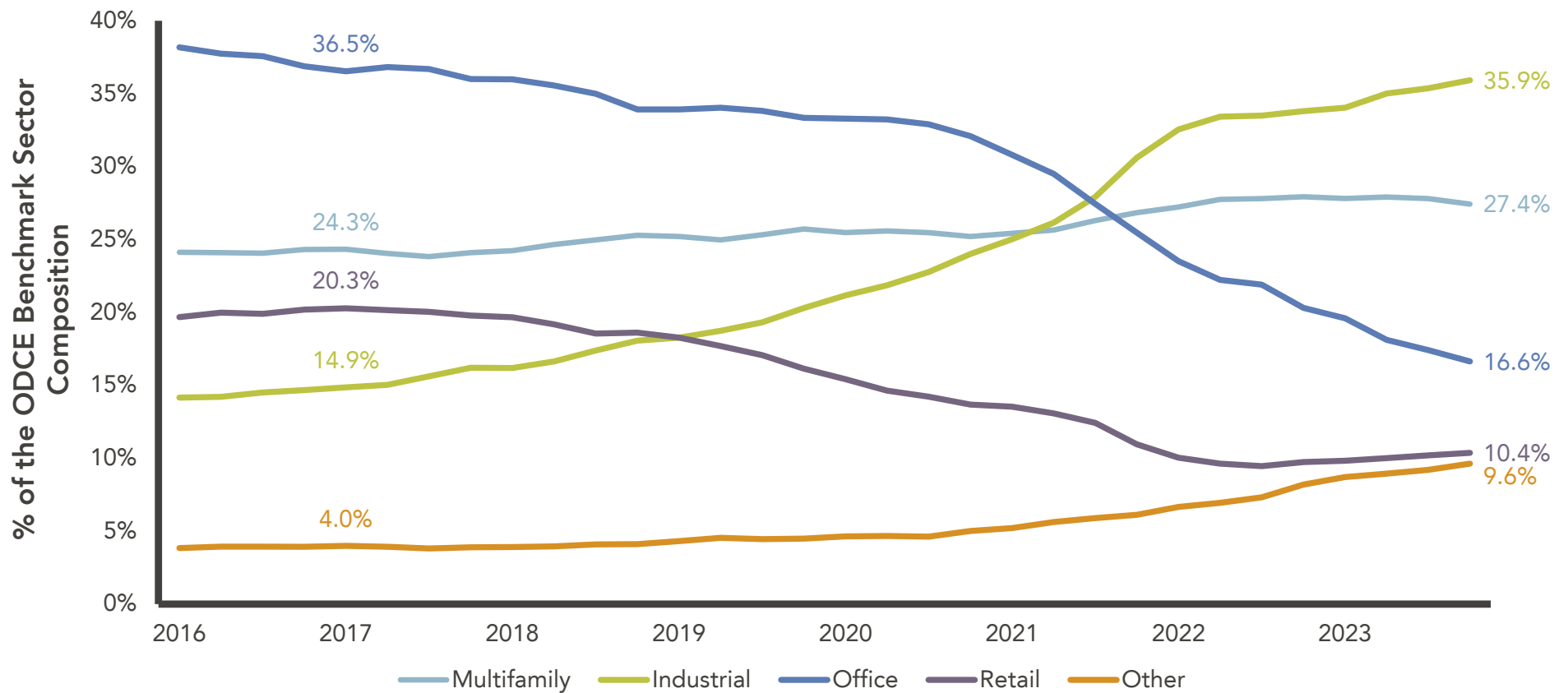
Office valuations are down 32% since the start of the pandemic, with more valuation pressure likely to come over the next several quarters



Source: NCREIF (NPI Appreciation indices for properties held in ODCE funds) as of December 31, 2023

Changing investment themes

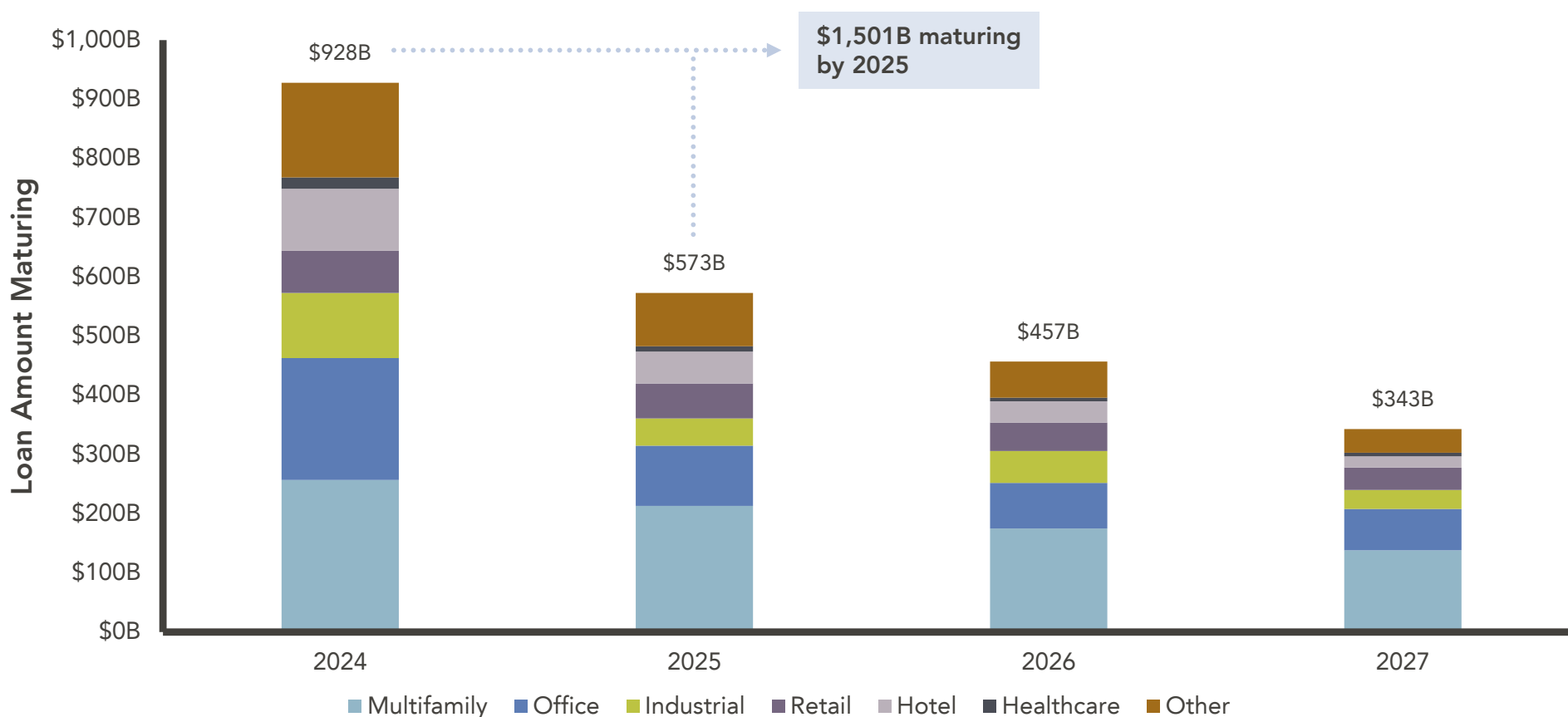
Industrial and apartment/rental housing allocations may continue to rise, while retail/office exposure may decline going forward



Source: NFI-ODCE as of December 31, 2023

Near-term maturing loans

A sizeable pool of real estate loans maturing in 2024, particularly within the office space, could put further pressure on the sector



Source: AEW Capital Management as of December 31, 2023

Private equity performance

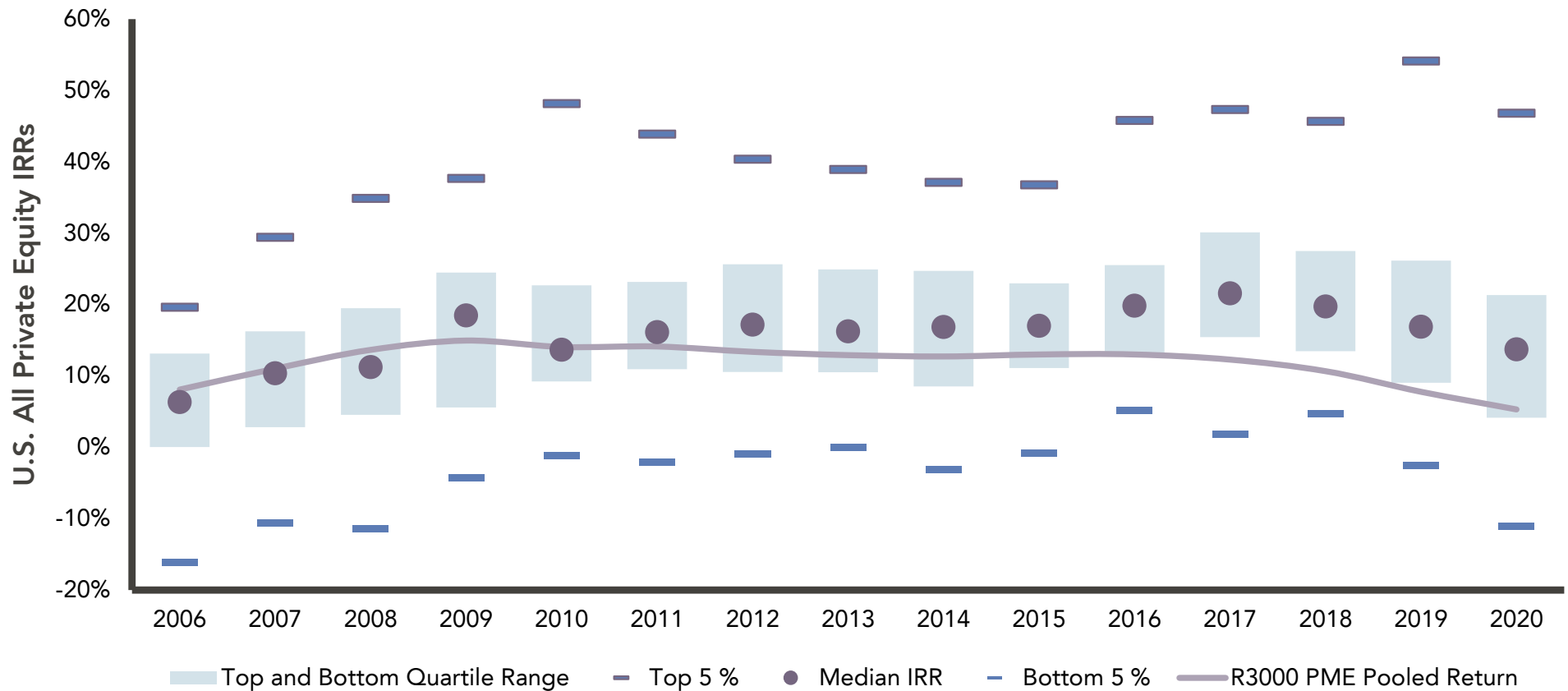
Private equity returns remain attractive over a long-term horizon

	QTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)
Global Private Equity	3.1	5.5	10.6	16.3	14.5
Global Buyout	4.0	9.1	13.9	16.7	14.4
Global Expansion	3.0	4.7	7.7	7.2	8.5
Global Venture Capital	1.2	-2.0	5.0	17.0	16.2
U.S. Private Equity	2.6	5.5	12.8	18.5	15.9
U.S. Buyout	3.1	9.0	15.9	18.0	15.7
U.S. Expansion	2.0	4.2	8.6	11.4	11.1
U.S. Venture Capital	0.7	-2.8	6.3	19.5	16.3
MSCI All Country World Index	11.0	22.2	5.7	11.7	7.9
S&P 500	11.7	26.3	10.0	15.7	12.0
Russell 3000	12.1	26.0	8.5	15.2	11.5
Russell 2000 Growth	12.7	18.7	-3.5	9.2	7.2

Source: Burgiss Pooled Returns, Bloomberg as of December 31, 2023

U.S. private equity vintage performance

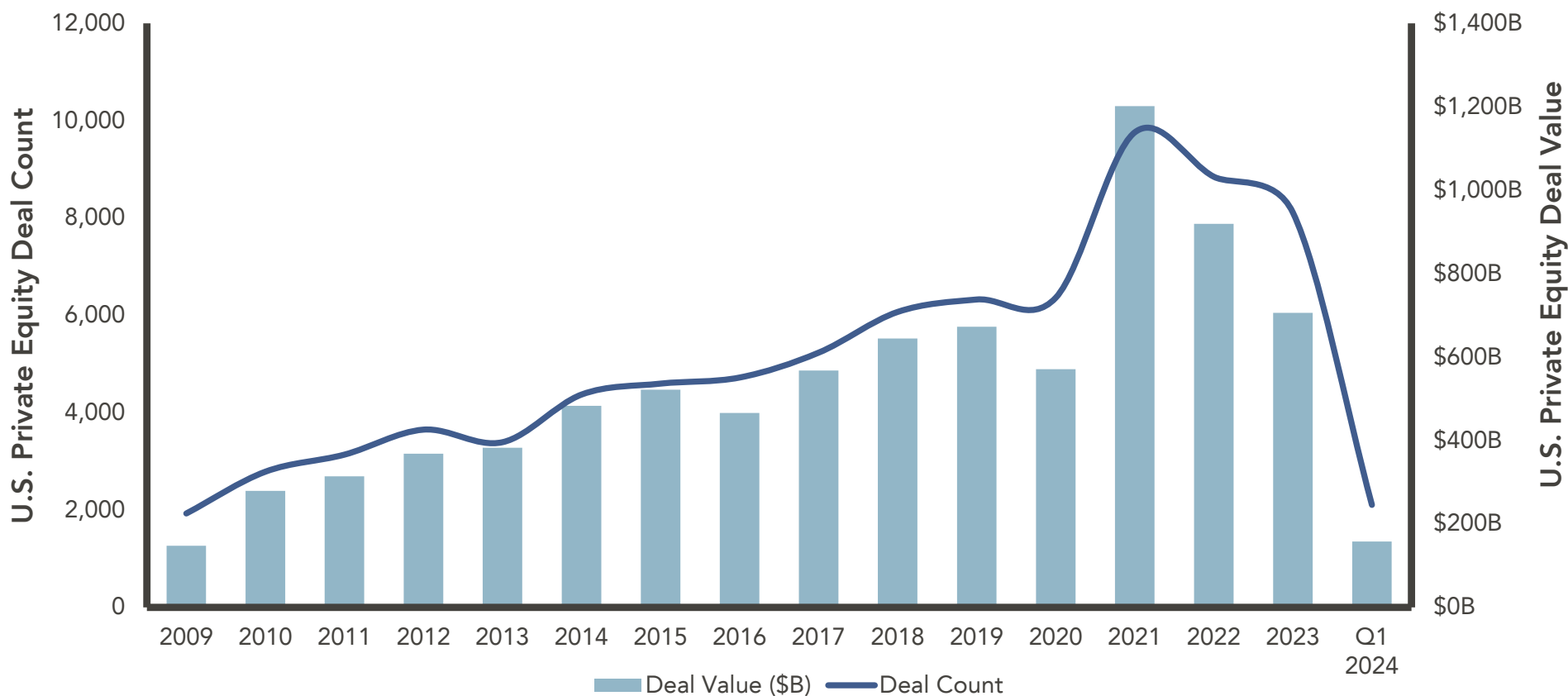
Private equity performance continues to be strong, with the median industry return exceeding the public market equivalent



Source: Burgiss U.S. All Private Equity Public Market Equivalent, Pooled Returns as of September 30, 2023

Private equity deployment

Private equity deal activity remains slow in 2024, with expectations for an upturn in the latter half of the year



Source: Pitchbook as of March 31, 2024

Median EV/EBITDA multiples

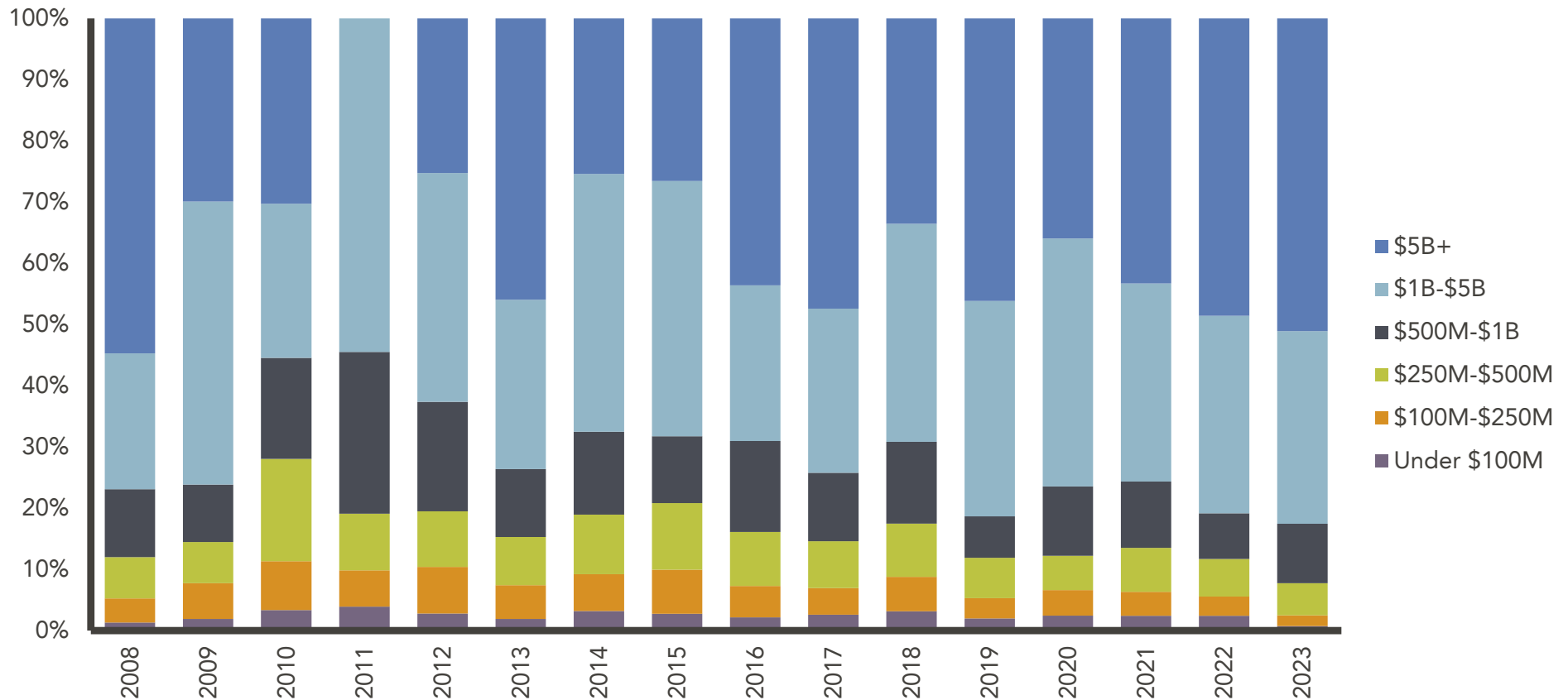
Valuations remain elevated, though EV/EBITDA multiples currently sit lower than those exhibited in 2021 and 2022



Source: Pitchbook as of December 31, 2023

Capital raised by fund size

In 2023, approximately 50% of total private equity capital raised was in funds greater than \$5 billion in size



Source: PitchBook 2023 Annual US PE Breakdown as of December 31, 2023

Private credit performance

Private credit performance posted strong returns in 2023, benefiting from elevated interest rates, attractive spreads, and low losses

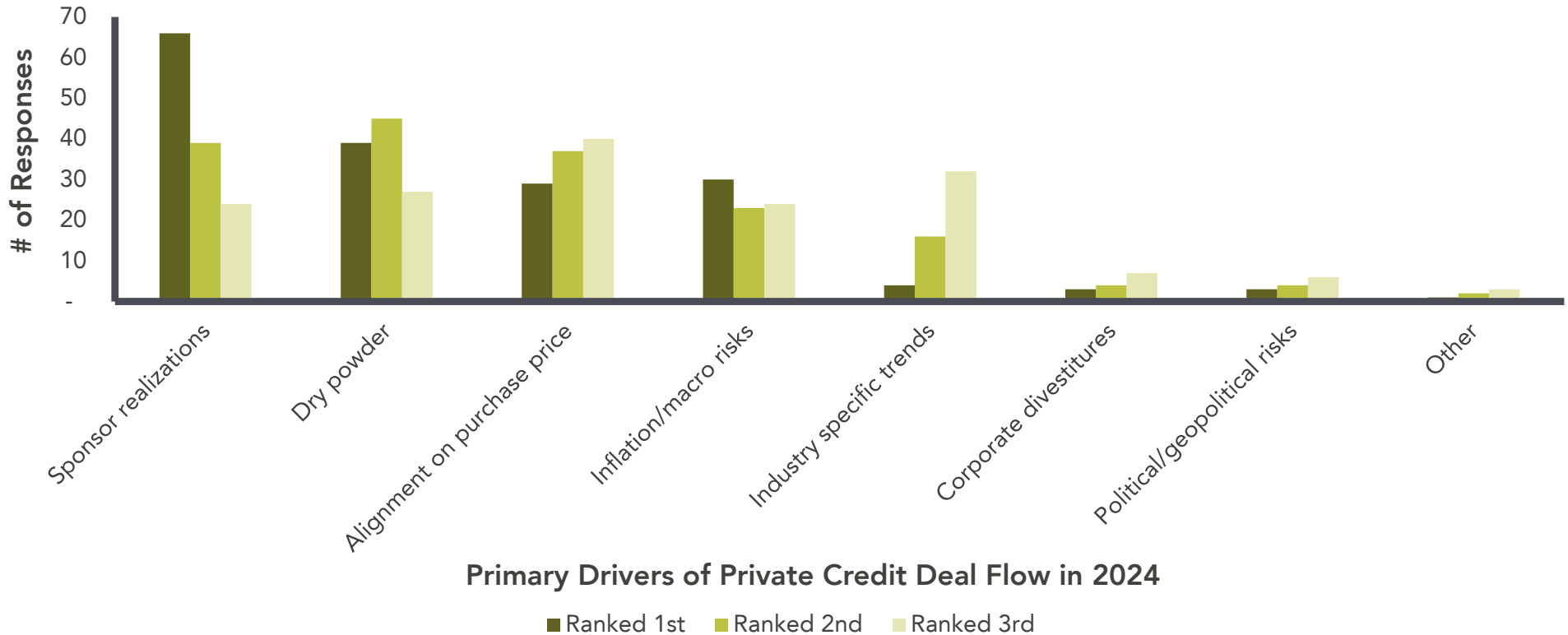
	QTD (%)	YTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)
Private Credit	2.6	9.4	9.4	9.4	8.6	8.0
Middle Market Direct Lending	3.0	12.1	12.1	10.4	9.1	8.8
Credit Suisse Leveraged Loan	2.9	13.0	13.0	5.6	5.6	4.4
Bloomberg High Yield	7.2	13.4	13.4	2.0	5.4	4.6
Bloomberg Aggregate	6.8	5.5	5.5	-3.3	1.1	1.8
DJ Industrial Average	13.1	16.2	16.2	9.4	12.5	11.1
S&P 500	11.7	26.3	26.3	10.0	15.7	12.0
Russell 3000	12.1	26.0	26.0	8.5	15.2	11.5

Source: Burgiss All Debt universe, Cliffwater, Bloomberg as of December 31, 2023. All data calculated based on quarterly returns. Private credit reflects net IRRs.

Expected drivers of private credit deal flow

Though deployment was down from 2021 peaks, private credit lenders expect an active year for 2024 deployment

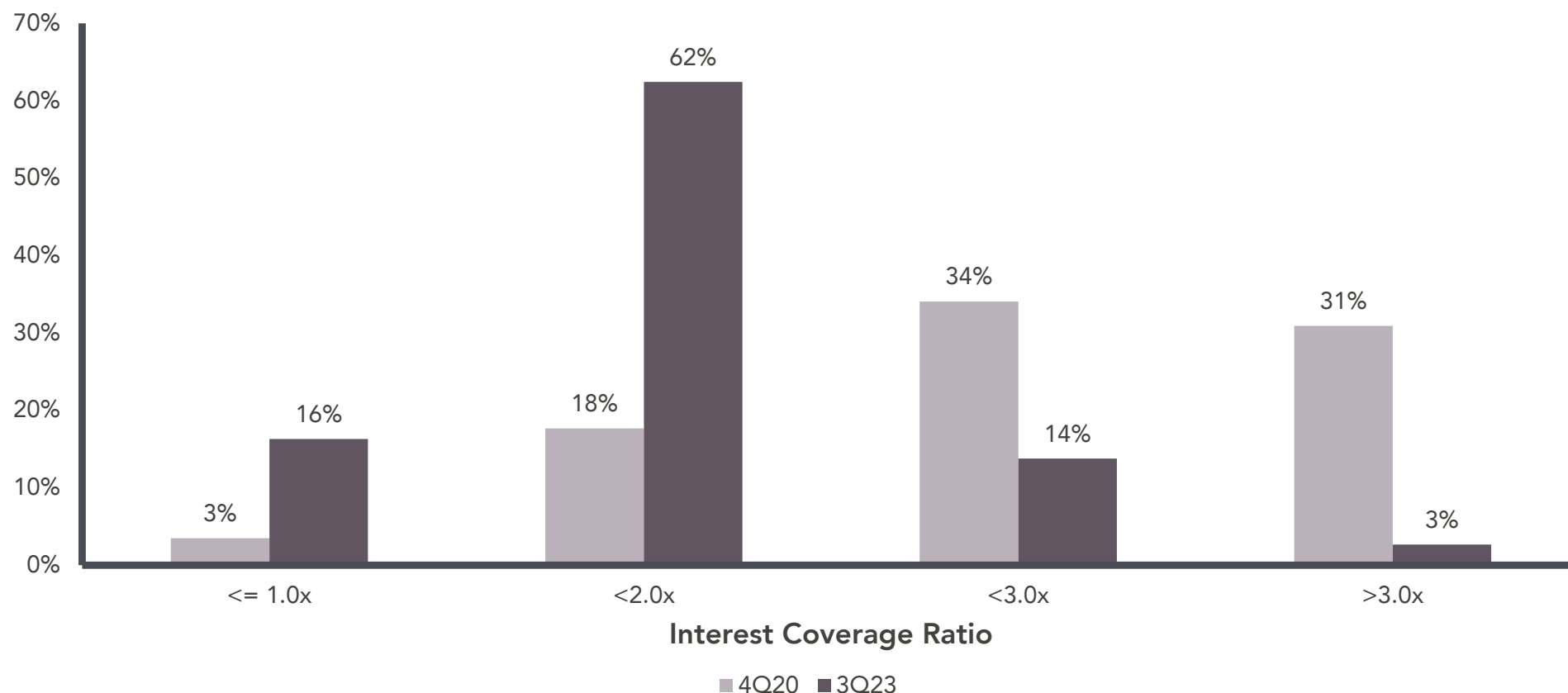
80% of lenders expect higher deal activity in 2024, led by GP sponsors seeking exits



Source: Proskauer 2024 Private Credit survey. 178 private credit lender responses contributed to the survey.

Interest coverage ratios

Rising interest rates have led to higher borrowing costs and applied more pressure on corporate borrowers



Source: Houlihan Lokey Private Performing Credit Index as of December 31, 2023

Purpose:

**Empower our
clients to meet their
investment
objectives**

Vision

Be a trusted partner to our clients through effective investment programs

Mission

Provide independent and thoughtful investment guidance

Why Marquette?

- ✓ Our people
- ✓ Independent expertise
- ✓ Focused client service
- ✓ Careful research



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Marquette was founded in 1986 with the sole objective of providing investment consulting at the highest caliber of service. Our expertise is grounded in our commitment to client service — our team aims to be a trusted partner and as fiduciaries, our clients' interests and objectives are at the center of everything we do. Our approach brings together the real-world experience of our people and our dedication to creativity and critical thinking in order to empower our clients to meet their goals. Marquette is an independent investment adviser registered under the Investment Advisers Act of 1940, as amended. Registration does not imply a certain level of skill or training. More information about Marquette including our investment strategies, fees and objectives can be found in our ADV Part 2, which is available upon request and on our website. For more information, please visit www.MarquetteAssociates.com.

Portfolio Update

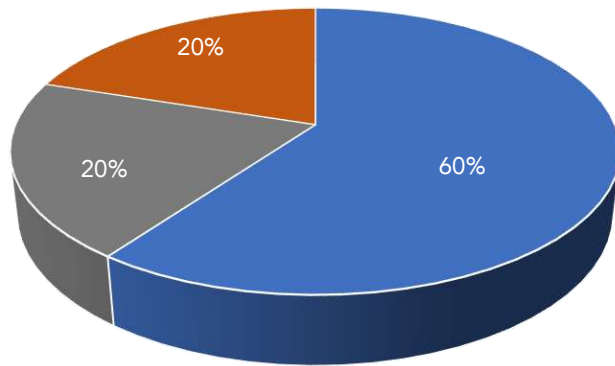
Presented by

James R. Wesner, CFA

Portfolio Review

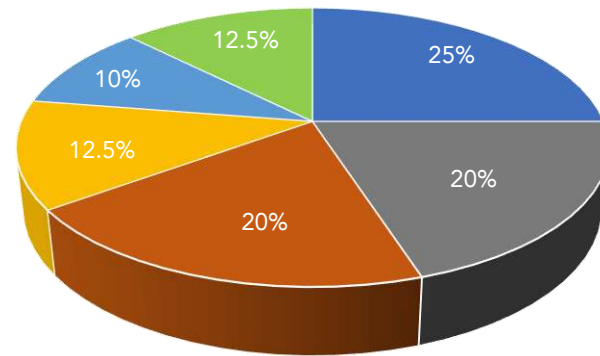
- Significant changes to asset allocation over past 15 years

2008 Asset Allocation



■ U.S. Equity ■ International Equity ■ Fixed Income

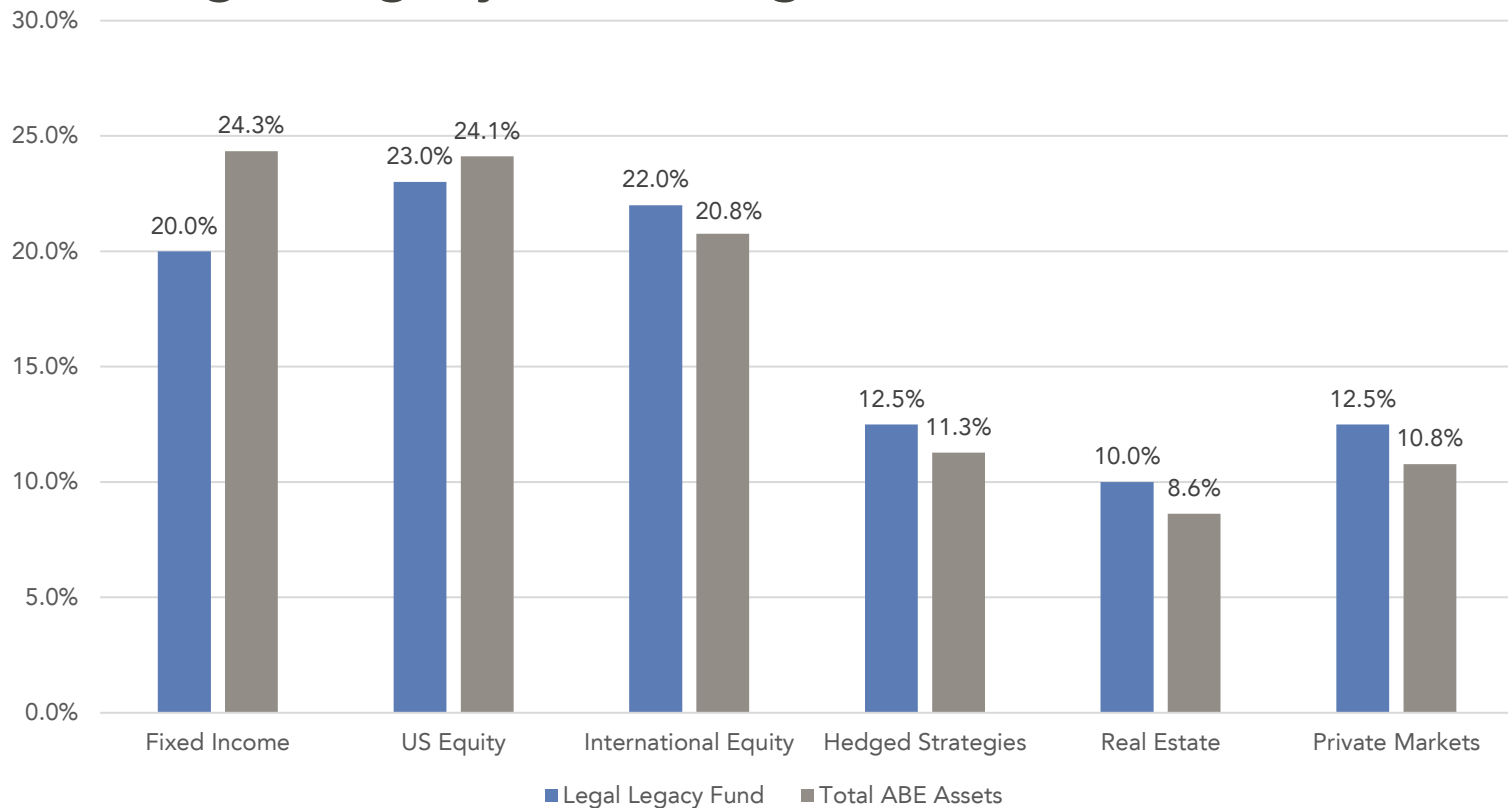
Current



■ U.S. Equity ■ International Equity ■ Fixed Income
■ Hedged Strategies ■ Real Estate ■ Private Markets

Portfolio Review

- Asset Allocation for Total ABE Assets differs slightly from Legal Legacy Fund targets



Additional ABE Assets

- Multiple pools of capital outside Legal Legacy Fund
- Match asset allocation with risk tolerance
- Match liquidity needs
- Consolidate banks
- Investment Policy Statement for each pool

	Market Value
Legal Legacy Fund	\$ 171,885,452
Northern Trust - GCF	\$ 1,210,974
Northern Trust - Disability Reserve	\$ 3,550,346
Northern Trust - EMM Reserve	\$ 6,093,041
Baird Aggregate Bond - EMM Reserve	\$ 1,853,251
Baird Short-Term Bond Fund - EMM Reserve	\$ 1,228,645
Northern Trust Index Funds - Foulis	\$ 3,471,563
Parametric - Foulis	\$ 651,580
PIMCO - Foulis	\$ 345,478
BMO - Wealth Management	\$ 8,542,585
Northern Trust - Corporation	\$ 265,147
Northern Trust - ALIP	\$ 212,896
Total	\$ 199,310,958

Investment Best Practices

- Asset allocation discussion for each pool of capital
- Asset allocation reviewed at a minimum of every 3 years
 - Annual review for Legal Legacy Fund
- Clearly defined responsibilities for all parties
- Investment Policy Statement reviewed annually with staff
 - Changes to Investment Policy approved by Board
- Regular review of costs

PNC Custodian Transition Update

- PNC Custody account open and funded
- Mutual Funds transferred to PNC
 - Baird Ultra Short Bond
 - Baird Aggregate Bond
 - Dodge & Cox International Stock Fund
 - Goldman Sachs International Small Cap Insights
 - MFS Low Volatility Global Equity Fund

PNC Custodian Transition Update

- Commingled Funds and Limited Partnerships will be tracked as line items at PNC as well, for accounting purposes:

Liquid/Traditional Investments

- Northern Trust Total Bond Index Fund
- Rhumblin S&P 500 Index Fund
- Northern Trust Russell 2000 Index Fund
- Northern Trust ACWI ex-US Index Fund

PNC Custodian Transition Update

- Commingled Funds and Limited Partnerships will be tracked as line items at PNC as well, for accounting purposes:

Illiquid/Alternative Investments

- Parametric Defensive Equity
- Grosvenor Multi-Strategy Hedge Fund
- Morgan Stanley Prime Property Fund
- Levine Leichtman Funds V and VI (Private Equity)
- PIMCO BRAVO Funds II, III and IV (Private Debt)

PNC Custodian Transition Update

Transition current index fund exposure from Northern Trust commingled funds to mutual funds owned directly at PNC

<u>Current</u>	<u>Proposed</u>
<ul style="list-style-type: none">• NT Russell 2000 Fund (0.08% fee)• NT MSCI ACWI ex-US Fund (0.12% fee)	<ul style="list-style-type: none">• Vanguard Small-Cap Index Fund (0.04% fee)• Vanguard Total International Stock Index Fund (0.08% fee)• Roughly \$10,000 in annual savings

PNC Custodian Transition Update

- Recommendation (Fall 2024)
 - Liquidate Northern Trust Aggregate Bond Index Fund
 - \$9,967,185 as of 5/31/24
 - Use proceeds to fund a separately managed account with a new manager – custodied at PNC
 - Marquette will provide a searchbook with 4-6 top picks for the Endowment portfolio

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To: American Bar Endowment
From: Marquette Associates, Inc. ("Marquette")
Date: June 2024
Re: Levine Leichtman Capital Partners Fund VII Recommendation

History

The American Bar Endowment ("ABE") is seeking to make a commitment of \$7 million to a private equity fund to maintain the Endowment's allocation to the asset class and vintage year exposure. ABE has committed to Levine Leichtman in the past, Fund V in 2013 and Fund VI in 2017, and results have been favorable.

Levine Leichtman Capital Partners VII

Firm Overview

Levine Leichtman Capital Partners ("LLCP") was founded in Los Angeles in 1984 by Co-Founders Arthur E. Levine and Lauren B. Leichtman. LLCP is an established middle market private equity firm with nearly four decades of successful U.S. and European Structured Private Equity investing. LLCP has managed ~13.1Bn of capital on behalf of 175+ global institutional investors.

The firm has a global presence with additional offices in New York, Chicago, Charlotte and Miami in the U.S. and London, The Hague, Stockholm and Frankfurt in Europe.

LLCP invests in non-cyclical, less-correlated to GDP sectors through one Structured Private Equity investment strategy with three dedicated platforms. They are currently fundraising for their Flagship series; middle-market structured Private Equity transactions, primarily US companies with revenue of \$50 - 250M.

Fund Overview

The firm is targeting \$3.3 billion for Fund VII, a 50% increase from their prior fund. LLCP's Structured Private Equity strategy invests in a combination of debt and equity securities, which offers a combination of monthly cash distributions, long-term capital appreciation and downside protection.

The team looks to invest in companies with at least 25% EBITDA margins and 80+% free cash flow conversion. The Firm will invest in non-cyclical companies primarily in business services, Education and training, franchising and engineered products. Deals will typically have 3-4x of bank leverage, of which LLCP will add another 1-2x of leverage in a subordinated position, along with common equity.

They look for alignment of interests with founders who roll over a meaningful equity ownership in their companies.

Team Overview

The firm is majority owned by Arthur Levine and Lauren Leichtman and has expanded ownership over the previous three years with the functional transition happening much further in advance. In addition, the firm expanded ownership to 10 key leadership employees and additionally sold a passive stake to a family office.

The leadership team is supported by five origination professionals, 19 investment professionals, and 14 professionals dedicated to investor relations, accounting and legal. There are 11 additional investment professionals dedicated to the Firm's European strategy.

	% Minority	% Female
Overall Firm	39%	17%
Senior Leadership	0%	10%
Investment Team	28%	6%

Terms Summary

Target Fund Size/Hardcap: \$3.3B

Management Fee: 1.75% on committed capital during the investment period 1.65% of outstanding capital base thereafter, payable semi-annually

Carried Interest: 20%

Preferred Return: 8%; European Waterfall

GP Commitment: 2.5%

Prior Fund Performance¹

Fund	Vintage	Fund Size	Net TVPI	Quartile ²	Net IRR	Quartile
Fund IV	2008	\$1.1 B	2.0x	1 st	17.7%	1 st
Fund V	2014	\$1.6 B	2.6x	1 st	17.2%	2 nd
Fund VI	2017	\$2.5 B	1.7x	3 rd	17.2%	3 rd

Source: LLC P

¹ Performance and benchmark as of September 30, 2023

² Burgiss NA All PE & PD Benchmark

Recommendation

Marquette recommends a commitment of \$7 million to Levine Leichtman Capital Partners Fund VII.

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About Marquette Associates

Marquette Associates is an independent investment consulting firm that guides institutional investment programs with a focused client service approach and careful research. For more than 30 years Marquette has served this mission in close collaboration with clients – enabling institutions to be more effective investment stewards. Marquette is a completely independent and 100% employee-owned consultancy founded with the sole purpose of advising institutions.

For more information, please visit www.marquetteassociates.com.

June 3, 2024

Finance Committee
American Bar Endowment
321 North Clark Street, Suite 1400
Chicago, Illinois 60654-7648

Attention: **Michelle A. Behnke**, Finance Committee Chair

The Objective and Scope of the Audit of the Financial Statements

You have requested that RSM US LLP (“RSM”, “we”, “us”, or “our”), audit the consolidated financial statements of American Bar Endowment (the “Endowment”, “you” or “your”), which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, and cash flows for the year then ending, and the related notes to the consolidated financial statements (collectively, the “financial statements”). We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter (“Engagement Letter”).

The objectives of our audit 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 auditing standards generally accepted in the United States of America (“GAAS”) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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. 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 controls.

The Responsibilities of the Auditor

We will conduct our audit in accordance with GAAS. Those standards require that we comply with applicable ethical requirements. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, based on an understanding of the Endowment and its environment, the applicable financial reporting framework, and the Endowment’s system of internal control, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider the Endowment’s system of internal control 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 Endowment’s internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- 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, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Endowment's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of controls, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

We will also communicate to the Finance Committee (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

We will maintain our independence in accordance with the standards of the American Institute of Certified Public Accountants ("AICPA").

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Management is responsible for:

1. Identifying and ensuring that the Endowment complies with the laws and regulations applicable to its activities, and for informing us about all known violations of such laws or regulations, other than those that are clearly inconsequential;
2. The design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Endowment involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements; and
3. Informing us of its knowledge of any allegations of fraud or suspected fraud affecting the Endowment received in communications from employees, former employees, analysts, regulators, vendors or others.

The Finance Committee is responsible for informing us of its views about the risks of fraud within the Endowment, and its knowledge of any fraud or suspected fraud affecting the Endowment.

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP");
2. To evaluate subsequent events through the date the financial statements are issued or available to be issued, and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that it will not conclude on subsequent events earlier than the date of the management representation letter referred to below;
3. 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; and
4. To provide us with:

- a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, including information relevant to disclosures;
- b. Draft financial statements, including information relevant to their preparation and fair presentation, when needed, to allow for the completion of the audit in accordance with the proposed timeline;
- c. Additional information that we may request from management for the purpose of the audit; and
- d. Unrestricted access to persons within the Endowment from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management and, when appropriate, those charged with governance written confirmation concerning representations made to us in connection with the audit, including among other items:

1. That management has fulfilled its responsibilities as set out in the terms of this Engagement Letter; and
2. That it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Reporting

We will issue a written report upon completion of our audit of the Endowment's financial statements. Our report will be addressed to the Board of Directors of the Endowment. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, or add an emphasis-of-matter paragraph or other-matter paragraph to our auditor's report.

If circumstances arise relating to the condition of the Endowment's records, the availability of appropriate audit evidence or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting or misappropriation of assets which, in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including, but not limited to, declining to express an opinion or issue a report, or withdrawing from the engagement.

Records and Assistance

During the course of our engagement, we may accumulate records containing data that should be reflected in the Endowment's books and records. The Endowment will determine that all such data, if necessary, will be so reflected. Accordingly, the Endowment will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by Endowment personnel, including the preparation of schedules and analyses of accounts, has been discussed and coordinated with Ms. Dana Sturtz Hill, Executive Director. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Accounting and Tax Services

In connection with our audit, you have requested us to assist with the preparation of the financial statements.

Ms. Dana Sturtz Hill, Executive Director, will oversee the services, make all significant judgments that are the proper responsibility of management, evaluate the adequacy of the services, make an informed judgment about the results of the services, and accept responsibility for them. You also agree to establish and maintain internal control over the services, including ongoing monitoring activities. At the conclusion of our audit, we will ask you to provide written representations to that effect.

Our services under this Engagement Letter do not include services for tax return preparation, tax advice or representation in any tax matter. Nevertheless, we may discuss with you certain tax considerations or provide you with tax information that may be relevant to our services. Any such discussions or information would be based upon limited tax research, limited due diligence and limited analysis regarding the underlying facts. Because additional research or a more complete review of the facts could affect our analysis and conclusions, the information provided during these discussions shall not be used as the basis for proceeding with any transaction or any tax return reporting.

Separate arrangements, including fee arrangements, are required for tax preparation, tax advice or tax representation services.

Fees and Costs

Our fees for the services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement plus directly billed expenses, including report processing, local travel, bank charges for confirmations, courier fees for services from other professionals, as well as a charge of five percent of fees for all other expenses, including indirect administrative expenses such as technology, research and library databases, communications, photocopying, postage and clerical assistance. Our fee estimate and completion of our work are based upon the following criteria:

1. Anticipated cooperation from Endowment personnel
2. Timely responses to our inquiries
3. Timely completion and delivery of client assistance requests
4. Timely communication of all significant accounting and financial reporting matters
5. The assumption that unexpected circumstances will not be encountered during the engagement

If any of the aforementioned criteria are not met, then fees may increase. Interim billings will be submitted as work progresses and as expenses are incurred. Billings are due upon submission. Our estimated fees for the audit services described above for the year ending June 30, 2024, are \$72,000.

We are aware of various changes in leadership and staffing at the Endowment which occurred during the fiscal year ending June 30, 2024. Such changes can pose challenging circumstances for the audit process, potentially resulting in increased professional time required to perform and complete audit work. Any actual professional time incurred in excess of the agreed upon scope will be billed at our discounted hourly billing rates by level of professional.

Use of Third-Party Products

We also may provide services to you using certain third-party hardware, software, equipment, or products (collectively, "Third-Party Products" and each, individually, a "Third-Party Product"). You acknowledge that the use of a Third-Party Product may involve the processing, input, disclosure, movement, transfer, and storage of information provided by or on behalf of you to us, including Confidential Information and Personal Information, within the Third-Party Product's infrastructure and not ours. You further acknowledge that the terms of use and service, including, but not limited to, applicable laws, set forth in the end-user license, end-user subscription agreement, or other end-user agreement for such Third-Party Product (collectively, "EULA(s)") will govern all obligations of such licensor relating to data privacy, storage, recovery, security, and processing within such Third-Party Product's infrastructure, as well as, the service levels associated with such Third-Party Product. You hereby consent to the disclosure of your information, including your Confidential Information and Personal Information, to the licensors of such Third-Party Products for the purpose described herein.

To the extent RSM gives the Endowment access to a Third-Party Product in connection with the services contemplated herein, the Endowment agrees to comply with the terms of any applicable EULA for such Third-Party Product, and the Endowment shall be solely responsible for the improper use of a Third-Party Product or a violation of the applicable EULA for such Third-Party Product, by the Endowment, or any user to whom the Endowment grants access to such Third-Party Product. The Endowment agrees to indemnify and hold RSM harmless from and against any claims, actions, lawsuits, proceedings, judgments, liens, losses, damages, costs, expenses, fees (including reasonable legal fees, expenses, and costs), and other liabilities relating to, or arising from or out of, the improper use of a Third-Party Product, or a violation of the terms of the applicable EULA for such Third-Party Product, by the Endowment, or any user to whom the Endowment grants access to such Third-Party Product.

You acknowledge that the use of Third-Party Products may be subject to limitations, delays, interruptions, errors, and other problems which are beyond our control, including, without limitation, internet outage or lack of availability related to updates, upgrades, patches, fixes, maintenance, or other issues. We will not be liable for any delays, delivery failures, or other losses or damages resulting from such issues. Nor will we be held responsible or liable for any loss, or unauthorized use or disclosure, of any information or data provided by you, including, without limitation, Personal Information provided by you, resulting from the use of a Third-Party Product.

Use and Ownership; Access to Audit Documentation

The Audit Documentation for this engagement is the property of RSM. For the purposes of this Engagement Letter, the term "Audit Documentation" shall mean the confidential and proprietary records of RSM's audit procedures performed, relevant audit evidence obtained, other audit-related workpapers, and conclusions reached. Audit Documentation shall not include custom-developed documents, data, reports, analyses, recommendations, and deliverables authored or prepared by RSM for the Endowment under this Engagement Letter, or any documents belonging to the Endowment or furnished to RSM by the Endowment.

Review of Audit Documentation by a successor auditor or as part of due diligence is subject to applicable RSM policies, and will be agreed to, accounted for and billed separately. Any such access to our Audit Documentation is subject to a successor auditor signing an Access & Release Letter substantially in RSM's form. RSM reserves the right to decline a successor auditor's request to review our workpapers.

In the event we are required by government regulation, subpoena or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for the Endowment, the Endowment will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

Indemnification, Limitation of Liability, and Claim Resolution

Because RSM will rely on the Endowment and its management and Finance Committee to discharge the foregoing responsibilities, the Endowment agrees to indemnify, hold harmless and release RSM and its partners, principals, officers, directors, employees, affiliates, subsidiaries, contractors, Subcontractors, agents, representatives, successors, or assigns from all third-party claims, liabilities, losses and costs arising in circumstances where there has been a knowing misrepresentation by a member of the Endowment's management.

THE ENDOWMENT AND RSM AGREE THAT NO CLAIM ARISING OUT, FROM, OR RELATING TO THE SERVICES RENDERED PURSUANT TO THIS ENGAGEMENT LETTER SHALL BE FILED MORE THAN TWO YEARS AFTER THE DATE OF THE AUDIT REPORT ISSUED BY RSM OR THE DATE OF THIS ENGAGEMENT LETTER IF NO REPORT HAS BEEN ISSUED. IN NO EVENT SHALL RSM OR THE ENDOWMENT, OR ANY OF THEIR RESPECTIVE PARTNERS, PRINCIPALS, OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES, SUBSIDIARIES, CONTRACTORS, SUBCONTRACTORS, AGENTS, REPRESENTATIVES, SUCCESSORS, OR ASSIGNS (COLLECTIVELY, THE "COVERED PARTIES" AND EACH INDIVIDUALLY, A "COVERED PARTY"), BE LIABLE FOR THE INTERRUPTION OR LOSS OF BUSINESS, ANY LOST PROFITS, SAVINGS, REVENUE, GOODWILL, SOFTWARE, HARDWARE, OR DATA, OR THE LOSS OF USE THEREOF (REGARDLESS OF WHETHER SUCH LOSSES ARE DEEMED DIRECT DAMAGES), OR INCIDENTAL, INDIRECT, PUNITIVE, CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR SIMILAR SUCH DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. EXCEPT FOR A COVERED PARTY'S INDEMNIFICATION OBLIGATIONS UNDER THIS ENGAGEMENT LETTER, TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL AGGREGATE LIABILITY OF THE COVERED PARTIES ARISING OUT OF, FROM, OR RELATING TO THIS ENGAGEMENT LETTER, OR THE REPORT ISSUED OR SERVICES PROVIDED HEREUNDER, REGARDLESS OF THE CIRCUMSTANCES OR NATURE OR TYPE OF CLAIM, INCLUDING, WITHOUT LIMITATION, CLAIMS ARISING FROM A COVERED PARTY'S NEGLIGENCE OR BREACH OF CONTRACT OR WARRANTY, OR RELATING TO OR ARISING FROM A GOVERNMENT, REGULATORY OR ENFORCEMENT ACTION, INVESTIGATION, PROCEEDING, OR FINE, WILL NOT EXCEED THE TOTAL AMOUNT OF THE FEES PAID BY THE ENDOWMENT TO RSM UNDER THIS ENGAGEMENT LETTER. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS LIMITATION OF LIABILITY PROVISION SHALL, OR SHALL BE INTERPRETED OR CONSTRUED TO, RELIEVE THE ENDOWMENT OF ITS PAYMENT OBLIGATIONS TO RSM UNDER THIS ENGAGEMENT LETTER.

Confidentiality

RSM and the Endowment may, from time to time, disclose Confidential Information (as defined below) to one another. Accordingly, RSM and the Endowment agree as the recipient of such Confidential Information (the "Receiving Party") to keep strictly confidential all Confidential Information provided to it by the disclosing party (the "Disclosing Party") and use, modify, store, and copy such Confidential Information only as necessary to perform its obligations and exercise its rights under this Engagement Letter. Except as otherwise set forth herein, the Receiving Party may only disclose the Confidential Information of the Disclosing Party to its personnel, agents, and representatives who are subject to obligations of confidentiality at least as restrictive as those set forth herein and only for the purpose of exercising its rights and fulfilling its obligations hereunder. To avoid any doubt, RSM is permitted to disclose the Endowment's Confidential Information to RSM's personnel, agents, and representatives to provide the services or exercise its rights under this Engagement Letter or for the purpose of maintaining compliance with applicable laws and professional, regulatory, and/or ethical standards.

As used herein, "Confidential Information" means, information in any form, oral, graphic, written, electronic, machine-readable or hard copy consisting of: (i) any nonpublic information provided by the Disclosing Party, including, but not limited to, all of its inventions, designs, data, source and object code, programs, program interfaces, know-how, trade secrets, techniques, ideas, discoveries, marketing and business plans, pricing, profit margins and/or similar information; (ii) any information that the Disclosing

Party identifies as confidential; or (iii) any information that, by its very nature, a person in the same or similar circumstances would understand should be treated as confidential, including, but not limited to, this Engagement Letter. Without limiting the generality of the foregoing, the Endowment acknowledges and agrees that Audit Documentation constitutes Confidential Information of RSM.

As used herein, the term "Confidential Information" will not include information that: (i) is publicly available at the time of disclosure by the Disclosing Party; (ii) becomes publicly available by publication or otherwise after disclosure by the Disclosing Party, other than by breach of the confidentiality obligations set forth herein by the Receiving Party; (iii) was lawfully in the Receiving Party's possession, without restriction as to confidentiality or use, at the time of disclosure by the Disclosing Party; (iv) is provided to the Receiving Party without restriction as to confidentiality or use by a third party without violation of any obligation to the Disclosing Party; or (v) is independently developed by employees or agents of the Receiving Party who did not access or use the Disclosing Party's Confidential Information.

The Receiving Party will treat the Disclosing Party's Confidential Information with the same degree of care as the Receiving Party treats its own confidential and proprietary information, but in no event will such standard of care be less than a reasonable standard of care. The Receiving Party will promptly notify the Disclosing Party if it becomes aware that any of the Confidential Information of the Disclosing Party has been used or disclosed in violation of this Engagement Letter.

Notwithstanding anything stated to the contrary in this Engagement Letter, the Endowment consents to RSM: (i) using any information or data, including Confidential Information and Personal Information, provided by or on behalf of the Endowment, or otherwise obtained by RSM, in connection with the services provided under this Engagement Letter, to provide the Endowment with professional services under any other professional services agreement the Endowment enters into or has entered into with RSM; and (ii) using any information or data provided by or on behalf of the Endowment, or otherwise obtained by RSM, in connection with professional services provided by RSM under another professional service agreement RSM has entered into with the Endowment, including confidential, personal, or other protected information, to provide the services under this Engagement Letter to the Endowment.

Preexisting Nondisclosure Agreements

In the event that the parties have executed a separate nondisclosure agreement, such agreement shall be terminated as of the effective date of this Engagement Letter and the terms of this Engagement Letter shall apply to the treatment of information shared by the parties hereto.

Data Protection Compliance

Our Privacy Policy ("Privacy Policy") is located on our website at <https://rsmus.com/pages/rsm-us-privacy-policy.html>. Our Privacy Policy may be amended from time to time in our sole discretion and without prior notice, and is hereby incorporated by reference into this Engagement Letter. You acknowledge that you have read and understand the Privacy Policy and agree to the practices as described therein.

Upon written request, but not more than annually during the term of this Engagement Letter, we will deliver to you a copy of our third-party provided SOC 2 report evidencing the operating effectiveness of our Information Technology ("IT") control environment. Our SOC 2 report and any information we disclose to you concerning our IT control environment shall constitute Confidential Information of RSM and shall be subject to the confidentiality obligations set forth in this Engagement Letter.

Prior to disclosing to us or our Subcontractors or granting us or our Subcontractors with access to your data, you will identify in writing any personal, technical, or other data provided or made accessible to us or our Subcontractors pursuant to this Engagement Letter that may be subject to heightened protections under applicable privacy, cybersecurity, export control, and/or data protection laws, including, but not limited to, protected health information pursuant to the Health Information Portability and Accountability Act of 1996 ("HIPAA"), classified, marked or unmarked controlled unclassified information ("CUI") subject

to the National Industrial Security Program Operating Manual (“NISPOM”) or the Defense Federal Acquisition Regulation Supplement (“DFARS”), or export controlled data subject to Export Administration Regulations (“EAR”) or International Traffic in Arms Regulations (“ITAR”). Unless otherwise expressly agreed upon and specified in writing by RSM and the Endowment, you shall not provide us or any of our Subcontractors with access to such data and you shall be responsible for the handling of all such data in connection with the performance of the services requested hereunder, including, but not limited to, the scrubbing, de-identification, de-aggregation, protection, encryption, transfer, movement, input, storage, migration, deletion, copying, processing, and modification of such data.

RSM and the Endowment acknowledge and agree that they may correspond or convey information and documentation, including Confidential Information and Personal Information, via various forms of electronic transmission, including, but not limited to, Third-Party Products, such as, email, FTP and cloud-based sharing and hosting applications (e.g., portals, data analytics tools, and helpdesk and support ticketing applications), and that neither party has control over the performance, operation, reliability, availability, or security of these electronic transmissions methods. Therefore, neither party will be liable for any loss, damage, expense, harm, disclosure or inconvenience resulting from the loss, delay, interception, corruption, unauthorized disclosure, or alteration of any electronic transmission where the party has used commercially reasonable efforts to protect such information. We offer our clients various platforms for the exchange of information. You hereby agree that you shall be bound by and comply with any and all user terms and conditions made available (whether by link, click-through, or otherwise) with respect to such platforms.

Personal Information

As used herein, the term “Personal Information” means any personal information, as may be defined by applicable privacy, data protection, or cybersecurity laws, that directly or indirectly identifies a natural person, and includes, but is not limited to, nonpublic, personally identifiable information such as Social Security numbers, Social Insurance numbers, driver’s license numbers or government-issued identification card numbers, and health information.

Each party agrees to transmit Personal Information consistent with applicable laws and any other obligations the respective party may have. We are permitted to use all such Personal Information to perform our obligations and exercise our rights under this Engagement Letter.

You represent and warrant that you have provided all notices and obtained all consents required under applicable data protection laws prior to your collection, use and disclosure to us or our Subcontractors of such Personal Information and shall take reasonable steps to ensure that such Personal Information does not include irrelevant or unnecessary information about individuals.

In the event the services provided hereunder involve Personal Information collected in Canada, you acknowledge that we or our Subcontractors performing services hereunder on our behalf may store, transfer, and/or process such Personal Information in locations and on servers located outside of Canada, including jurisdictions such as the United States whose data protection laws differ from those of Canada. As a result, such Personal Information may be subject to access requests from governments, courts, or law enforcement in those jurisdictions, including the United States, according to the laws in those jurisdictions. Subject to applicable laws in such other jurisdictions, we will use reasonable efforts to require that appropriate protections are in place to require our Subcontractors maintain protections on Personal Information collected in Canada that are equivalent to those that apply in Canada.

Upon your written request, we will enter into a mutually agreed upon agreement relating to the lawful cross-border transfer and processing of Personal Information.

Where we are acting as a service provider under the California Consumer Privacy Act and the California Privacy Rights Act, including as amended or replaced, and the associated regulations (“CCPA”), we (i)

will not Sell or Share (as those terms are defined by the CCPA) any Personal Information received from the Endowment; (ii) will not retain, use, or disclose Personal Information to another business, person, or third party, except for the purpose of maintaining or providing the services or exercising our rights as specified in this Engagement Letter, including to provide Personal Information to advisers or sub-contractors to maintain or provide the services provided under this Engagement Letter, or to the extent such disclosure is required by law. At your written request, and at your cost, we shall reasonably assist you in addressing your obligations under the CCPA with regard to privacy rights requests related to your Personal Information held by us, directly resulting from our business relationship with you. We reserve the right to decline such a request where, as determined in our sole discretion, the request for our assistance could violate or impair a Consumer's (as that term is defined by the CCPA) rights under the CCPA or another applicable law, regulation, or professional or ethical standard. We certify that we understand and will comply with the requirements enumerated in (i) and (ii). For the avoidance of doubt, all permitted uses of Personal Information by service providers that are enumerated in the CCPA are understood to apply to the Personal Information processed by us.

We agree to maintain appropriate security measures to protect such Personal Information in accordance with applicable laws.

If we become aware of an unauthorized acquisition or use of Endowment-provided Personal Information, we will promptly inform you of such unauthorized acquisition or use as required by applicable laws and, upon your written request, reasonably cooperate with you at your sole cost in support of any breach notification requirements as imposed upon you by applicable laws.

Retention of Records

We will return to you all original records you provide to us in connection with this engagement. Further, in addition to providing you with those deliverables set forth in this Engagement Letter, we will provide to you a copy of any records we prepare or accumulate in connection with such deliverables which are not otherwise reflected in your books and records without which your books and records would be incomplete. You have the sole responsibility for retaining and maintaining in your possession or custody all of your financial and nonfinancial records related to this engagement. We will not host, and will not accept responsibility to host, any of your records. We, however, may maintain a copy of any records of yours necessary for us to comply with applicable law and/or professional standards or to exercise our rights under this Arrangement Letter. Any such records retained by us will be subject to the confidentiality obligations set forth herein and destroyed in accordance with our record retention policies.

Termination

Your failure to make full payment of any and all undisputed amounts invoiced in a timely manner constitutes a material breach for which we may refuse to provide deliverables and/or, upon written notice, suspend or terminate our services under this Engagement Letter. We will not be liable to you for any resulting loss, damage or expense connected with the suspension or termination of our services due to your failure to make full payment of undisputed amounts invoiced in a timely manner.

Either party hereto may terminate this Engagement Letter for any reason upon fifteen (15) days' prior written notice to the other party. In the event you terminate this engagement, you will pay us for all services rendered (including deliverables and products delivered), expenses incurred, and noncancelable commitments made by us on your behalf through the effective date of termination.

Either party may terminate this Engagement Letter upon written notice if: (i) circumstances arise that in its judgment would cause its continued performance to result in a violation of law, a regulatory requirement, applicable professional or ethical standards, or, in the case of RSM, our client acceptance or retention standards; or (ii) if the other party is placed on a Sanctioned List (as defined herein), or if any director or executive of, or other person closely associated with such other party or its affiliate, is placed on a Sanctioned List.

We will not be responsible for any delay or failure in our performance resulting from acts beyond our reasonable control or unforeseen or unexpected circumstances, such as, but not limited to, acts of God, government or war, riots or strikes, disasters, fires, floods, epidemics, pandemics or outbreaks of communicable disease, cyberattacks, and internet or other system or network outages. At your option, you may terminate this Engagement Letter where our services are delayed more than 120 days; however, you are not excused from paying us for all amounts owed for services rendered and deliverables provided prior to the termination of this Engagement Letter.

When an engagement has been suspended at the request of management or those charged with governance and work on that engagement has not recommenced within 120 days of the request to suspend our work, we may, at our sole discretion, terminate this Engagement Letter without further obligation to you. Resumption of our work following termination may be subject to our client acceptance procedures and, if resumed, will require additional procedures not contemplated in this Engagement Letter. Accordingly, the scope, timing and fee arrangement discussed in this Engagement Letter will no longer apply. In order for us to recommence work, the execution of a new Engagement Letter will be required.

The parties agree that those provisions of this Engagement Letter which, by their context, are intended to survive, including, but not limited to, payment, limitations on liability, claim resolution, use and ownership, and confidentiality obligations, shall survive the termination of this Engagement Letter.

Miscellaneous

We may mention your name and provide a general description of the engagement in our client lists and marketing materials.

Notwithstanding anything stated to the contrary in this Engagement Letter, the Endowment acknowledges and consents that we also may utilize Confidential Information and Personal Information to (i) improve the quality of our services and offerings and/or (ii) develop or perform internal data analysis or other insight generation. Information developed in connection with these purposes may be used by us to provide services or offerings. We will not use your Confidential Information or Personal Information in a way that would permit the Endowment or an individual to be identified by third parties without your prior written consent.

The Endowment agrees that it will not include our reports, or otherwise make reference to us, in any public or private securities offering without first obtaining our written permission. Any such request is also a matter for which separate arrangements may be necessary. After obtaining our permission, the Endowment also agrees to provide us with printer's proofs or masters of such offering documents for our review and approval before printing, and with a copy of the final reproduced material for our approval before it is distributed. If, based on our review, we identify no material inconsistencies with our audit, or other misstatements of fact, we will promptly communicate in writing to the Endowment that we do not object to the inclusion of our report in the offering documents. In the event our auditor/client relationship has been terminated when the Endowment seeks such consent, we will be under no obligation to grant such consent or approval.

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client in a key position. Accordingly, you agree to compensate us for any additional costs incurred as a result of your employment of one of our partners, principals or employees.

Each party hereto affirms it has not been placed on a Sanctioned List (as defined below) and will promptly notify the other party upon becoming aware that it has been placed on a Sanctioned List at any time

throughout the duration of this Engagement Letter. The Endowment shall not, and shall not permit third parties to, access or use any of the deliverables provided for hereunder, or Third-Party Products provided hereunder, in violation of any applicable sanctions laws or regulations, including, but not limited to, accessing or using the deliverables provided for hereunder or any Third-Party Products from any territory under embargo by the United States or Canada. The Endowment shall not knowingly cause RSM to violate any sanctions applicable to RSM. As used herein "Sanctioned List" means any sanctioned person or entity lists promulgated by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. State Department, the Consolidated Canadian Autonomous Sanctions List, the United Nations Security Council, the European Union, and the United Kingdom.

Any term of this Engagement Letter that would be prohibited by or impair our independence under applicable law or regulation shall not apply, to the extent necessary only to avoid such prohibition or impairment.

Notices

Unless otherwise expressly agreed upon by the parties in this Engagement Letter, all notices required to be given hereunder will be in writing and addressed to the party at the business address provided in this Engagement Letter, or such other address as such party may indicate by a notice delivered to the other party. A copy of any legal notice (e.g., any claimed breach or termination of this Engagement Letter) sent by the Endowment to RSM shall also be sent to the following address: Office of the General Counsel, RSM US LLP, 200 South Wacker Drive, Suite 3900, Chicago, IL 60606. Except as otherwise expressly provided in this Engagement Letter, notices hereunder will be deemed given and effective: (i) if personally delivered, upon delivery; (ii) if sent by registered or certified mail or by overnight courier service with tracking capabilities, upon receipt; and, (iii) if sent by electronic mail (without indication of delivery failure), at such time as the party that sent the notice receives confirmation of receipt, whether by read-receipt confirmation or otherwise.

Governing Law

This Engagement Letter, including, without limitation, its validity, interpretation, construction, and enforceability, and any dispute, litigation, suit, action, claim, or other legal proceeding arising out of, from, or relating in any way to this Engagement Letter, any provisions herein, a report issued or the services provided hereunder, will be governed and construed in accordance with the laws of the State of Illinois, without regard to its conflict of law principles, and applicable U.S. federal law.

Entire Agreement

This Engagement Letter constitutes the complete and exclusive statement of agreement between RSM and the Endowment and supersedes all prior agreements, understandings, and proposals, whether oral or written, relating to the subject matter of this Engagement Letter.

If any term or provision of this Engagement Letter is determined to be invalid or unenforceable, such term or provision will be deemed stricken, and all other terms and provisions will remain in full force and effect.

This Engagement Letter may be amended or modified only by a written instrument executed by both parties.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature of a party to this Engagement Letter or any electronic signature to a document contemplated hereby (including any representation letter) is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (a) to be "written" or "in writing," (b) to have been signed and (c) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees

that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, (a) a scanned copy (as a "pdf" (portable document format) or other replicating image) of a manual ink signature, (b) an electronic copy of a traditional signature affixed to a document, (c) a signature incorporated into a document utilizing touchscreen capabilities or (d) a digital signature. This Engagement Letter may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement. Paper copies or "printouts," of such documents if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

Please sign and return a copy of this Engagement Letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements, including our respective responsibilities.

Acknowledgement and Acceptance

Each party acknowledges that it has read and agrees to all of the terms and conditions contained herein. Each party and its signatory below represent that said signatory is a duly authorized representative of such party and has the requisite power and authority to bind such party to the undertakings and obligations contained herein.

AGREED TO AND ACKNOWLEDGED BY:

RSM US LLP

William J. O'Brien

Confirmed on behalf of American Bar Endowment:

Michelle A. Behnke, Finance Committee Chair

Date

Dana Sturtz Hill, Executive Officer

Date



DRAFT

American Bar Endowment

2024 AUDIT PLAN

Report to the Finance
Committee

June 4th, 2024

Finance Committee
American Bar Endowment

We are pleased to present this report covering the planned scope and timing of our audit of the American Bar Endowment's (the Endowment) June 30, 2024 consolidated financial statements.

This report is designed to help you understand our audit approach, including the importance of communication, our emphasis on understanding how your organization functions, and our incorporation of concepts like materiality, internal control and risk assessment into tailoring audit procedures to the unique aspects of your organization.

It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the Endowment.

[Firm Signature]

This report is intended solely for the information and use of the Finance Committee and management, and is not intended to be, and should not be, used by anyone other than these specified parties.



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SUMMARY OF KEY PLANNING AREAS

We will take an unbiased, risk-based approach in designing audit procedures. The nature, timing and extent of procedures performed will be consistent with our risk assessments and our audit approach.

Audit Timeline

Preliminary audit work will take place the week of July 8th, 2024. Procedures will include updating our understanding of the Endowment, walkthroughs of transaction cycles and preliminary analytical review procedures.

We have scheduled year-end field work to commence the week of September 9th, 2024.

For additional details, refer to *Timing of the Audit* on page 11.

Emphasis Areas

Key areas of focus during this period's audit include those deemed to be significant risks, which are found on page 10.

We plan to use the work of valuation specialists in testing the Endowment's investment portfolio and pension liability.

DRAFT



UNDERSTAND
THE CLIENT



RISK
ASSESSMENT



FURTHER AUDIT
PROCEDURES



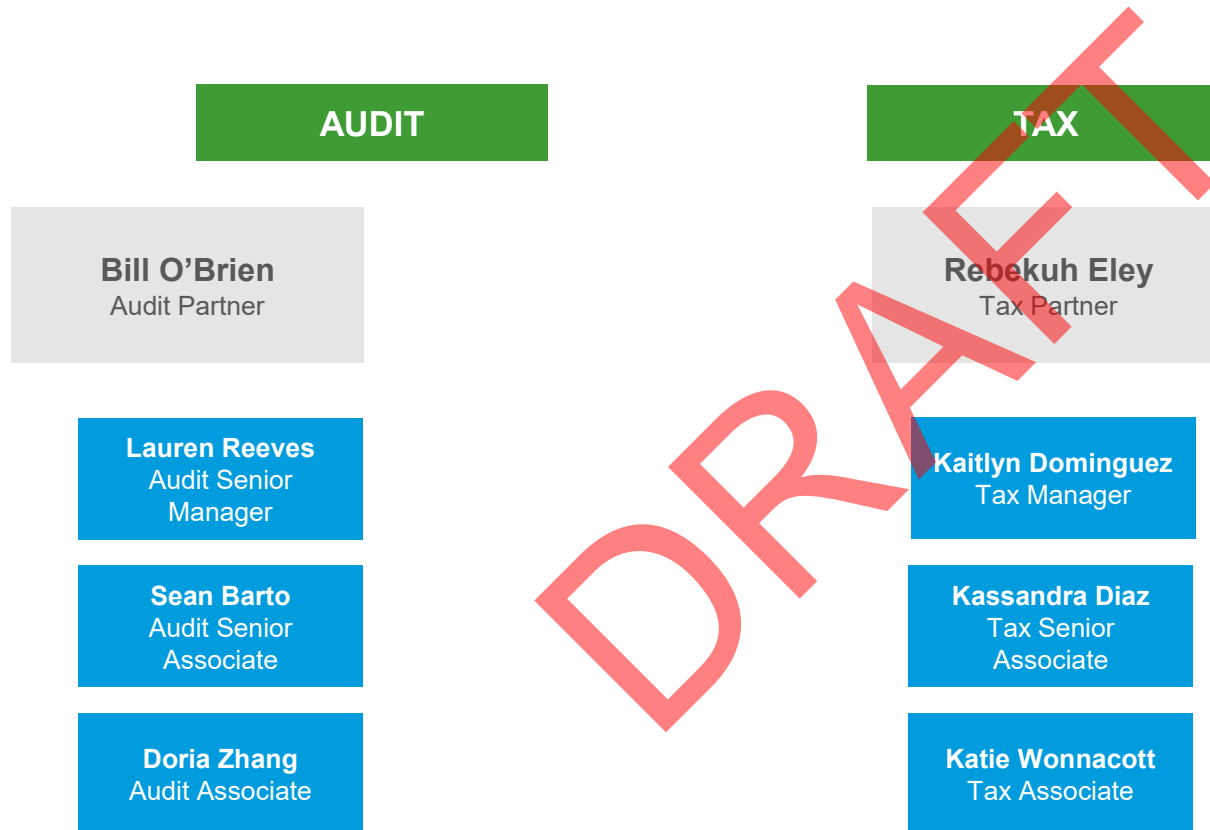
EVALUATION



DELIVERY

Engagement Team

Our team approach emphasizes assigning professionals with the right level of experience for each aspect of the engagement. The chart below depicts how the engagement team is organized. Bill O'Brien, Audit Partner, serves as the engagement leader and your main point of contact. A majority of these individuals served the Endowment last year.



Communication

Effective two-way communication between our firm and the Finance Committee is important to understanding matters related to the audit and developing a constructive working relationship.

Your insights may assist us in understanding the Endowment and its environment, identifying appropriate sources of audit evidence and providing information about specific transactions or events.

Our responsibilities



We will:

- Discuss with you your oversight of the effectiveness of internal control and any areas where you request additional procedures to be undertaken.
- Timely communicate to you any instances of the following that are identified during the audit:
 - Fraud involving senior management and other fraud that causes a material misstatement of the financial statements.
 - Noncompliance with laws and regulations (unless they are clearly inconsequential).
 - Disagreements with management and other serious difficulties encountered in performing the audit.
- Communicate the following matters to you:
 - Significant deficiencies or material weaknesses in internal control that become known to us during the audit.
 - Significant unusual transactions, matters that are difficult or contentious for which we consulted outside the engagement team, and circumstances that affect the form and content of the auditor’s report.
 - Other matters arising from the audit that are, in our professional judgment, significant and relevant to you in your oversight of the financial reporting process.

Finance Committee’s responsibilities



We expect that you:

- Timely communicate to us any matters you consider relevant to the audit, which might include:
 - Strategic decisions that may significantly affect the nature, timing and extent of audit procedures.
 - Your suspicion or detection of fraud, or any concerns you may have about the integrity or competence of senior management.

Independence

Shared Responsibilities: AICPA Independence

The American Institute of Certified Public Accountants (AICPA) regularly emphasizes that auditor independence is a **joint responsibility** and is managed most effectively when management, audit committees (or their equivalents), and audit firms work together in considering compliance with AICPA independence rules. For RSM to fulfill its professional responsibility to maintain and monitor independence, management, the Finance Committee, and RSM each play an important role.

Our responsibilities



- AICPA rules require independence both of mind and in appearance when providing audit and other attestation services. RSM is to ensure that the AICPA's General Requirements for performing non-attest services are adhered to and included in all letters of engagement.
- Maintain a system of quality management over compliance with independence rules and firm policies.

The Endowment's responsibilities



- Timely inform RSM, before the effective date of transactions or other organizational changes, of the following:
 - New affiliates, directors, officers, or persons in financial reporting oversight roles.
 - Change in corporate structure impacting affiliates.
- Provide necessary affiliate information such as new or updated organizational structure charts, as well as financial information required to perform materiality calculations needed for making affiliate determinations.
- Understand and conclude on the permissibility, prior to the Endowment and its affiliates, officers, directors, or persons in a decision-making capacity, engaging in business relationships with RSM.
- Not entering into relationships resulting in close family members of RSM covered persons, temporarily or permanently acting as an officer, director, or person in an accounting or financial reporting oversight role at the Endowment.

Overall Audit Strategy

Our Independence Policies and Procedures

Our independence policies and procedures are designed to provide reasonable assurance that our firm and its personnel comply with applicable professional independence standards. Our policies address financial interests, business and family relationships, and non-audit services that may be thought to bear on independence. For example:

- Our partners and professional employees are restricted in their ability to own a direct financial interest or a material indirect financial interest in a client or any affiliate of a client.
- If an immediate family member or close relative of a partner or professional employee is employed by a client in a key position, the incident must be reported and resolved in accordance with firm policy.
- Our policies prohibit us from providing certain non-attest services and require audit clients to accept certain responsibilities in connection with the provision of permitted non-attest services.

The Audit Planning Process

Our audit approach places a strong emphasis on obtaining an understanding of how your organization functions, which enables us to identify key audit components and tailor our procedures to the unique aspects of your organization.

- **Understand the Endowment.** The development of our audit plan begins by meeting with you and with management to obtain an understanding of the Endowment's objectives, strategies, risks and performance.
- **Materiality.** We obtain an understanding of the users of the financial statements in order to establish an overall materiality level for audit purposes.
- **Internal control.** As part of obtaining an understanding of your organization and its environment, we obtain an understanding of your system of internal control.
- **Risk assessment.** We use this understanding of your organization, its environment, and its system of internal control to identify risks of material misstatement, which provides us with a basis for designing and implementing responses to the assessed risks of material misstatement.
- **Discussions among the engagement team.** We conduct formal discussions among engagement team members to consider how and where your financial statements might be susceptible to material misstatement due to fraud or error.

Materiality and Internal Control

The Concept of Materiality in Planning and Executing the Audit

We apply the concept of materiality in planning and performing the audit; evaluating the effect of identified misstatements on the audit and the effect of uncorrected misstatements, if any, on the financial statements; and forming the opinion in our report in the following ways:

- **Professional judgment.** Our determination of materiality is a matter of professional judgment and is affected by our perception of the financial information needs of users of the financial statements.
- **Overall materiality.** We establish an overall materiality for audit purposes.
- **Performance materiality.** We establish performance materiality at an amount less than materiality for the financial statements as a whole to allow for the risk of misstatements that may not be detected by the audit.
 - We use performance materiality for purposes of assessing the risks of material misstatement and determining the nature, timing and extent of further audit procedures.
- **Quantitative and qualitative considerations.** Our assessment of materiality throughout the audit will be based on both quantitative and qualitative considerations.
 - Because of the interaction of quantitative and qualitative considerations, misstatements of a relatively small amount could have a material effect on the current financial statements as well as financial statements of future periods.
- **Accumulation of misstatements.** We will accumulate misstatements identified during the audit, other than those that are clearly trivial.
 - At the end of the audit, we will inform you of all individual uncorrected misstatements aggregated by us in connection with our evaluation of our audit test results.

Our Approach to Internal Control Relevant to the Audit

Our audit of the financial statements will include obtaining an understanding of internal control sufficient to plan the audit and determine the nature, timing and extent of audit procedures to be performed. A financial statement audit is not designed to provide assurance on internal control or identify significant deficiencies or material weaknesses. Our review and understanding of the Endowment's internal control is not undertaken for the purpose of expressing an opinion on the effectiveness of internal control.

Significant Risks of Material Misstatement

Our audit of the financial statements includes the performance of risk assessment procedures in order to identify risks of material misstatement, whether due to fraud or error. As part of these risk assessment procedures, we determine whether any risks identified are a significant risk.

As part of our initial risk assessment procedures, we identified the following risks as significant risks. Additional significant risks may be identified as we perform additional audit procedures.

Risk Name	Risk Description	Planned Response
Fraudulent Revenue Recognition (Contribution Revenue)	The Endowment could record unrealized or fictitious contribution revenue	<ul style="list-style-type: none"> RSM will review the revenue recognition policies of the Endowment and perform walkthroughs over contribution revenue cycles. RSM will also perform specific testing to address existence and valuation related to proper revenue recognition for contribution revenue.
Management Override of Controls	Management can override controls that are in place to falsify or manipulate financial data	<ul style="list-style-type: none"> RSM will perform testing over manual journal entries throughout the year, with an emphasis on fiscal year-end, as fiscal year-end is where the engagement team identified that management override of controls is the most prevalent.
Allowance for Refunds of Dividends (Valuation)	There is an increased level of subjectivity as it relates to management’s calculation of the allowance for those credits that may be claimed as refunds by plan participants	<ul style="list-style-type: none"> RSM will assess management’s estimation process and perform recalculations of the allowance estimate, using past and current year activity and trend analysis.

“Significant risk: An identified risk of material misstatement:

- i. For which the assessment of inherent risk is close to the upper end of the spectrum of inherent risk due to the degree to which inherent risk factors affect the combination of the **likelihood** of a misstatement occurring and the **magnitude** of the potential misstatement should that misstatement occur; or
- ii. That is to be treated as a significant risk in accordance with auditing standards generally accepted in the United States of America.”

Timing of the Audit

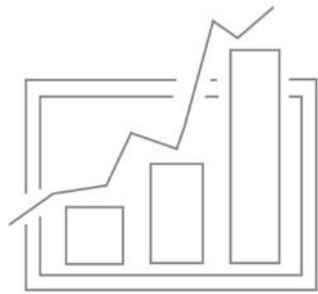
The schedule below outlines the expected timing of the audit. Management’s adherence to its closing schedule and timely completion of information used by us in performance of the audit is essential to timely completion of the audit.

<p>May / June</p>	<p>Preliminary planning meetings with Endowment management</p>
<p style="text-align: center;">----- [June 30th, 2024] -----</p>	
<p>July</p>	<p>Preliminary audit fieldwork (Week of July 8th)</p>
<p>Sept</p>	<p>Final audit fieldwork (Weeks of September 9th, 16th, 23rd & 30th)</p>
<p>Oct</p>	<p>Review of audit work by manager, partner, and quality reviewer</p>
	<p>Presentation to Finance Committee and issuance of financial statements and other deliverables</p>

DRAFT



NONPROFIT UPDATE



We are pleased to provide real-time, relevant perspectives to help clients anticipate and address the unique issues and challenges facing their organizations and the industries in which they operate. We believe the following resources will be useful to you:

[View all RSM Insights](#)

Live seminars
and webcasts

Newsletters and
e-alerts

Thought leadership
white papers and
reports

INSIGHTS AVAILABLE



Industry Specific Quarterly Insights

[The Real Economy: Industry Outlook](#)

Economic Headwinds: Nonprofit Industry

[Economic headwinds: Nonprofit \(rsmus.com\)](#)

Enabling and protecting your organization through strong governance, risk and compliance models

[Governance, risk and compliance solutions](#)

5 Considerations for Boards to Improve Data Privacy

[5 Considerations for Boards to Improve Data Privacy](#)

Strengthening Cybersecurity Against Emerging Threats

[Strengthening Cybersecurity Against Emerging Threats](#)

Guidance for board members and audit committees

[Critical issues for boards and audit committees](#)

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March 2024 Financial Reports Reports Index

Tab #	Name of Tab	Description
Tab 1	Summary	This tab provides a brief summarized income statement with fiscal year to date financial results.
Tab 2	Dashboard	This tab provides summary charts showing fiscal year to date actual revenue and expense by natural account.
Tab 3	Statement of Financial Position	This tab contains the balance sheet for the combined General and Premium Funds as of the reporting period. This report shows the organization's assets, liabilities, and net assets and includes a high level variance analysis to the prior fiscal year final balance sheet
Tab 4	Income Statement - Summarized	This tab contains fiscal year to date revenue and expense activity for the General Fund Only through the reporting period. In addition, this report provides comparisons to fiscal year to date prior year results. Data is also shown for the FY24 budget and prior fiscal year results. The format is based on the FY24 General Fund Budget categories.
Tab 4.1	Income Statement - Summarized	This tab contains the same data as Tab 4 but in a summarized category format.
Tab 5	Schedule of Experience Dividends and Contributions	This tab outlines the experience dividends by individual plan and contributions for current and prior fiscal year to date financial results. Data is also shown for the FY24 budget and prior fiscal year results.

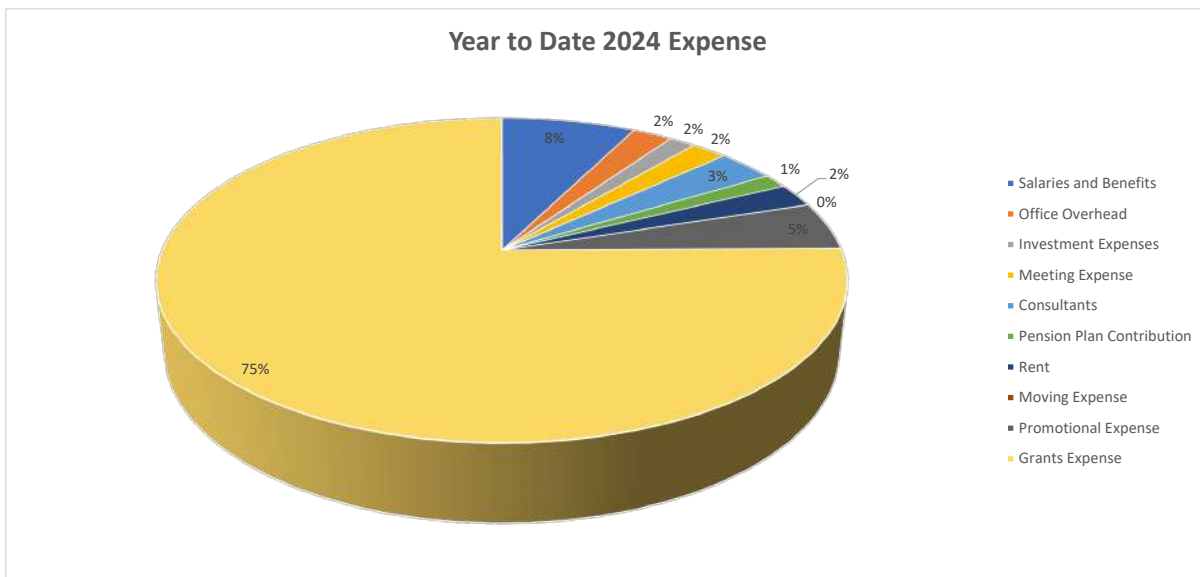
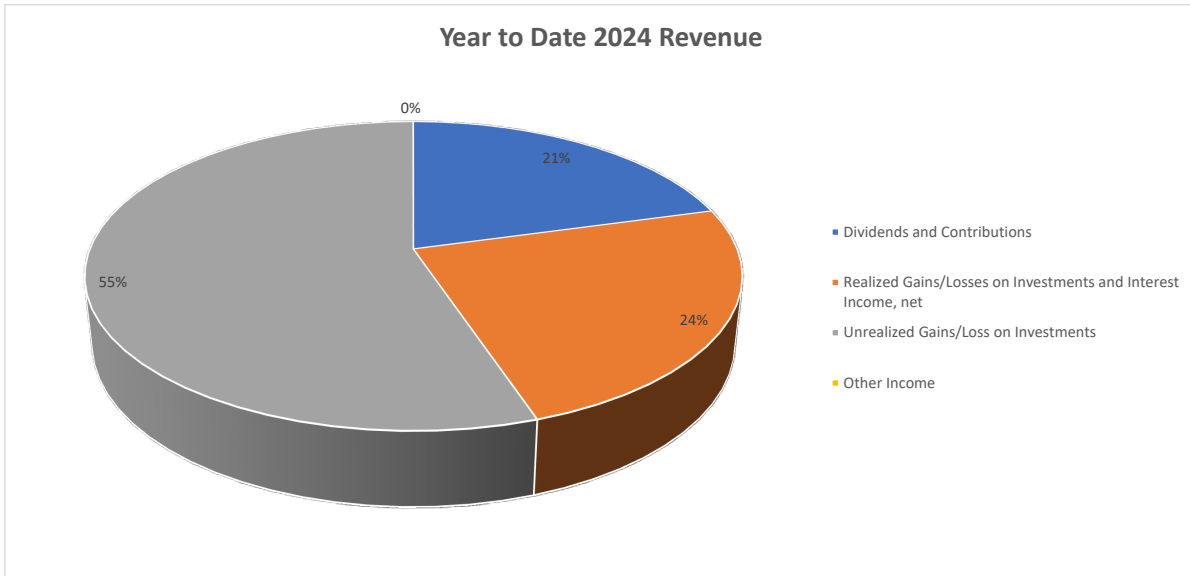
Financial Summary - Fiscal Year to Date through March 31, 2024

SUMMARIZED INCOME STATEMENT- GENERAL FUND ONLY

	Current Year Actual	Prior Year Actual	2024 FYTDA vs 2023 FYTDA vs	Budget Full Fiscal Year 2024	Final Final Year 2023
Revenue	\$20,842,671	\$18,335,853	\$2,506,818	\$6,010,000	\$22,334,790
Expenses	10,704,900	2,534,403	(8,170,497)	4,504,397	11,096,917
Net Profit/(Loss) from Operations	\$10,137,770	\$15,801,450	\$5,663,680	\$1,505,603	\$11,237,873

**SUMMARIZED BALANCE SHEET - GENERAL AND
 PREMIUM FUNDS**

	3/31/2024	6/30/2023
Cash	\$524,748	\$7,331,365
Investments	201,096,995	179,798,477
Other Assets	73,013	3,017,904
Total Assets	\$201,694,756	\$190,147,746
Liabilities	\$26,821,598	\$25,778,279
Net Assets	\$174,873,158	164,369,467
Total Liabs & Net Assets	\$201,694,756	\$190,147,746





Statement of Financial Position
March 31, 2024 and 2023
Represents General and Premium Funds

From 6/30/23 audited statements

	3/31/2024	6/30/2023	\$ Change	% Change	Notes
Assets					
Cash and Cash Equivalents	\$ 524,748	\$ 7,331,365	\$ (6,806,617)	-93%	
Investments	201,096,995	179,798,477	21,298,518	12%	- Investments performance has improved in FY24 - Transfer to PNC for Legacy Funds is in process
Receivables	24,898	2,838,824	(2,813,926)	-99%	
Other Assets	48,115	179,080	(130,965)	-73%	
Total Assets	\$ 201,694,756	\$ 190,147,746	\$ 11,547,010	6%	
Liabilities and Net Assets					
Premiums Payable	5,993,296	\$ 4,823,549	\$ 1,169,747	24%	
Allowance for refunds of dividends	452,547	2,502,455	(2,049,908)	-82%	
Grants payable	11,357,357	9,236,858	2,120,499	23%	Reflects all February 2024 Awards as well as remaining February 2023 Awards to ABF and FJE
Accrued expenses and other liabilities	189,868	386,887	(197,019)	-51%	
Excess major medical plan reserve	7,457,705	7,457,705	-		Entries Recorded at fiscal year end
Pension liability	1,370,825	1,370,825	-		Entries Recorded at fiscal year end
Total Liabilities	26,821,598	\$ 25,778,279	\$ 1,043,319	-86%	
Net Assets					
With and Without Donor Restriction	164,369,467	164,369,467	(0)	0%	
Year to date income/(loss) - includes premium investment activity only	10,503,691	-	10,503,691		
Total Net Assets	\$ 174,873,157	\$ 164,369,467	\$ 10,503,690	6%	
Total Liabilities and Net Assets	\$ 201,694,756	\$ 190,147,746	\$ 11,547,010	6%	

0 0



Statement of Activities
Actuals For the Period Ended March 31, 2024
Represents Only General Fund Activities
 New Summary Income Statement Format

	3/31/24 YTD Actuals	3/31/23 YTD Prior (Adjusted)	Difference to Actual - Favorable/ (Unfavorable)	%	Full Fiscal Year 2024 Budget	Final Fiscal Year 2023 Actual	Notes
Operating Revenue and Support							
Dividends and Contributions	\$ 4,319,021	\$ 3,101,995	1,217,026	39%	\$ 5,930,000	\$ 8,486,618	- See Tab 5 for detail by Plan - Includes contribution revenue based on FY23 audited financial statements
Realized Gains/Losses on Investments and Interest Income, net	\$ 5,025,792	\$ 11,694,601	(6,668,809)	-57%	\$ 80,000	\$ 15,592,801	- Only minimal interest and fees budgeted - Will consider non-operating presentation prospectively
Unrealized Gains/Loss on Investments	\$ 11,493,811	\$ -	11,493,811	N/A	\$ -	\$ (1,750,114)	- Unrealized Gains/Loss on Investments was not budgeted - Will consider non-operating presentation prospectively - FY23 Unrealized Gain and Losses weren't historically booked until Fiscal year end;
Other Income	\$ 4,047	\$ -	4,047	N/A	\$ -	\$ 5,485	
Total Income	\$ 20,842,671	\$ 14,796,596	\$ 6,046,075	41%	\$ 6,010,000	\$ 22,334,790	
Expenses							
Salaries and Benefits	\$ 800,054	\$ 985,413	185,359	19%	\$ 1,221,405	\$ 1,313,884	
Office Overhead	\$ 237,212	\$ 242,811	5,600	2%	\$ 317,022	\$ 323,748	
Investment Expenses	\$ 156,526	\$ 148,492	(8,033)	-5%	\$ 223,700	\$ 197,990	
Meeting Expense	\$ 213,410	\$ 183,327	(30,084)	-16%	\$ 378,149	\$ 244,435	
Consultants	\$ 339,306	\$ 260,480	(78,825)	-30%	\$ 606,870	\$ 347,307	
Pension Plan Contribution	\$ 150,000	\$ 100,000	(50,000)	-50%	\$ 150,000	\$ 100,000	- Board approved increase in pension plan contribution
Rent	\$ 249,332	\$ 242,465	(6,867)	-3%	\$ 331,161	\$ 323,286	
Moving Expense	\$ 2,330	\$ (474)	(2,804)	592%	\$ 519,590	\$ (632)	- Moving expense budgeted for FY24 is primarily delayed to FY25
Promotional Expense	\$ 508,702	\$ 402,126	(106,576)	-27%	\$ 756,500	\$ 536,167	- Planned budgeted increase in Life plan promotions
Grants Expense	\$ 8,048,030	\$ 7,710,731	(337,299)	-4%	\$ -	\$ 7,710,731	- Activity was unbudgeted - February 2024 ABF and FJE increased Awards and Opportunity Grants activity reflected
Total Expenses	\$ 10,704,900	\$ 10,275,370	\$ (429,530)	-4%	\$ 4,504,397	\$ 11,096,917	
Net Income/(Loss) from Operations	\$ 10,137,770	\$ 4,521,225	5,616,545	124%	\$ 1,505,603	\$ 11,237,873	
	-	-			-	-	



Schedule of Experience Dividends and Contributions
Actuals For the Period Ended March 31, 2024

Program	3/31/24 YTD		Difference to		Full Fiscal Year 2024 Budget	Final Fiscal Year 2023 Actual	Fiscal Year End 6/30/24 Plan Year	Comments
	Actuals	3/31/23 YTD Prior	Actual - Favorable/ (Unfavorable)	%				
Experience Dividends -Life (includes Critical Illness)	\$ -	\$ -	\$ -	n/a	\$ 4,000,000	\$ 5,208,991	6/1/23 – 5/31/24	Not finalized for FY24; Current amount represents Interest Associated with Prior Year Plan Payment
Experience Dividends - Disability (includes Retirement Disability)	\$ 2,492,715	\$ 1,773,865	718,850	41%	\$ 1,200,000	\$ 1,472,308	11/1/22 – 10/31/23	Finalized for FY24
Experience Dividends - Hospital Money Plan	\$ 225,185	\$ 236,952	(11,767)	-5%	\$ 150,000	\$ 189,561	11/1/22 – 10/31/23	Finalized for FY24
Experience Dividends - Excess Major Medical	\$ 1,386,427	\$ -	1,386,427	#DIV/0!	\$ 400,000	\$ 800,624	3/1/23 – 2/29/24	Finalized for FY24
Experience Dividends - Acc. Death & Dismemberment	\$ 212,877	\$ 710,558	(497,681)	-70%	\$ 150,000	\$ 639,502	8/1/22 – 7/31/23	Finalized for FY24
Experience Dividends - Prof. Overhead (POE)	\$ -	\$ -	-	n/a	\$ 30,000	\$ 84,890	7/1/23 – 6/30/24	Not finalized for FY24
Contribution Revenue	\$ 1,817	\$ 87,226	(85,409)	n/a	\$ -	\$ 90,742		
Total	\$ 4,319,021	\$ 2,808,601	\$ 1,510,420	#DIV/0!	\$ 5,930,000	\$ 8,486,618		

AMERICAN BAR ENDOWMENT FINANCIAL TRENDS

(\$ in millions)

	Full Year Actuals									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Statement of Activities										
Operating Revenue	\$ 11.9	\$ 9.4	\$ 10.3	\$ 10.9	\$ 12.2	\$ 10.2	\$ 10.4	\$ 9.8	\$ 9.3	\$ 11.8
Operating Expense	11.3	10.9	13.4	10.5	11.6	11.2	11.5	10.3	12.2	10.9
Operating Surplus/(Deficit)	\$ 0.6	\$ (1.5)	\$ (3.1)	\$ 0.4	\$ 0.5	\$ (1.0)	\$ (1.1)	\$ (0.5)	\$ (2.9)	\$ 0.9
Net Investment Gain/(Loss)	15.0	2.5	(2.3)	12.6	7.4	3.6	(0.4)	36.6	(13.5)	10.5
Total Surplus/(Deficit)	\$ 15.6	\$ 1.0	\$ (5.4)	\$ 13.0	\$ 8.0	\$ 2.6	\$ (1.5)	\$ 36.1	\$ (16.3)	\$ 11.4
Statement of Financial Position										
Beginning Net Assets	\$ 107.2	\$ 122.8	\$ 123.7	\$ 118.3	\$ 131.3	\$ 139.3	\$ 134.9	\$ 133.4	\$ 169.5	\$ 153.1
Grant Acct PY Adjustment						\$ (7.1)				
Total Surplus/(Deficit)	\$ 15.6	\$ 1.0	\$ (5.4)	\$ 13.0	\$ 8.0	\$ 2.6	\$ (1.5)	\$ 36.1	\$ (16.3)	\$ 11.4
Ending Net Assets	\$ 122.8	\$ 123.7	\$ 118.3	\$ 131.3	\$ 139.3	\$ 134.9	\$ 133.4	\$ 169.5	\$ 153.1	\$ 164.5
<i>Percentage Change from Prior Year</i>										34%
Long-Term Investment Balance	\$ 131.0	\$ 130.4	\$ 123.1	\$ 138.8	\$ 146.0	\$ 147.9	\$ 146.2	\$ 174.5	\$ 164.2	\$ 179.3
<i>Percentage Change from Prior Year</i>										37%
Long Term investment bal CAGR	3.6%									
Net Asset CAGR	3.3%									
Unrestricted asset CAGR	15.7%									
Operating Expense CAGR	-0.4%									

Over the past 9 years, our investment balance and total net asset have grown between 3-4% each year. Our investment balance has increased \$50m or 37% since 2014 and our net assets have grown over \$40m or 34%

While our investment balance and net assets continue to grow, our expenses have remained stable with no growth despite inflationary impacts year to year. Our average expenses over the last 10 years are \$11.3m/year.

2014 expenses were \$11.3m and 2023 expenses were \$10.9m, demonstrating the stable expenses year to year and prudent budget set by the board.

Without any additional dividend contributions - the endowment could run another 20-25 years and cover our current expenses.

Gross up of insurance premiums received/expense removed from 2014-2020 by taking the revenue figure out of both operating revenue/expense

RECOMMENDED FY2024 BUDGET

	<u>FY23 Budget</u>		<u>FY24 Budget</u>	
Salaries & Benefits	1,399,355		1,470,145	
Professional Services	948,331		1,411,021	
Meetings & Travel	386,249		397,836	
Advertising & Marketing	724,000		624,000	
Printing & Postage	126,699		130,499	
Facilities	857,801		348,422	
Other Expense	61,963		121,822	
	<u>4,504,397</u>	\$	<u>4,503,746</u>	<i>Details on FY24B Detail Schedule</i>

	<u>Actual Approved</u>		<u>FY24 Budget</u>	
Grant Expense	7,960,000	\$	8,200,000	<i>3% increase</i>

Total Operating Expense Budget \$ 12,703,746

FY2024 BUDGET DETAIL

Level 2	Level 3	Sum of FY23 Budget	Sum of FY24 Budget (Proposed)
Salaries & Benefits	Compensation	915,463	961,236
	Benefits & Payroll Taxes	322,942	332,631
	Staff Development	10,950	26,279
	Pension Contribution	150,000	150,000
Salaries & Benefits Total		\$ 1,399,355	\$ 1,470,145
Professional Services	Legal Counsel	50,000	151,500
	Insurance & SME	467,410	767,410
	Auditors	89,460	98,406
	Investment Management and Advisory	223,700	230,411
	Charitable Gift Funds	40,000	83,200
	Corporate Insurance & Bonds	77,761	80,094
Professional Services Total		\$ 948,331	\$ 1,411,021
Meetings & Travel	ABE meeting	352,149	362,713
	Miscellaneous	34,100	35,123
Meetings & Travel Total		\$ 386,249	\$ 397,836
Advertising & Marketing	Insurance Promotions	627,000	527,000
	Marketing Research	35,000	35,000
	ABA Meetings	27,000	27,000
	Charitable Gift Funds	15,000	15,000
	Website	20,000	20,000
Advertising & Marketing Total		\$ 724,000	\$ 624,000
Printing & Postage	Printing	81,430	83,872
	Postage	45,269	46,627
Printing & Postage Total		\$ 126,699	\$ 130,499
Facilities	Rent	331,161	331,161
	Utilities	7,050	7,262
	Moving Expenses	519,590	10,000
Facilities Total		\$ 857,801	\$ 348,422
Other Expense	Miscellaneous	61,963	63,822
	UBIT	-	58,000
Other Expense Total		\$ 61,963	\$ 121,822
		4,504,397	4,503,746

BUDGET ASSUMPTIONS		
Inflationary Factor Applied	Added \$	Comments
5%		
3%		
3%	\$ 15,000	
0%		<i>As proposed by AEFC Liaison</i>
3%	\$ 100,000	<i>Anticipated increased use</i>
0%	\$ 300,000	<i>Includes \$500K+ for SME resources - Fin, Tech, HR</i>
10%		
3%		
3%	\$ 42,000	<i>Unbudgeted account</i>
3%		
3%		
0%	\$ (100,000)	<i>Reduction in Zeis budget</i>
0%		
0%		
0%		
0%		
3%		
3%		
0%		
0%	(509,590)	<i>Back out unused. - Keep \$10K for shredding etc</i>
3%		
0%	58,000	<i>Unbudgeted account</i>

American Bar Endowment
June 2024

Advancing Democracy, Equity & Justice



AMERICANBARASSOCIATION

Fund for Justice
and Education

ABE's Grant Advances Democracy

PROTECTING THE RIGHT TO VOTE



LEADING A DIALOGUE OF LEARNING AND GROWTH

Commission on Women in the Profession

Hosted a CLE webinar titled *Guided Conversations: Highlighting Experiences of Intersectionality in the Profession*. Created to improve dialogue about race, ethnicity, and gender, the Guided Conversations Project aims to illuminate the intersectional experiences of women of color and promote allyship in the legal profession.

Commission on Sexual Orientation and Gender Identity

Presented a webinar called *Creating More Welcoming Workplaces for Nonbinary Individuals: Practical Steps Towards Gender Inclusion in the Legal Profession*. Panelists shared their experiences as nonbinary attorneys and discussed strategies for inclusion at the organizational and interpersonal level that can be implemented in any legal workplace.

Commission on Disability Rights

Hosted a webinar discussing the Law School Admission Council (LSAC)'s 2022 survey of law school matriculants to begin understanding who they are, whether they disclosed their disability on law school applications, and what factors they considered in determining which law schools met their academic, professional, and personal needs.

ABE's Grant Advances Justice for Families

ENSURING LEGAL SERVICES FOR CHILDREN AND FAMILIES



NEW AND EXPANDED EFFORTS



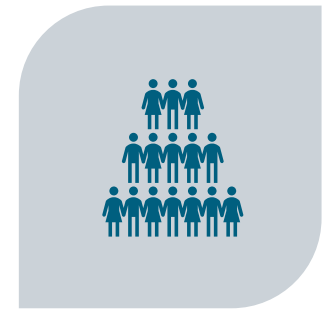
FJE STRATEGIC
PLAN



ONGOING DONOR
OUTREACH



ABA GIVING
DAY



CAPACITY BUILDING
& TRAINING



BUILD	BUILD the FJE's capacity to serve as the fundraising arm of the American Bar Association and serve as a center for philanthropic best practices, activities, and guidance on ABA public service programs
STRENGTHEN	STRENGTHEN the FJE's marketing and messaging to advance the ABA's charitable impact and motivate member giving
IMPROVE	IMPROVE understanding among ABA leaders of the FJE's role to encourage their support and participation in fundraising efforts

FJE Strategic Plan FY2024-26

FY2024 YTD Individual Donor Results

YEAR-TO-DATE PROGRESS AS OF MAY 16

YEAR-END RESULTS AS OF AUGUST 31

Direct Gifts	YEAR-TO-DATE PROGRESS AS OF MAY 16						YEAR-END RESULTS AS OF AUGUST 31				
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024 YTD	FY2019	FY2020	FY2021	FY2022	FY2023
# of Ind Donors	1,168	1,334	1,652	1,871	1,761	1,953	1,900	2,102	2,007	2,204	2,186
Total Amt Raised	\$608,000	\$519,000	\$837,000	\$857,000	\$781,000	\$1,128,000	\$1,085,000	\$857,000	\$1,051,000	\$1,146,000	\$1,177,000
# of New Donors	328	515	593	694	599	679	833	1,027	1,157	1,214	815
New Donor Gift Total	\$103,000	\$77,000	\$152,000	\$222,000	\$75,000	\$177,000	\$237,000	\$133,000	\$147,000	\$280,000	\$135,000

GOAL: Increase number of donors by 10% over FY2023 to 2,405 donors in FY2024

- Increase of 11% YTD

GOAL: Increase amount raised by 5% over FY2023 to \$1,236,000 in FY2024

- Increase of 44% YTD

GOAL: Retain 55% of FY2023 donors – 1,202 individuals in FY2024

- Retained 42% (913 Ind.) YTD of the 2,186 that gave in FY2023

EVERY GIFT MATTER. EVERY DONOR COUNTS.

2022-2023 FY

3,556 Gifts * \$1,171,000 Raised

Gift Amt	# of Gifts	% of Gifts	Amt Raised	% of Amt Raised
\$5,000+	34	1.0%	\$417,000	35.6%
\$2,500 - \$4,999	31	0.9%	\$84,000	7.2%
\$1,000 - \$2,499	224	6.3%	\$249,000	21.3%
\$500 - \$999	228	6.4%	\$120,000	10.3%
\$250 - \$499	379	10.7%	\$101,000	8.6%
\$100 - \$249	1,103	31.0%	\$138,000	11.8%
\$1 - \$99	1,557	43.8%	\$62,000	5.3%
Total:	3,556	100.0%	\$1,171,000*	100.0%

New FJE Donor Levels

Thought Leader

\$500 - \$999

Catalyst

\$250 - \$499

Advocate

\$100 - \$249

Friend

\$1 - \$99

2021-2022 FY

3,427 Gifts * \$1,146,000 Raised

Gift Amt	# of Gifts	% of Gifts	Amt Raised	% of Amt Raised
\$5,000+	36	1.1%	\$335,000	29.3%
\$2,500 - \$4,999	30	0.9%	\$86,000	7.5%
\$1,000 - \$2,499	237	6.9%	\$269,000	23.5%
\$500 - \$999	311	9.1%	\$162,000	14.1%
\$250 - \$499	441	12.9%	\$118,000	10.3%
\$100 - \$249	1,062	31.0%	\$130,000	11.3%
\$1 - \$99	1,310	38.2%	\$46,000	4.0%
Total:	3,427	100.0%	\$1,146,000	100.0%

* Total does not include \$6,000 in donated credit card processing fees.

Ongoing Donor Outreach

Fundraising in an Election Year



**ABA LEGAL
OPPORTUNITY
SCHOLARSHIP
FUND**

*Diversifying the Legal Profession
and Celebrating Asian American,
Native Hawaiian, and Pacific
Islander (AA and NHPI)
communities and their heritage.*

Ellsabeth Cha, ABA Legal
Opportunity Scholar
(Class of 2010)



ABA Giving
Day

*Your Donations
in Action*

Discover how gifts from the 2023
ABA Giving Day are helping advance
democracy, equity, and justice.

[Read the report](#)

ABA Giving Day Overview

The inaugural event in October 2020 raised roughly \$115,000 and focused on eight programs that addressed the impact of the pandemic and racial injustice.

The 2022 ABA Giving Day raised nearly \$275,000 for ABA programs with the theme *Advancing Democracy, Equity & Justice*.



The 2021 theme, *Community First*, generated engagement from members and the public, raising more than \$250,000 from over 730 donors.

The 2023 ABA Giving Day expanded to include all ABA entities conducting charitable work and raised \$395,000 using the continued theme *Advancing Democracy, Equity & Justice*.

Improved Donor Experience

NEW TOOLS TO DRIVE SUCCESS



New and
Improved website



Matches and
Challenges



Donor Thank
You Gift



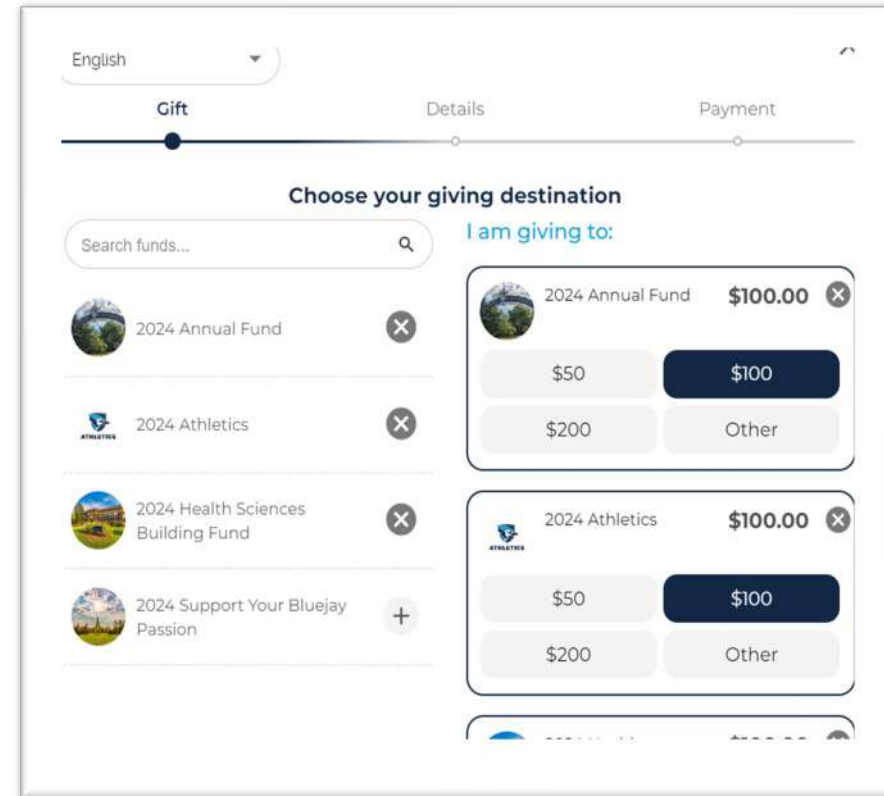
ABA
Ambassadors

Improved Website Experience

New Vendor = New Functionality

New Cart Function

Thank You Videos



Matches & Challenges

BUILD EXCITEMENT & BOOST PARTICIPATION

Matches & Challenges Make A Difference!

Having a challenge incentivizes donors to give more to "unlock" extra funds for your entity. On average, this type of opportunity increases a donor's likelihood to give by 22% and increases gift amounts by 19%.

Hourly Challenges - Only Available on October 24th

<u>Challenge</u>	<u>Prize Amount</u>	<u>Challenge Description</u>	<u>Timeframe</u>
Launch Party Challenge	\$1,000		12:00AM-2:00AM CST
Morning Rush Challenge	\$1,000		6:00AM-8:00AM CST
Lunch Hour Challenge	\$1,000	The fund with the most unique donors between this time frame wins \$1,000 in bonus funds.	11:00AM-1:00PM CST
Happy Hour Challenge	\$1,000		5:00PM-7:00PM CST
11th Hour Challenge	\$1,000		11:00PM-11:59AM CST

FREE GIVEAWAY TO INCENTIVIZE DONATIONS



Introducing ABA Giving Day Socks

- Donors contributing \$100 or more will be eligible to receive a free pair of socks.
- Two designs selected to allow members to choose the winning pair.
- Donor will have the option to decline the thank you gift.



Become an ABA Ambassador

00D 00H 00M 00S

HOME BE AN AMBASSADOR MATCHES & CHALLENGES FAQ

TOTAL GIFTS: **6,935**
TOTAL DOLLARS: **\$18,505,644**

Search all giving options

Be an Ambassador

Fill out your details and we'll get back to you as soon as possible

*First Name

*Last Name

*Email

*Affiliation

Which campaign do you want to join?

BECOME AN AMBASSADOR

Peer-to-peer fundraising, also called P2P fundraising, allows supporters to take advantage of their social networks by creating their own personal fundraising page.

P2P fundraising represents one of the fastest-growing segments of fundraising.

\$791 — Average amount raised per P2P fundraiser

39% — Of Americans who say they've donated to charity based on a request from a friend or family member

33% — Mobile traffic from P2P campaign comes from social media, especially Facebook

Training and Capacity Building

Providing Guidance in Fundraising

Easy Access to Training Videos

FJE Overview & Fundraising Best Practices ([Recording](#))
Held on March 27th

FJE Director Lea Snipes conducted an overview of the FJE and its role withing the ABA. The presentation described the various types of funding sources and discussed successful fundraising strategies.

Leadership Involvement in Fundraising ([Recording](#))
Held on April 25th

FJE Chair Orlando Lucero moderated a panel discussion with ABA leaders Michelle Behnke, Howard Wall, and Buck Lewis as they described their ABA fundraising experiences and reviewed best practices when seeking charitable support.



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AMERICAN BAR FOUNDATION

To: Board of Directors of the American Bar Endowment

From: Jimmy K. Goodman, American Bar Foundation President
Mark C. Suchman, American Bar Foundation Executive Director

Date: May 31, 2024

Re: Recent American Bar Foundation Activities

On behalf of the Board of Directors, faculty, and staff of the American Bar Foundation, we are pleased to provide you with this brief update on recent ABF research, programming, finances, and related activities.

First, we thank you for your continued support of the ABF. We are especially grateful for the good news that we will be receiving an American Bar Endowment grant of \$3,830,000 for the coming 2024-25 fiscal year. Since the establishment of the ABF seven decades ago, the ABE has been – and we hope always will be – our most significant investor and grantor. We thank you for your many years of support for ABF research and programming.

Strengthened by the ABE’s ongoing backing and guided by our mission to “expand knowledge and advance justice through innovative, interdisciplinary, and rigorous empirical research on law, legal processes, and legal institutions,” the ABF has moved forward energetically in the past year, to extend and expand our research and to be good stewards of your annual grant.

I. Hiring and Succession Planning

Under the leadership of our new Executive Director, Mark Suchman, we continue to move forward with the very successful implementation of the faculty succession strategy that his predecessor, Ajay Mehrotra, formulated in 2017. The result has been the gradual, phased retirement of senior ABF research faculty and the hiring of new, early-career faculty, before the senior scholars fully retired.

Through our succession plan, the ABF has now entered into emeritus/retirement arrangements with four senior scholars, including most recently Susan Shapiro, whose retirement takes effect at the end of May. In tandem with these departures, we have hired seven new Research Professors and added two new Faculty Fellows in the past seven years.

Our most recent additions to the ABF faculty are two superb lawyer-economists, jointly appointed with the University of Chicago Law School: Last year, Professor William H.J. Hubbard (JD/PhD University of Chicago), an expert on the economic analysis of litigation, courts, and civil procedure, joined the ABF as a Research Professor. And this past September, Professor Jacob Goldin (JD Yale, PhD Princeton), a pioneer in applying behavioral economics and algorithmic justice to the design of tax and other policies, moved from a professorship at Stanford Law School into a joint appointment at the ABF and the University of Chicago Law School, after spending a year as a special advisor to the U.S. Treasury Department.

Still, more work remains to be done, and we are currently finalizing a new strategic plan to guide the ABF into its next era. With the ABE's recently enhanced support, we expect to hire one or more additional faculty members in the coming year, with a particular focus on researchers who study the urgent socio-legal themes of immigration and citizenship. In the years beyond, Professor Suchman will work collaboratively with the ABF board of directors, faculty, and staff to continue the succession process, reinforcing our longstanding strengths in the study of lawyers, justice, and legal policy, while also enhancing our coverage of emerging topics such as the socio-legal dimensions of climate change and new technologies.

II. Highlights from the ABF Research Portfolio

The ABF is dedicated to producing “timely, cutting-edge research of the highest quality ... to inform and guide the legal profession, the academy, and society in the United States and internationally.” Since 2016 we have been classifying our projects into three broad categories: (1) Learning and Practicing Law; (2) Protecting Rights, Accessing Justice; and (3) Making and Implementing Law. These categories continue to guide our research and programming agenda. In this section, we highlight several ongoing ABF projects and initiatives that illustrate the continuing relevance of each of these three focal themes.

A. Learning and Practicing Law

Since at least the 1980s, the ABF has been the world's leading research institute for the empirical study of legal education and the legal profession. In this section, we highlight two ABF research projects that fall within this category. The first explores a novel “access to justice” experiment; the second offers a fine-grained tracing of litigation dynamics in an emotionally charged case of clergy sexual abuse.

- 1. Bridging the Rural Justice Gap: Innovating and Scaling Up Civil Access to Justice in Alaska – *Access to Justice Research Initiative (Matthew Burnett, with Michele Statz and Nikole Nelson; advised by Rebecca Sandefur)*:** This innovative “translational research” project seeks to implement and test new evidence-based, grassroots strategies for addressing the growing access-to-justice crisis in rural America. In extensive collaboration with local stakeholders and community members in Kodiak and Bethel, Alaska, and in collaboration with the Alaska Legal Services Corporation, a research team from the ABF's Access to

Justice Research Initiative is developing and assessing culturally responsive training, supervision, and credentialing models for non-lawyer “Community Justice Workers” in remote, largely indigenous settings.

Standing at the interface between academic scholarship and applied intervention, the project illustrates the impact of ABF investments in emerging scholars and under-explored topics: The research grows from over a decade of work on legal access issues by Faculty Fellow Rebecca Sandefur, a former ABF Research Social Scientist (and 2018 MacArthur “Genius” Fellow), and the nationwide network of access-to-justice scholars that she and ABF Senior Program Officer Matthew Burnett have assembled. Newly funded with a \$1 million grant from the National Science Foundation’s CIVIC Innovation Challenge, the Alaska project seeks simultaneously: (a) to implement and analyze a specific Community Justice Worker experiment; (b) to create a replicable model for legal service provision in other rural areas across the United States; and (c) to pioneer a broadly applicable framework for community-engaged research and evaluation interventions more generally. By translating ABF scholarship into practical policy and programs, the project holds the potential both to transform access to justice in rural areas and also to provide a template for analogous translation projects elsewhere in the ABF’s portfolio.

2. **The Hero and the Monsignor: Law, Sexual Violence, and the Catholic Church – *Laura Beth Nielsen and Robert L. Nelson:*** In recent years, lawsuits involving sexual abuse have confronted Catholic dioceses across the country. In this recently launched project, ABF Research Professors Laura Beth Nielsen and Robert L. Nelson gained access to the complete case file from a lawsuit against a Catholic archdiocese for failure to prevent sexual abuse of a minor by a local priest. Analyzing this case file along with other archival materials and oral-history interviews, the ABF research team is exploring the institutional mechanisms that facilitate and conceal abuse, the legal strategies used by plaintiffs and defendants to contest such cases, and the legal and non-legal outcomes of sexual abuse litigation.

The project leverages Professor Nielsen’s deep expertise on lay understandings of sexual harassment, Professor Nelson’s life-long work on the legal profession, and both scholars’ prior collaborative studies of the bureaucratic implementation and evasion of anti-discrimination law. Shedding light on systemic factors that have enabled and concealed clergy sexual abuse, the resulting book and articles will evaluate the adequacy of various legal responses and offer strategies for improving institutional accountability and implementing more effective preventive measures – not only in the Catholic Church but across a range of similarly opaque and self-protective institutions.

B. Protecting Rights, Accessing Justice

The second category of ABF research, “protecting rights and accessing justice,” explores how individual claimants encounter, experience, and mobilize (or challenge) the law. Here we highlight

two projects that showcase the ABF’s conceptual and methodological breadth. The first is a survey study of the interface between scientific expertise and trial litigation. The second is a historical and ethnographic exploration of the long legacies of Black slavery and emancipation.

1. **Science and the Legal System – *Shari Seidman Diamond*:** Although scientific evidence plays an increasingly central role in modern litigation, the challenges of identifying, recruiting, and productively incorporating scientific experts often daunt both individual attorneys and the larger legal system. To address the obstacles that undermine successful partnerships between science and law, Shari Seidman Diamond and her colleagues are surveying scientists and trial attorneys, exploring what these two groups expect from each other and what they experience in their interactions.

Now concluding a second phase of follow-up surveys, the project finds that contrary to common belief, most scientists are willing to assist in legal proceedings, and in response to open-ended survey questions, many offered detailed qualitative suggestions on how such collaborations might be improved. As Professor Diamond described in a packed and lively CLE session at the 2024 ABA Midyear meeting, one emerging theme is the importance of starting with a good “match” -- potentially through the development of better directories and more sophisticated recruitment processes.

2. **The Least of These: Violence, Freedom and the Promise of a New World – *Reuben Jonathan Miller*:** In an ambitious and innovative project newly approved by the ABF Board at its most recent meeting, 2022 MacArthur “Genius” Fellow Reuben Jonathan Miller is exploring the legacies of Black emancipation in former slave societies, examining how various Black communities have engaged in “freedom-making” under conditions shaped by both the realities and the (mis)perceptions of Black violence. This pioneering research blends Professor Miller’s personal family narrative with a robust suite of interdisciplinary research methods and data sources, including historical archives, qualitative fieldwork, and open-ended interviews.

Spanning centuries and continents – from the 1800s to the present, and from Nigeria and Cameroon to the US and UK – the project simultaneously explores how freedom has been conceptualized, contested, built and rebuilt across different eras and locations, and how laws and policies grounded in a fear of Black violence have shaped the lives (and conditioned the freedom-making efforts) of formerly-enslaved individuals and their descendants. In each of these settings, collectives like maroon settlements, abolition societies, prison-based think tanks, and modern activist groups have worked with varying degrees of success and against various forms of resistance toward a future without bondage for both themselves and others. Ultimately, Professor Miller’s project will culminate in a book that builds on his best-selling and award-winning *Halfway Home*, to draw lessons from the diverse strategies employed across different societies to achieve and sustain freedom. It will also offer insights into how law and public policy have worked to

incorporate – or exclude – formerly enslaved peoples, shaping institutions of punishment and care that continue to affect vulnerable communities up to the current day.

C. Making and Implementing Law

The third category of ABF research and programming addresses the often-neglected question of how laws come into being and how they get put into practice. The two projects summarized below illustrate the value of historical and comparative research for uncovering the underlying forces that shape the law as we know it. In the first, legal historian Ajay Mehrotra traces the roots of a key element of “American exceptionalism” in tax and fiscal policy. And in the second, a large interdisciplinary team of sociologists and political scientists explores an unintended hazard in current international efforts to promote democratic accountability and the Rule of Law.

1. **The VAT Laggard: A Comparative History of U.S. Resistance to the Value-Added Tax – *Ajay Mehrotra*:** This project explores how and why the United States has historically rejected broad-based national consumption taxes, such as the “value-added tax” (VAT) common across most developed economies. Although many politicians and media voices subscribe to the myth of “the overtaxed American,” in reality the United States lags behind other advanced, industrialized nations in the total amount of taxes raised relative to national income – largely because the U.S. lacks a national consumption tax applied to the “value added” at each step in the supply chain. The divergence has substantial implications, because many countries use VAT revenues to fund robust spending on healthcare, education, and other social-welfare programs.

To understand this important historical anomaly, Professor Mehrotra is exploring the development of US tax policy across three key periods: the 1920s, when tax theorists in the United States and Germany first began to propose crude forms of value-added taxes; the Great Depression and World War II, when the United States once again seriously considered but rejected national consumption taxes to fund the New Deal, the war effort, and post-war reconstruction; and the 1970s and 1980s, when American lawmakers considered and even supported a U.S. VAT, but eventually withdrew support or were ousted from office. The research reveals that although legal and economic experts in the U.S. Treasury Department played a pivotal role in inventing the VAT, the intersection of democratic political forces and organized economic interests in the US ultimately frustrated the adoption of seemingly rational tax and spending policies that flourished under more technocratic political conditions in Europe. This missed opportunity to enact a comprehensive national consumption tax, in turn, played a large role in the peculiar development of the modern American fiscal and social-welfare states.

2. **Anti-Corruption and Illiberalism in the Global South – *Tom Ginsburg and John Hagan (with Marina Zoloznaya, Maria Popova, Marco Garrido, and Luciano Da Ros)*:** This ambitious and provocative cross-national project brings together a team of ABF Research Professors and affiliates, to explore whether, how, and under what conditions

anti-corruption campaigns might generate illiberal currents in national politics. Anti-corruption campaigns have gained global legitimacy over the past two decades, often linked to broader calls for government transparency, public accountability, and the Rule of Law. And yet, counter-intuitively, such campaigns have often been accompanied by a marked erosion in citizens' civil liberties and political rights, and by a troubling turn toward populist authoritarianism and "democratic backsliding."

To systematically examine the pathways that may connect "anti-corruptionism" and illiberal governance, Professors Ginsburg and Hagan are working with an international network of collaborators on detailed historical analyses of anti-corruption campaigns in three global regions: Eastern Europe (Bulgaria, Georgia, Ukraine, and Russia), Asia (India, the Philippines, and Malaysia), and Latin America (Brazil, Costa Rica, and El Salvador). These countries have all experienced significant anticorruption efforts since the early 2000s, with varying impacts on their democratic stability. The research team hopes to identify potential safeguards that can be built into future anti-corruption policies, to protect against subversion by authoritarian politicians, unintended negative side-effects for democratic regimes, and other collateral damage.

III. The Contribution of ABF Fellowships

Alongside – and often in concert with – faculty research projects, the ABF also plays a crucial role in nurturing scores of emerging and established scholars, who over time have made important contributions to building and enhancing the field of empirical interdisciplinary research about law, legal institutions, and legal processes.

The ABF's flagship Fellowship is the **William H. Neukom Fellows Research Chair in Diversity and Law**, a year-long visitorship awarded annually to an outstanding scholar with a distinguished record of empirical research on diversity and law, broadly conceived. Topics of interest include diversity in the legal profession and other institutions of justice; the relationship of race, gender, and other invidious distinctions to legal processes and institutions; and the interaction between law and persistent social inequalities. We are extremely pleased to have as our 2023-2024 Neukom Chair Professor Jeannine Bell, the Curt and Linda Rodin Professor of Law and Social Justice at Loyola University Chicago School of Law. An internationally recognized expert on housing integration, policing, and hate crime, Professor Bell has focused her year at the ABF on two projects: An interview study exploring citizens' experiences with and feelings about police, and a comparative analysis of traffic stops in Bloomington, IN and Chicago, IL. After a rigorously competitive selection process, we expect next year's Neukom Chair to be John Eason, a professor of sociology at Brown University, who studies the racially-disparate impacts of prison-siting decisions on rural and urban communities.

In addition to the distinguished Neukom Chair, the ABF also offers a range of fellowships and traineeships for emerging scholars at earlier stages in their careers. These programs include opportunities for undergraduates, graduate students, and newly minted PhDs alike:

- The ABF’s **Summer Undergraduate Research Fellowship (SURF)** program allows students from underrepresented backgrounds who are considering law and/or social science careers to work alongside ABF researchers over the course of eight weeks, and to participate in site visits at local law firms, legal aid clinics, law schools, and advocacy groups.
- In partnership with Northwestern University, the University of Chicago, the AccessLex Institute, the National Science Foundation (NSF), and the Law and Society Association (LSA) the ABF offers two-year **Doctoral Research Fellowships** in Law and Social Science, in Legal and Higher Education, and in Law and Inequality. Like the ABF’s ongoing support for its residential faculty, these fellowship programs encourage original and significant empirical research on law, the legal profession, and legal institutions. Doctoral fellows receive financial support, mentorship, and job-market coaching while finishing their dissertations in the rich intellectual environment of the ABF’s residence-based interdisciplinary research community.
- The ABF also partners with AccessLex and the NSF to offer two-year **Postdoctoral Research Fellowships** in Legal and Higher Education, and in Law and Inequality. Through these programs, the ABF fosters and coordinates a professional network of scholars who produce innovative, objective, empirical, and interdisciplinary research in the field.

These programs have filled crucial gaps in law and social science training for over 30 years, coupling the ABE’s crucial sustaining support with significant but variable institutional grants and individual contributions. In the past year alone, the NSF has awarded more than \$350,000 to continue our Law and Inequality Fellowships, and AccessLex has awarded \$661,293 to renew our Legal and Higher Education Fellowships for another three-year cycle.

Past Doctoral Fellowship recipients include our own Ajay Mehrotra and Mark Suchman; Jennifer Mnookin, Chancellor of the University of Wisconsin and former Dean of UCLA School of Law; Annelise Riles, the Associate Provost for Global Affairs at Northwestern Pritzker School of Law; Roland Fryer, Henry Lee Professor of Economics, Harvard University (and a MacArthur “Genius” Fellow in 2011 and winner of the John Bates Clark medal in 2015); and countless professors in law and the social sciences. Our former undergraduate fellows include Mariano-Florentino Cuellar, former California Supreme Court Associate Justice and now President of the Carnegie Endowment for International Peace; Erika George, Samuel D. Thurman Professor of Law at the University of Utah College of Law; and Danielle Holley-Walker, President of Mount Holyoke College and former Dean at Howard University School of Law.

There can be little doubt that these programs have greatly enriched the national and global law and social science community, and we are currently forming an ABF Alumni Association (see below) to further strengthen the networks of mutual support and collegial dialogue across our many cohorts of grateful fellows and trainees.

IV. Budgets and Financial Condition

As in the past, we would like to use this section of our report to highlight how the annual, unrestricted ABE grant enables and empowers the ABF's research mission. As illustrated below, ABE support remains crucial to our ability to produce timely, cutting-edge research that expands knowledge and advances justice, and we are deeply grateful that the coming year's award will increase that support by over \$130,000 above its current level.

A. Current Fiscal Year ABF Budget

FY 2023-24 Revenues: 2023-24 is the third consecutive fiscal year in which we have projected more than \$9 million in total revenue. As the cornerstone of our research program, we are honored to have received an ABE grant of almost \$3.7 million. This grant accounts for approximately 40% of the total ABF budget of approximately \$9.1 million. Including this crucial ABE contribution, our top four sources of expected revenues for the year, and their respective percentages of total revenue, are as follows:

• ABE annual grant	\$3.7 million	(40%)
• ABF Fellows donations	\$2.4 million	(26%)
• Third-party grants	\$1.3 million	(14%)
• ABF endowment income	\$1.4 million	(16%)

Historically, the ABE grant has accounted for between 50% and 66% of our total annual budget. While the nominal size of this revenue stream has remained steady over time, its percentage of the overall budget has decreased due to inflation and expanded activities. In response, we have devoted considerable effort to increasing ABF Fellows revenue and third-party grants. These efforts have clearly begun to pay significant dividends: Although Fellows revenue remains below pre-pandemic levels, the number of new Fellows is once again rising; and the \$1.3 million in third-party grant revenue for the current fiscal year represents a 27% increase over the year before.

FY 2023-24 Expenses: As in the past, we anticipate matching the above revenues with roughly equal expenses, to end the current fiscal year with a balanced budget. The largest expenditures for the year, and their respective percentages of total outlays, are expected to be as follows:

• Research faculty salaries & benefits	\$2.4 million	(26%)
• Research projects (internal funding)	\$0.8 million	(9%)
• Fellowships, journal, and programming	\$1.0 million	(11%)
• Non-research salaries & benefits	\$2.1 million	(23%)

The expense figures above show that spending on core ABF research activities (research faculty, internal project funding, and fellowships, publications, and programming) will total approximately \$4.2 million, well more than the ABE grant amount of \$3.7 million.

B. Coming Fiscal Year Projected ABF Budget

FY 2024-25 Revenues: As we look ahead to the coming fiscal year, we are immensely grateful that you have raised your ABE grant award to over \$3.8 million. Thank you! This generous increase comes at a pivotal time for the ABF. Given the economic uncertainties of the post-pandemic period, other sources of funding (particularly Fellows revenue) are more precarious. We can only continue with our faculty succession plan because you, our primary funder, continue to partner with us by providing this robust annual support.

Although our Board has not yet formally approved a 2024-25 budget, we are anticipating another year of approximate balance, as we begin to implement our new strategic plan and our revenues and research activities gradually recover to pre-pandemic levels. More specifically, for FY 2024-25, the ABE grant of over \$3.8 million will account for about 41% of our estimated total budget of approximately \$9.3 million. We anticipate that the top four sources of revenue for the year will be:

Without a doubt, the ABE grant will remain our most important source of funding by far. We are cautiously monitoring whether Fellows contributions may have reached a plateau; but fortunately, we expect new and already secured third-party grants to continue to grow enough to compensate.

FY 2024-25 Expenses: On the expense side of the budget, we are projecting that ABF faculty salaries/benefits and ABF research support and programming will once again be among our top expenditures, totaling about \$3.9 million, approximately on par with the ABE grant amount of \$3.83 million for the year. Overall, we expect the largest expenditures to be:

We hope this high-level budget review gives you a sense of how ABF is being a careful and conscientious steward of all our funding – and especially of the annual, unrestricted ABE grant.

V. ABF Fundraising and Development Efforts

While we have historically relied on contributions from the ABF Fellows as our second largest source of revenue after the ABE grant, we are keenly aware that diversifying our funding base is

vitaly important both for the ABF's long-term financial stability and for maximizing the impact of the ABE's foundational support.

In recent years, we have made great strides in attracting financial contributions from organizations and individuals outside the auspices of the Fellows. Through the establishment of two special endowed funds, we have gained attention and support from individuals who are not Fellows and from law firms that had never before supported the ABF:

- The **William C. Hubbard Law and Education Conference Endowment** was established in 2019 with a lead investment from Philanthropist ABF Fellow and former ABA President William Neukom. That lead gift has since been matched and exceeded with gifts from 100 individuals and three institutions. The endowment, now surpassing \$330,000, supported the second biennial Hubbard Conference on Law and Education at Stanford Law School in March 2024, as well as a national webinar, "Democracy at Risk: Can Understanding Our Past Protect Our Future?" earlier that month.
- Following on the success of the Hubbard Endowment, in 2021 we established the **Ruth Bader Ginsburg Endowed Fund for Research in Civil Rights and Gender Equality**, which now exceeds \$311,000. The significant lead investment provided by ABF Vice-President Sandra Chan, her husband Gary Yoshimura, and an anonymous friend has been matched and exceeded through generous gifts from 105 individuals and three organizations, many of them first-time ABF donors. The ABF has hosted three events to celebrate and publicize the RBG Fund: in Chicago, (October 2021), Washington, D.C. (July 2022), and Los Angeles (January 2023). Planning has begun for a fourth RBG Fund Reception, likely in New York, which will highlight ABF research that the Fund has enabled.

We are also pleased with our continued success in accessing **third-party grant revenue**, most notably from the National Science Foundation, the AccessLex Institute, and the JPB Foundation. As mentioned above, NSF and AccessLex recently awarded a combined total of over \$1,000,000 for the next three years of our Doctoral/Postdoctoral Fellowship programs, and JPB has renewed its grant of \$2,000,000 for the next three years of the Access to Justice Scholars program.

To further our outreach beyond the Fellows, in 2019 we established a **Council of Advisors (CoA)**, to provide a platform for engaging committed, influential, and accomplished friends of the ABF who are not eligible for Fellows membership. CoA members are selected based on their distinct area(s) of expertise and their past, present, or anticipated future interest in advancing the ABF's research agenda. The CoA currently has six members, and we look forward to growing the group thoughtfully, as part of our ongoing effort to expand awareness of and support for the ABF beyond the bench, the bar, and the academy.

As mentioned above, planning is also underway for an **ABF Alumni Association**, to recognize and maintain connections with the hundreds of scholars who have passed through the ABF over the years. The Alumni Association will bring together a diverse network of former ABF Research

Professors, Doctoral and Postdoctoral Fellows, Summer Undergraduate Research Fellows, and more, many of whom credit the ABF with launching their successful careers. In addition to strengthening engagement, building community, and elevating our profile, we anticipate that the Alumni Association may eventually grow into a significant source of contributed revenue. When we foreshadowed the Association at the 2023 ABF Doctoral Fellows Alumni Conference, the announcement generated great enthusiasm and multiple offers of help.

Finally, we are honored to help raise awareness of the **ABE Opportunity Grants Program**, by informing our base of more than 16,000 Fellows about the critical support that the ABE provides for innovative projects serving the public's most urgent legal needs.

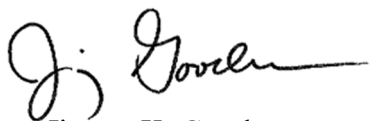
V. Conclusion

As mentioned above, the ABF is currently in the final stages of a year-long strategic planning exercise, and we expect our new 2024-2029 Strategic Plan to be in place by the time of the next ABE Board Meeting. Guided by that plan, the coming year promises to be an exciting one for the ABF and its communities. We anticipate launching our Alumni Association in the next few months, as well as expanding our on-site events and enhancing our Visiting Scholars program. We also intend to expand and enhance our communication and outreach efforts, to ensure that ABF research insights reach an ever-widening audience. Meanwhile, our efforts to cultivate new funding streams and to multiply the impact of every ABE dollar will continue apace. And, most important of all, our rejuvenated team of world-leading researchers will continue to generate rigorous new empirical findings and to launch timely, cutting-edge investigations to inform and guide the legal profession, the academy, and the public in the United States and internationally.

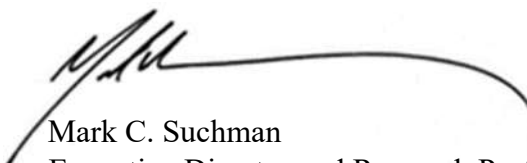
In conclusion, we are honored, as always, to be a grantee of the American Bar Endowment. We could not conduct and disseminate our innovative and influential research and programming without your support. We remain committed and careful stewards of your annual grant. As we continue to build our scholarly faculty and our research portfolio, we look forward to working with you in broadening and amplifying the visibility of both the ABF and the ABE.

Thank you again for all that you do.

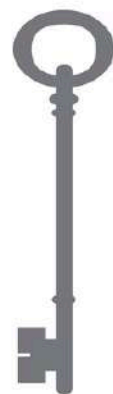
Sincerely yours,



Jimmy K. Goodman
President
American Bar Foundation



Mark C. Suchman
Executive Director and Research Professor
American Bar Foundation



CHARLESTON
LEGAL ACCESS

CREATING EQUAL ACCESS TO THE JUSTICE SYSTEM



Presented by **LANA KLEIMAN**

Mission

Charleston Legal Access is a non-profit law firm that works to **expand access to justice** in South Carolina by providing **high-quality** legal representation to individuals and families of **moderate- to low- income.**

Vision

Is a South Carolina with access to **high-quality** legal representation for **everyone** contributing to a more fair and equitable justice system.

Purpose

Charleston Legal Access provides affordable and high-quality sliding scale **civil** legal services in the Lowcountry to ensure everyone, regardless of income, has access to justice.

BACKGROUND

Founded in 2016 by Sally Newman

Offers a wide range of civil legal services

Operational Revenue:

- 13-15% sliding scale fees
- 43-45% grants
- 42% donations

Located in North Charleston, SC

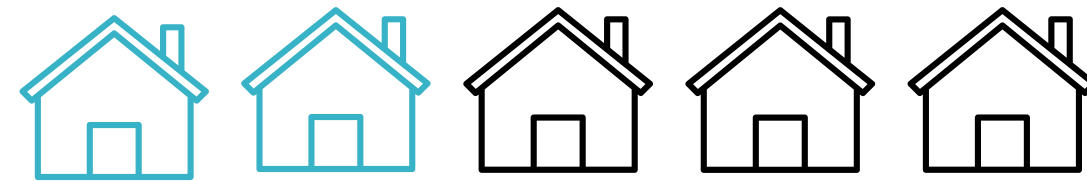
2.5 Attorneys,
1 Equal Justice Works Housing Fellow
2 Support Staff

2024 and Beyond: Expand outreach and services to Hispanic and Latinx community and launch Immigration Practice

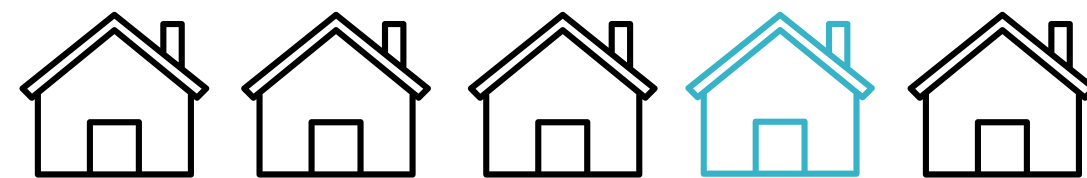
THE WHY

THE JUSTICE GAP

44%
of SC residents
fall between
125% -400% of
the FPL



Nearly **1 in 5** Americans (**17.8%**) is eligible for legal aid. In SC that number is **20.1%** or nearly **1 million**



7 out of every 10 low-income households experience at least one civil legal problem **every year**

92%
of civil legal problems
faced by low-income
Americans in 2021
received inadequate
or no legal help

Source 1. U.S. Census Bureau (2019). Poverty Status in the Past 12 Months. Retrieved from:[https://data.census.gov/cedsci/table?](https://data.census.gov/cedsci/table?q=s1701&g=0400000US45&tid=ACST5Y2019.S1701&hidePreview=true)

[q=s1701&g=0400000US45&tid=ACST5Y2019.S1701&hidePreview=true](https://data.census.gov/cedsci/table?q=s1701&g=0400000US45&tid=ACST5Y2019.S1701&hidePreview=true)

2. South Carolina Access to Justice's "Measuring South Carolina's Justice Gap", 2022

THE WHY

SOUTH CAROLINA STATEWIDE LEGAL NEEDS ASSESSMENT

82%

of SC residents had a legal problem they needed help solving over the past five years

70% of parties who appear in civil court are unrepresented and both sides have a lawyer in less than 8% of cases



43% of people surveyed cited cost as an obstacle to see help. For those who didn't seek help from a lawyer, **50% cited a concern of cost.**

99%

of defendants in eviction cases are unrepresented

THE PROBLEM

A Limited Market for Legal Services



Rain = Legal Issues | Umbrella = Access to Legal Help



A family of 4 must make below \$39,000 to qualify for free legal aid.

Typical private attorney rates range from \$148 - \$409 per hour. Average billable hour in SC is \$250



THE SOLUTION

Access to Justice Projects

- Language Access Project
- Eviction Protection Project



Sliding-Scale Legal Services

- Our rates range from \$50-\$100 based on income and household size
- We serve those who fall between 125%-400% of the FPL
- Philanthropic support is supplemented by client fees

OUR CLIENTS

WHO DOES CLA HELP?

- Victims of Domestic Violence and Sexual Assault
- Kinship Caregivers
- Tenants
- Victims of Circumstance
- Homeowners
- Small Business Owners
- Elderly
- Consumers
- Debtors
- Immigrants

"I was better represented by CLA than I was by my initial lawyer. The work that CLA does and how it's affordable for people like me, that's amazing. CLA gave me a fighting chance. It put me in a position to be the dad that I wanted to be the whole time." - Robert



WHY IT WORKS?

SHIFTING THE BALANCE OF POWER

- Entry of an attorney shifts cost/benefit analysis for opposing party
- Access to legal advice empowers clients to strategize and make decisions based on rational analysis rather than fear
- Investment of client funds = engaged, active clients
- Careful case selection
- Legal assistance cuts across class/race/language barriers
- Access to an attorney can prevent families from falling into poverty and help preserve financial stability, safety and wellbeing



2023 IMPACT



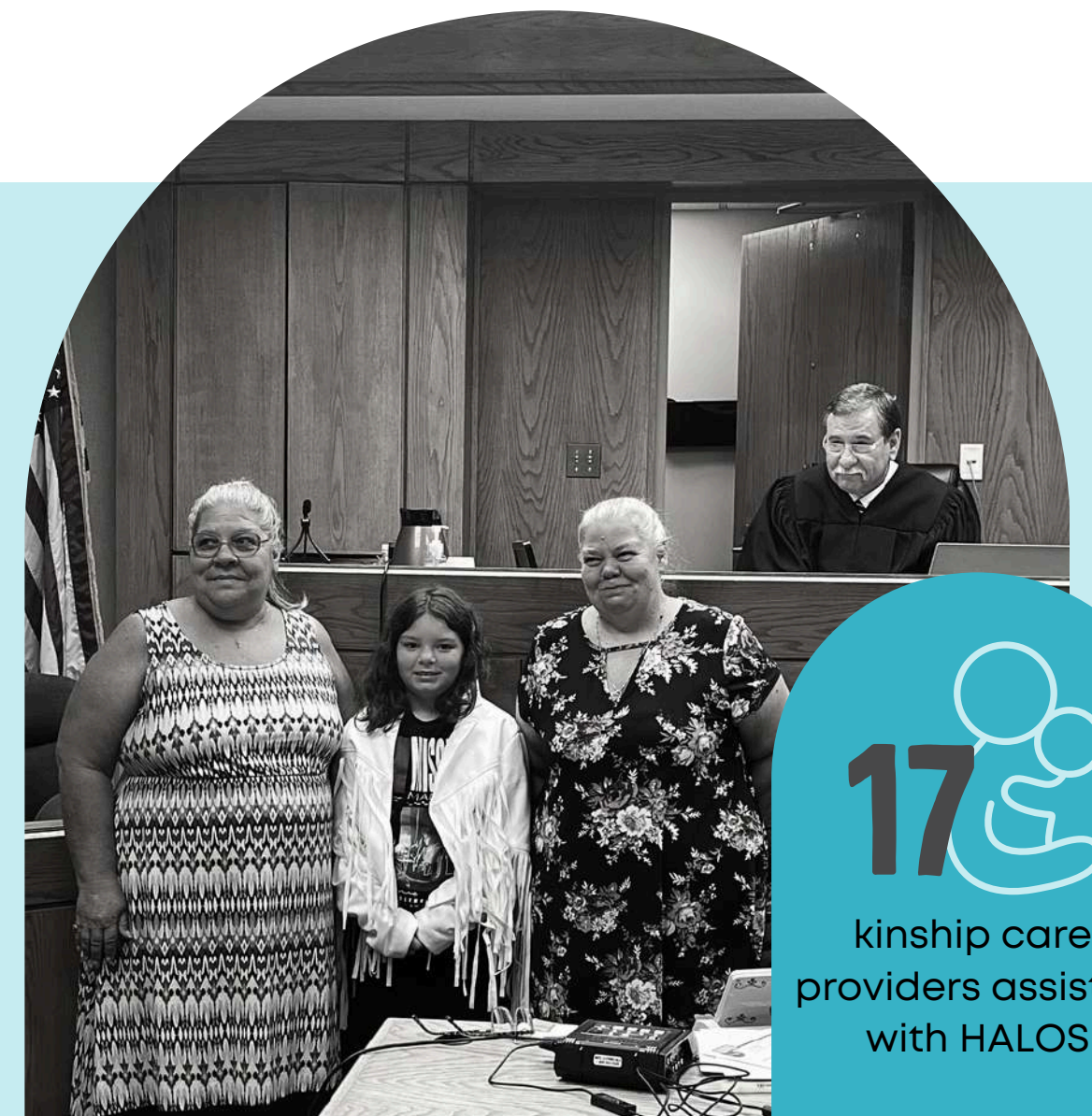
Cases closed
in 2023

*(not including the Eviction
Protection Project)*

37 Victims of
Domestic Violence
assisted through
partnerships with
My Sister's House
and SCCADVASA



intake callers



kinship care
providers assisted
with HALOS

Since 2016

\$3,062,613

assets preserved

688

tenants assisted through the
Eviction Protection Program

1,441

individuals and families helped



CHARLESTON LEGAL ACCESS

CONTACT

www.charlestonlegalaccess.org

Lana@CharlestonLegalAccess.org

843 - 640 - 5980

LEARN MORE





1630 Meeting street #2
Charleston, SC 29405
info@charlestonlegalaccess.org
(843) 640-5980

November 30, 2016

Re: Opportunity Grant Application

Attn: jmartin@abendowment.org

American Bar Endowment
321 N. Clark St.
14th Floor
Chicago IL 60654

1. Name of the Applicant (including any assumed business name(s) used).

Charleston Legal Access (contact Sally Newman, Legal Director)

2. Principal Physical Address of the Applicant (and Mailing Address if different).

1630 Meeting Street
Building 2
Charleston, SC 29405

3. Describe in detail the program or project for which the Applicant intends to use the Opportunity Grant funds.

Charleston Legal Access seeks \$10,000 to support a Language Access to Justice project for South Carolina Limited English Proficiency (LEP) parties. This is a one-year program scheduled to address an immediate and critical need for appropriate interpreter and translator services in our courts. We have completed a preliminary scoping phase of this project but are applying for funding in order to implement the project. This work will include three components: research, education, and advocacy. The research phase will be accomplished via an observation and reporting project by law students at the University of South Carolina and the Charleston School of Law and will be completed with a written report on the state of court language services in the state. Education efforts will have three focuses. First, we will produce written educational materials in collaboration with CATI (the Carolina Association of Translators and Interpreters) for outreach and information dispersal to Spanish-speaking and immigrant communities around the state. Second, we will work with attorneys, particularly those who regularly serve LEP clients, to distribute model motions for a court-appointed interpreter, and to gather information about their experiences scheduling and managing



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interpretation in courts. And third, we will prepare and distribute informational bench cards directly to all judges in the state. Finally, the advocacy component will be guided by the information and relationships formed in the first two parts, but we anticipate providing legal assistance to challenge individual denials of court interpretation and filing a DOJ complaint seeking formal federal investigation into the state of language services in South Carolina.

South Carolina is at present severely out of compliance with the DOJ's requirement, pursuant to the Civil Rights Act of 1968, that courts provide "meaningful access" to language services in court. DOJ guidance requires states to pay for and provide effective interpreters for LEP parties at all stages of proceedings. However, the majority of interpreters working in South Carolina are not certified, and the courts often do not pay for or arrange interpreters. Some of the problems that have been brought to our attention by a group of concerned interpreters include:

- Multiple defendants who first had access to an interpreter at their guilty pleas;
- A woman who lost custody of her toddler to a hospital medic who took charge of her infant at birth without any blood relation or court sanction, and who first had an interpreter at the temporary custody hearing;
- A complete lack of any information at courthouses available to LEP parties on their rights to interpreters and translators, or information that inaccurately states federal rights;
- Unavailability of any court notices or paperwork in languages other than English;
- Defendants being charged for interpreters, then jailed due to their inability to pay the fees;
- Frequent confusion among attorneys and lack of clarity from court administration regarding when courts pay for interpreters;
- Attorneys acting as interpreters, thereby losing objectivity and focus on the proceedings at hand;
- A judge calling out at random for someone who spoke Spanish who happened to be in the courtroom to interpret for a woman who clearly could not communicate with her lawyer; and
- An interpreter who has been regularly scheduled by a court clerk to interpret at hearings who also takes money from parties and regularly promises to reduce their court costs in exchange.

South Carolina has not held a certification course since 2009, and only six of the 152 interpreters on the court-approved interpreter list are certified by the state. The rest of the interpreters are listed as qualified, but the only qualification exam given to those interpreters is entirely in English.



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Charleston Legal Access (CLA) is collaborating with a group of court interpreters who have witnessed repeated violations of federal laws guaranteeing meaningful access to language services in the courts. No organization is currently working on this issue on behalf of Limited English Proficiency (LEP) parties in this state. Additionally, no data exists on the number of parties affected, the frequency of problems obtaining an interpreter (and the ramifications of such problems), or the way that the current system is funding certain language tasks but not others. The courts have formed one task force to work on language access to the courts through the South Carolina Access to Justice Commission, but the task force is not staffed and has accomplished very little in its more than ten years in existence. In forming this plan, we have been greatly assisted by corresponding with the North Carolina Justice Center, which accomplished a very similar set of tasks approximately eight years ago and has dramatically improved language services in North Carolina courts.

- 4. Is the Applicant affiliated by control or contractual arrangement (such as an intellectual property license agreement or affiliation agreement) with any other organization(s)? If so, please identify each and describe the relationship(s).**

No.

- 5. Is the Applicant classified by the Internal Revenue Service as an organization exempt from federal taxation under Code section 501(c)(3) and as a public charity or supporting organization under Code section 509(a)? Attach a copy of the organization's most recently filed IRS Form 990, the most recent IRS Determination letter and any additional correspondence received from the IRS related to tax-exempt status. If the Applicant is a Code Section 509(a)(3) supporting organization, provide information on the sub-classification category and detailed information about the supported organization(s) and that supported organization's(s') most recent IRS Form 990.**

Yes. See attached.

- 6. Set forth the charitable purposes of the Applicant as they appear in its organization documents.**



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Charleston Legal Access is formed for the charitable purpose of expanding access to legal services and rights through public interest litigation, direct representation, and any other means permitted by law.

7. List each of the Applicant’s governing board members, officers, and senior administration or management staff and a description about or biographical statement for each person and their addresses (business or home).

See attached.

8. Describe the Applicant’s current charitable activities and how long it has been engaged in each.

CLA opened its doors in January of 2016 to expand access to legal services in South Carolina. CLA’s target population consists of individuals and families who make more than 125% of the federal poverty level, which serves in general as the upper limit for existing services (including Charleston Pro Bono, the South Carolina Bar Pro Bono program, and South Carolina Legal Services), but less than 400% of the poverty level. These numbers are calculated according to family size; for example, an individual with no dependents making between \$15,000 and \$47,000 would qualify for CLA's reduced rates. Individuals with incomes below 125% of the Federal Poverty Guidelines are also eligible for our services if they do not qualify for free legal services for some other reason. We represent clients in civil cases and provide free advice and counsel sessions to individuals who fall within our income guidelines.

In addition to our direct services and representation, we have two access to justice advocacy projects addressing the unique legal needs of specific populations: Limited English Proficiency parties and kinship caregivers. These two projects developed through requests for assistance from partner organizations. Because this language access project does not involve direct representation, it will not bring in revenue from individual clients, and any grants restricted to direct services cannot be used to fund this project. Thus, we are seeking funding to support the language access project directly.

9. What are the significant accomplishments of the Applicant in the past five years (or since inception if less than five years of existence).

CLA opened to clients less than a year ago. In our first nine months operating, we have:

- Taken twenty cases and assisted another forty-two households with case review and advice sessions;



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- Put \$90,000 back in the pockets of our clients;
- Obtained independent 501(c)(3) exempt status and moved out from the management of our fiscal sponsor; and
- Hired two additional attorneys to start in January 2017 to triple our impact in the upcoming year.

10. Describe the Applicant’s financial resources and its principal sources of support. Attach the Applicant’s budget for the current fiscal year, for the next fiscal year (if available), and the proposed budget in the future fiscal year(s) for the project for which the Opportunity Grant is sought.

We have received funding through the Coastal Community Foundation, the Charleston County Bar Association, the South Carolina Bar Foundation, the Joanna Foundation, and Sisters of Charity SC. We have also received significant support from for-profit South Carolina law firms and private donors.

CLA’s direct services will ultimately be funded 50% through client fees and 50% through grants and contributions. The organization’s first year, however, has relied more on philanthropic giving as we grow our client base, build institutional knowledge, and invest in training and setup. Advocacy projects will be supported separately through dedicated funding. Attached to this application are our budgets for 2015, 2016 (to date), 2016 (projected), and 2017 (projected) as well as a project budget.

11. Describe how the Applicant will measure the success of the project for which the Opportunity Grant is sought.

We are a data-heavy organization. We track all staff time, volunteer time, potential clients screened, clients served, and outcomes reached. As a part of this project, CLA proposes to (1) gather data on the lack of access to language services in South Carolina courts and issue a written report, (2) educate South Carolinians, judges, and court staff on LEP’s rights to language services, and (3) advocate for change of the status quo in South Carolina.

Additionally, we propose to oversee law school volunteers in court observation and LEP interviews; submit and review the results from a Freedom of Information Act (FOIA) request to the Court administration; and produce the first written report addressing the current state of access to language services in South Carolina courts.



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Charleston, SC 29405
info@charlestonlegalaccess.org
(843) 640-5980

Thank you for your consideration and we look forward to hearing from you.

Submitted November 30, 2016 by:

A handwritten signature in black ink, appearing to read "Sally Newman", with a long horizontal flourish extending to the right.

Sally Newman

Founder and Executive Director

(843) 640-5980

sally@charlestonlegalaccess.org

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JUL 05 2016

CHARLESTON LEGAL ACCESS
1630 MEETING ST BLDG 2
CHARLESTON, SC 29405-9436

Employer Identification Number:
81-1013976
DLN:
17053069391046
Contact Person:
GLENN W COLLINS ID# 31392
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
November 9, 2015
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Letter 947

CHARLESTON LEGAL ACCESS

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey I. Cooper". The signature is written in a cursive style with a prominent horizontal stroke at the end.

Jeffrey I. Cooper
Director, Exempt Organizations
Rulings and Agreements

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2015

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Do not enter social security numbers on this form as it may be made public.

▶ Information about Form 990-EZ and its instructions is at www.irs.gov/form990.

A For the 2015 calendar year, or tax year beginning , 2015, and ending , 20

B Check if applicable:

- Address change
- Name change
- Initial return
- Final return/terminated
- Amended return
- Application pending

C Name of organization
Charleston Legal Access

Number and street (or P.O. box, if mail is not delivered to street address) Room/suite
1630 Meeting Street, Bldg #2

City or town, state or province, country, and ZIP or foreign postal code
Charleston, South Carolina 29405

D Employer identification number
81-1013976

E Telephone number
843-640-5980

F Group Exemption Number ▶

G Accounting Method: Cash Accrual Other (specify) ▶

I Website: ▶ www.charlestonlegalaccess.org

H Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

J Tax-exempt status (check only one) - 501(c)(3) 501(c) () ◀ (insert no.) 4947(a)(1) or 527

K Form of organization: Corporation Trust Association Other

L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ ▶ \$ 13,055

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)
Check if the organization used Schedule O to respond to any question in this Part I

		1	2	3	4	5a	5b	5c	6a	6b	6c	6d	7a	7b	7c	8	9	10	11	12	13	14	15	16	17	18	19	20	21		
Revenue	1	Contributions, gifts, grants, and similar amounts received																13,055													
	2	Program service revenue including government fees and contracts																0													
	3	Membership dues and assessments																0													
	4	Investment income																0													
	5a	Gross amount from sale of assets other than inventory					0																								
	b	Less: cost or other basis and sales expenses						0																							
	c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)							0																						
	6	Gaming and fundraising events																													
	a	Gross income from gaming (attach Schedule G if greater than \$15,000)								0																					
	b	Gross income from fundraising events (not including \$ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)									0																				
c	Less: direct expenses from gaming and fundraising events									0																					
d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)											0																			
7a	Gross sales of inventory, less returns and allowances												0																		
b	Less: cost of goods sold												0																		
c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)																														
8	Other revenue (describe in Schedule O)																														
9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8 ▶																														
Expenses	10	Grants and similar amounts paid (list in Schedule O)																													
	11	Benefits paid to or for members																													
	12	Salaries, other compensation, and employee benefits																													
	13	Professional fees and other payments to independent contractors																													
	14	Occupancy, rent, utilities, and maintenance																													
	15	Printing, publications, postage, and shipping																													
	16	Other expenses (describe in Schedule O)																													
17	Total expenses. Add lines 10 through 16 ▶																														
Net Assets	18	Excess or (deficit) for the year (Subtract line 17 from line 9)																													
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)																													
	20	Other changes in net assets or fund balances (explain in Schedule O)																													
	21	Net assets or fund balances at end of year. Combine lines 18 through 20 ▶																													

Part II Balance Sheets (see the instructions for Part II)

Check if the organization used Schedule O to respond to any question in this Part II

Table with columns (A) Beginning of year and (B) End of year. Rows include Cash, savings, and investments; Land and buildings; Other assets; Total assets; Total liabilities; Net assets or fund balances.

Part III Statement of Program Service Accomplishments (see the instructions for Part III)

Check if the organization used Schedule O to respond to any question in this Part III

What is the organization's primary exempt purpose? charitable - providing legal services to low-income individuals

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title.

Table for program service accomplishments with columns for description, amount, and expenses. Includes rows for CLA activities and other program services.

Part IV List of Officers, Directors, Trustees, and Key Employees (list each one even if not compensated—see the instructions for Part IV)

Check if the organization used Schedule O to respond to any question in this Part IV

Table with columns: (a) Name and title, (b) Average hours per week devoted to position, (c) Reportable compensation, (d) Health benefits, contributions to employee benefit plans, and deferred compensation, (e) Estimated amount of other compensation.

Part V Other Information (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V) Check if the organization used Schedule O to respond to any question in this Part V

	Yes	No
33 Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O		<input checked="" type="checkbox"/>
34 Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O (see instructions)		<input checked="" type="checkbox"/>
35a Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?		<input checked="" type="checkbox"/>
b If "Yes," to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O		
35b		
c Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III		
35c		
36 Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N		<input checked="" type="checkbox"/>
37a Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ 37a 0		
b Did the organization file Form 1120-POL for this year?		<input checked="" type="checkbox"/>
37b		
38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?		<input checked="" type="checkbox"/>
b If "Yes," complete Schedule L, Part II and enter the total amount involved	38b	
39 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on line 9	39a	NA
b Gross receipts, included on line 9, for public use of club facilities	39b	
40a Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ 0 ; section 4912 ▶ 0 ; section 4955 ▶ 0		
b Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	40b	<input checked="" type="checkbox"/>
c Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0		
d Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization ▶ 0		
e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T	40e	<input checked="" type="checkbox"/>
41 List the states with which a copy of this return is filed ▶ South Carolina		
42a The organization's books are in care of ▶ Genia Kornegay Telephone no. ▶ 843-442-9860 Located at ▶ Palmetto Project, 6296 Rivers Ave, Suite 100, North Charleston, SC ZIP + 4 ▶ 29406-4903		
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).	42b	<input checked="" type="checkbox"/>
c At any time during the calendar year, did the organization maintain an office outside the U.S.? If "Yes," enter the name of the foreign country: ▶	42c	<input checked="" type="checkbox"/>
43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 — Check here ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 43		
44a Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44a	<input checked="" type="checkbox"/>
b Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44b	<input checked="" type="checkbox"/>
c Did the organization receive any payments for indoor tanning services during the year?	44c	<input checked="" type="checkbox"/>
d If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	44d	
45a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	45a	<input checked="" type="checkbox"/>
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ (see instructions)	45b	<input checked="" type="checkbox"/>

46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I **46** Yes No

Part VI Section 501(c)(3) organizations only

All section 501(c)(3) organizations must answer questions 47-49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI

47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II **47** Yes No

48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E **48** Yes No

49a Did the organization make any transfers to an exempt non-charitable related organization? **49a** Yes No

b If "Yes," was the related organization a section 527 organization? **49b** Yes No

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
None				

f Total number of other employees paid over \$100,000 **0**

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation
None		

d Total number of other independent contractors each receiving over \$100,000 **0**

52 Did the organization complete Schedule A? **Note:** All section 501(c)(3) organizations must attach a completed Schedule A Yes No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
 Signature of officer: *Sally Newman* Date: *5/12/16*
 Type or print name and title: *Sally Newman, Executive Director*

Paid Preparer Use Only
 Print/Type preparer's name: _____ Preparer's signature: _____ Date: _____
 Check if self-employed PTIN: _____
 Firm's name: _____ Firm's EIN: _____
 Firm's address: _____ Phone no.: _____

May the IRS discuss this return with the preparer shown above? See instructions Yes No



1630 Meeting street #2
Charleston, SC 29405
info@charlestonlegalaccess.org
(843) 640-5980

Charleston Legal Access Board of Directors

Sally Newman

Executive Director (paid)

Also serves as CLA's Secretary and Chief Financial Officer for state law purposes

Director (volunteer)

1630 Meeting Street, Building #2, Charleston SC 29403

Home: (843) 640-0568

Work: (843) 640-5980

CLA's founder, Sally Newman, is a graduate of Dartmouth College (2005) and NYU School of Law (2010). She has six years of litigation experience, including two years of clerking for the D.C. Circuit Court of Appeals and the District of South Carolina. Sally also has extensive experience in community organizing and nonprofit work. She graduated from Dartmouth College in 2005 and New York University School of Law in 2010, where she was a recipient of the Root Tilden Kern scholarship, the nation's premier public service law school award. She is currently a Riley Fellow with the Riley Institute's Diversity Leaders Initiative and sits on the Trident United Way Prosperity Center Advisory Board and the Charleston Social Justice and Racial Equity Council.

Adair Boroughs

Chair, Board of Directors (volunteer)

1609 Boone Hall Dr.

Charleston, SC 29407

Home: (843) 608-0498

Work: (843) 579-2613

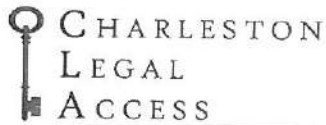
Adair was a civil trial attorney at the Tax Division of the U.S. Department of Justice for six years where she received a Special Commendation for her trial work and an all-around Outstanding Attorney Award. Since 2013, she has been a law clerk for the Honorable Richard M. Gergel, United States District Judge for the District of South Carolina. Adair is a graduate of Furman University and Stanford Law School. She is a Harry S. Truman Scholar and Riley Fellow with the Riley Institute's Diversity Leaders Initiative.

Mallary Scheer

Director (volunteer)

49 Elizabeth Street, Charleston, SC 29403

Home: (843) 608-8331



1630 Meeting street #2
Charleston, SC 29405
info@charlestonlegalaccess.org
(843) 640-5980

Mallary is a Charleston School of Law graduate and recently started a private practice that is dedicated to helping her clients receive their Social Security Disability Insurance (SSDI) or Supplement Security Income benefits. Mallary served as Staff Attorney and then as the Deputy Director of Charleston Pro Bono Legal Services, Inc., a local nonprofit dedicated to providing free legal services to qualified low-income individuals. In addition to her law degree, Mallary also has a Master of Public Administration and experience in regional planning and managing community and economic development projects.

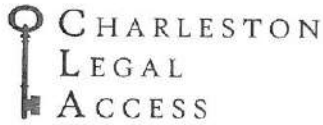
Caroline Mauldin
Director (volunteer)
27 Chapel Street
Charleston, SC 29403
Work: (803) 467-3836

Caroline is the Executive Director of South Carolina Future Minds, an organization dedicated to promoting excellence in education by connecting private support to public schools across the state. Previously, Caroline served as a speechwriter and policy advisory at the U.S. Department of State; she has also worked for leading social impact organizations including Oxfam America, the Carter Center, Accion International, and the Omidyar Network. Originally from South Carolina, she holds a MBA from MIT Sloan School of Management, a MPA from Harvard Kennedy School of Government, where she was a Zuckerman Fellow with the Center for Public Leadership, and a BA with honors from Tufts University.

Shampa Panda
Director (volunteer)
70 ½ Radcliffe Street
Charleston, SC 29401

Shampa Panda recently moved to Charleston from Berkeley, where she attended Berkeley Law School. She is currently a judicial clerk for the Honorable Judge David C. Norton, and previously served as a clerk for Shute, Mihaly & Weinberger, Parker Poe Adams & Bernstein, and Moore & Van Allen, where she focused on environmental law. She also holds an honors degree in Environmental Health Science from the University of North Carolina at Chapel Hill.

Patrick Wooten
Director (volunteer)
151 Meeting Street
Charleston, SC 29401
Work: (843) 534-4102



1630 Meeting street #2
Charleston, SC 29405
info@charlestonlegalaccess.org
(843) 640-5980

Patrick is a partner with Nelson Mullins Riley & Scarborough where he practices in the areas of business litigation, commercial litigation, and trust and fiduciary litigation. In addition to practicing law, Patrick has a passion for public service, and he is the immediate past president of the South Carolina Young Lawyers Division, an organization with over 3500 members, including all the lawyers in the state under the age of 36. Previously, Patrick served as a law clerk for the Honorable Richard M. Gergel, United States District Judge for the District of South Carolina. Patrick is a 2015 graduate of Leadership Charleston, and in 2015, he was the youngest lawyer in the state to receive a Leadership in Law award from South Carolina Lawyers Weekly. Patrick is a graduate of the University of South Carolina Honors College and Duke University School of Law.

Mavis Huger
Director (volunteer)
27 Gamecock Ave #200
Charleston, SC 29407
Work: (843) 573-0143

Mavis G. Huger is a corporate attorney with fifteen years of in-house and law firm experience. She is currently Of Counsel at Counts & Huger, LLC, and serves as outside General Counsel for businesses and is an advisor to start-ups at The Harbor Entrepreneur Center. Prior to joining Counts & Huger, Mavis served as the General Counsel of TS Investment Holding Corp., a software technology start-up, and served on its board of directors from 2008-2013. Mavis also serves on the Steering Committee of the African American Leadership Council of Trident United Way and holds a J.D. from Georgetown University Law Center.

Organizational Budget, Charleston Legal Access						
2015-2017						
		FY 2015	FY 2016	FY 2016	FY 2017	
			To date (Nov.)	Projected	Projected	
Revenue						
	Rollover (prior year)		2,766	2,766		24,660
	Grants/Foundation	10,000	14,700	19,700		40,000
	Hourly fees (clients)	-	11,400	14,500		70,000
	Individual donors	1,390	24,900	28,000		22,000
	Board/Advisory Board	200	1,625	2,000		5,000
	Corporate	-	10,075	15,075		15,000
	Public Agency	-	-	2,000		10,000
	Fundraisers and events	-	2,000	2,400		4,000
	Total cash revenue	\$ 11,590	\$ 67,466	\$ 83,675		\$ 190,660
	In-Kind Revenue	\$ 469	\$ 5,250	\$ 5,250		\$ 6,000
	Total Revenue	\$ 12,059	\$ 72,716	\$ 88,925		\$ 196,660
Expenses						
	Staff salary and payroll fees/taxes	-	14,000	23,000		135,000
	Contract wages	2,000	20,090	20,090		-
	Occupancy (rent and utilities)	275	3,025	3,450		6,000
	Insurance	1,961	-	1,800		2,000
	Accounting/fiscal sponsorship	500	2,200	2,200		-
	Equipment	-	250	300		1,000
	Fees (corporate/IRS)	35	960	960		200

	Fees (bar associations and CLEs)	1,500	180	1,500	2,000
	Fees (banking)	-	330	350	600
	Research/library	200	890	1,200	2,000
	Supplies	-	300	500	1,000
	Printing/postage	20	180	300	600
	File storage and tech licensing	500	580	580	700
	Telecommunications	200	560	660	1,500
	Travel	253	600	600	1,200
	Marketing/advertising/web/design	380	590	590	800
	Staff training/development	500	935	935	2,500
	Contract services	500	-	-	-
	Other	-	-	-	-
	Total Expenses	\$ 8,824	\$ 45,670	\$ 59,015	\$ 157,100
	In-kind Expenses	\$ 469	\$ 5,250	\$ 5,250	\$ 6,000
	Revenue over Expenses	\$ 2,766	\$ 21,796	\$ 24,660	\$ 33,560

Project Budget, Charleston Legal Access, Language Access Project, 2017

Description	Amount
Expenses	
FOIA Fees	\$600
Mileage for court observation, meetings, and know-your-rights clinics	\$3,000
Salary for supervising attorney (300 hours)	\$15,000
Salary for administrative support (300 hours)	\$3,000
Printing/Postage	\$900
Total Expenses	\$22,500
Revenue	
Fund for Southern Communities Grant (application submitted)	\$5,000
ABE Opportunity Grant	\$10,000
Private donations	\$7,500
Total Revenue	\$22,500

**Minutes of the Grants Committee Meeting
American Bar Endowment
May 16, 2024**

The Grants Committee of the American Bar Endowment held a regular meeting May 16, 2024, via a Teams meeting. Committee members in attendance for the meeting were:

Hon. Lora J. Livingston, *Chair*
Roberta Liebenberg

Robert M. Carlson
Kevin Shepherd

Committee members not in attendance for the meeting were:

Patricia Lee Refo

Josephine Bahn

Also present for the meeting were:

Dana Sturtz Hill, *ABE Executive Director*
Izzy Eisen, *ABE Staff*

Judge Livingston convened the meeting, stating that there were a few items to preview before Charleston's June meeting. The first item she noted was that a question from the FJE had been posed about the use of ABE grant funds for projects under ROLI's (Rule of Law Initiative) purview given its international nature. Previously, FJE was under the impression that ABE grant funds could not be used for any international projects, and the FJE wanted to confirm if this was true. Judge Livingston, in conjunction with ABE Executive Director, ABE President, and Jodi Patt (C3 Legal), concluded that if the money was being used to advance the mission of the ABE, the grant would be otherwise unrestricted, including no geographical limitations. By Charleston's meeting, Ms. Patt will provide a recommendation for updated language in the grant application that directly asks how the money will be used to further ABE's mission. The Committee agreed that this would be sufficient to ensure the appropriate relegation of funds. Mr. Shepherd asked if the Committee would still be comfortable if all the grant money goes to international causes? Judge Livingston replied that she would probably not be comfortable in that case, however it does not seem a likely outcome. Ms. Liebenberg noted that given all of the different items that the FJE funds, it would be highly improbable that all the funding could go to ROLI. Mr. Carlson and Ms. Hill agreed, also sharing that a large percentage of ROLI funding comes from government grants that FJE cannot necessarily apply to their other programs. Once Ms. Patt provides suggested language for possible amendment to our grant applications, Judge Livingston will circulate the proposed language for consideration by the Committee and the ABE Board in June.

Judge Livingston then introduced the next topic, sharing that at the Charleston meeting we would be joined by Charleston Legal Access (CLA), a local group that previously received an ABE Opportunity Grant. Due to the extenuating circumstances of the prior Executive Director passing away, there is not a final report from CLA's ABE funded project, however the grant funding did lead to a statewide project surrounding language access. CLA's Executive Director and Board Chair will join us in Charleston to present on the initial project and the resulting impact. Because

of the additional speaker, ABF and FJE will each have 15 minutes to present in Charleston. Ms. Liebenberg asked if there needed to be additional information in the application process ensuring that appropriate safeguards and project records existed. Judge Livingston replied that there is already enough language requiring reports and safeguards, and the extenuating circumstances here are the only case she is aware of in the ABE Opportunity Grants history of these requirements not being met, however, she will make sure this is reviewed by Ms. Patt (external counsel). Mr. Carlson then noted that we should have their application. Ms. Hill confirmed that we have the application, and it would be provided in the Charleston board book. Judge Livingston then noted an interest in hosting ABE board meetings in locations where there would again be the opportunity to invite current and past grantees.

Judge Livingston then introduced the final agenda item regarding the Charitable Gift Fund (CGF). She noted that Mr. Vogel and Ms. Hill have been critically looking at the CGF and would be putting together a presentation on it for the Charleston meeting that looks at the history, status, and future of the program. The Charleston presentation will be a preliminary review and the Board/Grants Committee will discuss in further detail and prepare any action items in advance of the October meeting in Santa Barbara.

Judge Livingston noted that in Charleston she would be sharing her experience at the ABF meeting in Chicago this May.

There being no further business before the Committee, the meeting was adjourned.

Respectfully submitted,

Lora J. Livingston
Chair

Our Vision:

Making a difference by funding programs that advance the American justice system and the rule of law.

Our Mission:

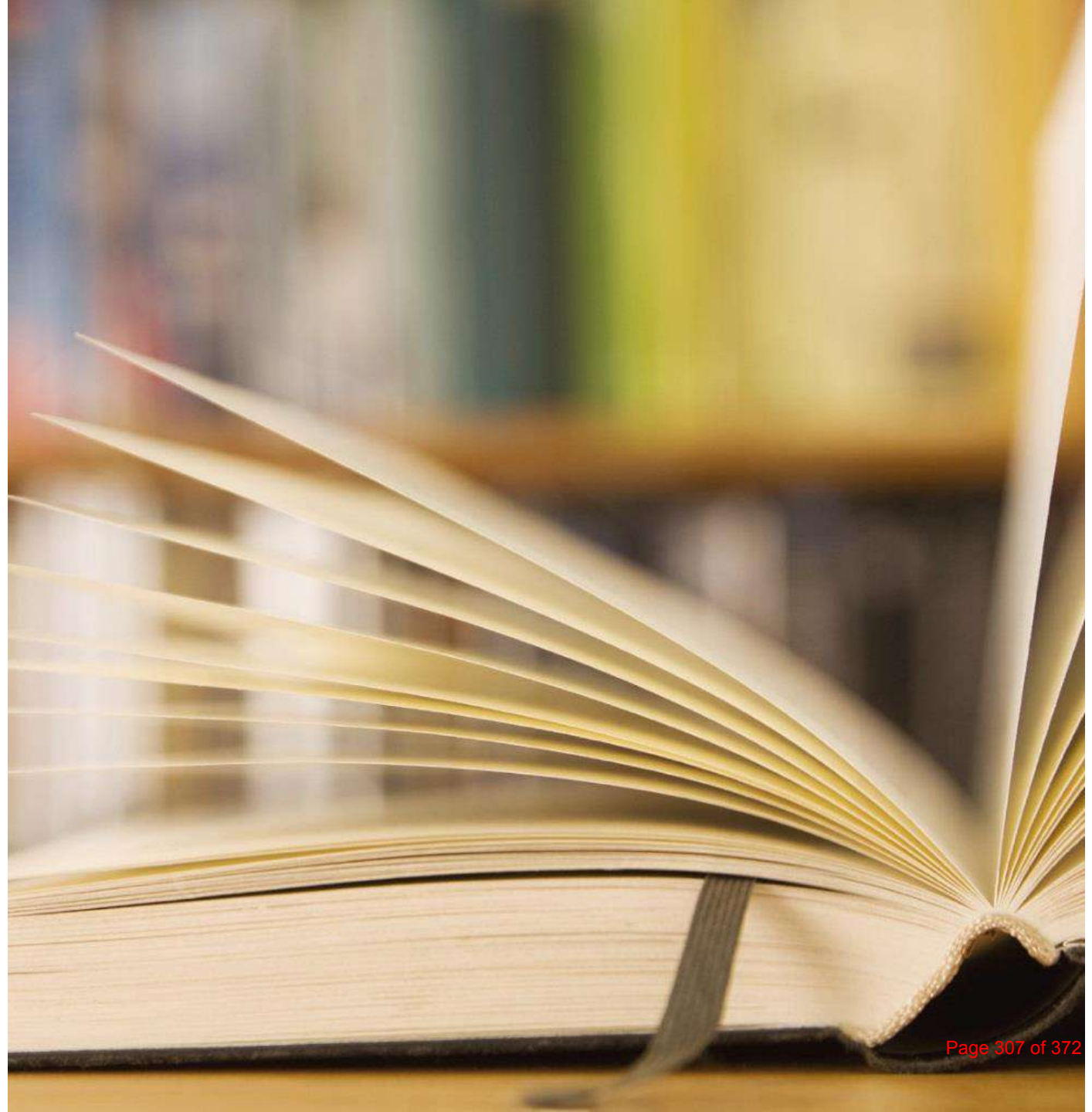
To generate funds for the support of law-related public service, educational, and research programs by building and sustaining the Legal Legacy Fund and by sponsoring insurance and other program for the legal professional that encourage charitable giving.

AMERICAN BAR ENDOWMENT:

TAX-EXEMPT STATUS OVERVIEW

Jodi Patt, Principal

C3 Legal LLC



Nonprofit Legal Structure - Overview

Nonprofit (aka not-for-profit) corporation characteristics:

- Incorporated under state law
- Organized for one or more public purposes (typically charitable, scientific, educational, literary, or religious purposes)
- Tax exemption is granted at the federal level
 - Includes status as a 501(c)(3), 501(c)(4), and 501(c)(6) organization
 - Not every nonprofit is also tax-exempt
- Profits held in “lock-box” in furtherance of specified purposes; generally cannot distribute profits to individuals or entities as owners or shareholders
- ‘Reasonable’ and not excessive compensation for services rendered is required

The Universe of TEOs

ALL TAX-EXEMPT ORGANIZATIONS
All Section 501(c)(1)-(c)(27) organizations

ALL SECTION 501(c)(3) ORGANIZATIONS

- Operated exclusively for charitable, educational, scientific, religious, etc. purposes
- Generally a nonprofit corporation or a charitable trust
- Contributions are generally tax deductible under Section 170

PRIVATE FOUNDATIONS

- All non-public charities
- Lower deductibility limitations
- More restrictions and Excise Taxes

PUBLIC CHARITIES

- Churches, schools, etc.
- Publicly Supported Organizations under Sections 509(a)(1) and 509(a)(2)
- Supporting Organizations under Section 509(a)(3)
- Higher deductibility limitations
- Fewer restrictions and Excise Taxes

Qualification Requirements for 501(c)(3) status:

- Must be *organized* as a nonprofit corporation (with a few limited exceptions);
- Must be *organized* and *operated* exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, to foster national or international amateur sports competitions (as long as it does not involve the furnishing of athletic facilities or equipment), or to prevent cruelty to children or animals.

Qualification Requirements (cont'd)

- No part of its “net earnings” may inure to the benefit of any private shareholder or individual.
- No “substantial part” of the organization’s activities may consist of certain lobbying activities (for some 501(c)(3)s, this is an absolute prohibition)
- May not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

Organizational Test Requirements:

- The focus of the Organizational Test is on the language used in the nonprofit's governing documents.
- The governing documents must limit the nonprofit's purposes to one of the 501(c)(3) purposes; AND
- The governing documents must not expressly empower the organization to engage (except to an insubstantial degree) in any activities that do not further one or more exempt purposes.
- *Also important:* dissolution language (should state that upon dissolution, the assets of the nonprofit will be distributed to another 501(c)(3) organization formed for the same or similar purposes).

Operational Test Requirements:

- Requires the organization to engage primarily in activities that accomplish one or more of the exempt purposes specified in Section 501(c)(3). (Treas. Regs. 1.501(c)(3)-1(c)(1))
- Test is not satisfied if more than an **insubstantial part** of its activities is not in furtherance of an exempt purpose.
- Impermissible conduct includes:
 - Inurement of net earnings to private individuals;
 - More than insubstantial amounts of lobbying; and
 - Political Campaign Activity

What is a public charity?

- Public charities are a subset of 501(c)(3)s that satisfy one or more additional tests allowing them to be classified as public charities.
- Some organizations are classified as public charities based on their operations (*e.g.*, churches, schools, hospitals).
- Other organizations are classified as public charities based on their financial support or based on their relationships with other publicly supported public charities.
- May not engage in any political campaign activity; may engage in an insubstantial amount of lobbying.
- ABE's status as a public charity has evolved over the years and are the subject of both court and IRS rulings.

Private Benefit & Private Inurement

- A 501(c)(3) organization must be organized and operated to serve public rather than private interests
- An organization that violates this principle risks losing its tax-exempt status

Private Benefit

- **“Private Benefit Doctrine”** – A 501(c)(3) organization is not organized or operated “exclusively” for charitable and other specified purposes unless it serves a public rather than a private interest.
- An organization violates the Private Benefit Doctrine if more than an insubstantial part of its activities are not in furtherance of an exempt purpose
- The Private Benefit Doctrine is broader than Private Inurement (and therefore subsumes it).
- A 501(c)(3) may not confer a more than incidental and tenuous benefit upon a private third party without violating this doctrine.
- Sharing resources with a non-501(c)(3) for which the (c)(3) is not compensated can result in a determination of a private benefit being conferred upon the non-501(c)(3).

Private Inurement

- **“Private Inurement Doctrine”** – No part of the income or assets of a charitable organization may be permitted to unduly benefit, directly or indirectly, an individual or person who has a close relationship to the organization
- The purpose of the private inurement rule is to ensure that the 501(c)(3) is not organized or operated for the benefit of its insiders.

Key Fiduciary Duties of a Board Member

Duty of Care

- act in good faith with the care that an ordinarily prudent person in a like position would exercise under similar circumstances.

Duty of Loyalty

- exercise your powers in good faith and in the best interests of the ABE.
- Navigating conflicts of interest falls under this duty.
- For more information on dual loyalties, see C3 Legal Memo from 2022.

Duty of Obedience

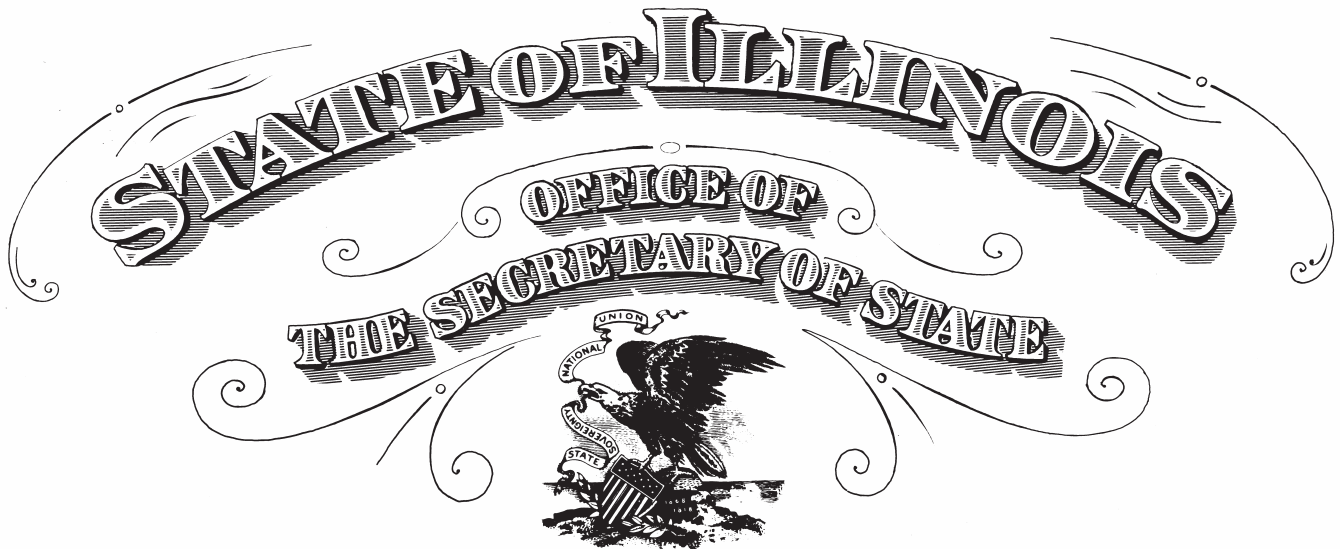
- compliance with applicable law and adhere to ABE's mission and its governing documents (specifically including Articles of Incorporation and Bylaws).

Questions?



C3 LEGAL



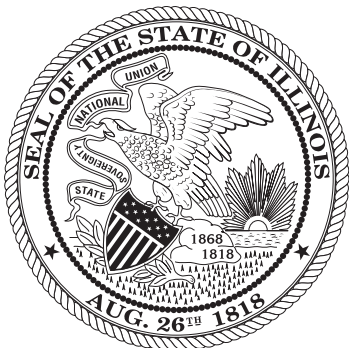


To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulas, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

ATTACHED HERETO IS A TRUE AND CORRECT COPY, CONSISTING OF 10 PAGE(S), AS TAKEN FROM THE ORIGINAL ON FILE IN THIS OFFICE FOR AMERICAN BAR ENDOWMENT.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 16TH day of MAY A.D. 2024 .

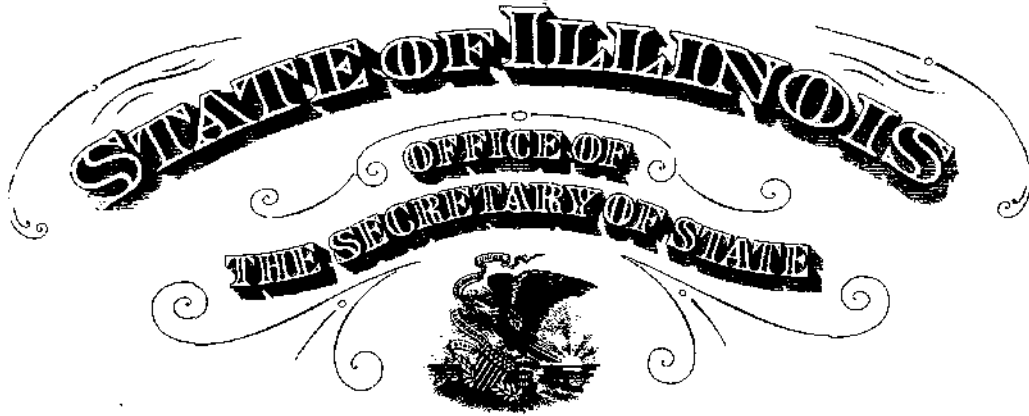


Alexi Giannoulas

SECRETARY OF STATE

Authentication #: 2413702629 verifiable until 05/16/2025.

Authenticate at: <https://www.ilsos.gov>



To all to whom these Presents Shall Come, Greeting:

Whereas, a CERTIFICATE, duly signed and acknowledged, has been filed in the Office of the Secretary of State, on the 13th day of February AD. 19⁴² for the organization of the AMERICAN BAR ASSOCIATION ENDOWMENT

under and in accordance with the provisions of "AN ACT CONCERNING CORPORATIONS" approved April 18, 1872, and in force July 1, 1872, and all acts amendatory thereof, a copy of which certificate is hereto attached;

Now Therefore, I, EDWARD J. HUGHES, Secretary of State of the State of Illinois, by virtue of the powers and duties vested in me by law, do hereby certify that the said AMERICAN BAR ASSOCIATION ENDOWMENT

is a legally organized Corporation under the laws of this State.

In Testimony Whereof, I hereto set my hand, and cause to be affixed the Great Seal of the State of Illinois:
 Done at the City of Springfield, this 13th day of February AD. 19⁴² and of the Independence of the United States the one hundred and 66th.

(SEAL)

SECRETARY OF STATE.

THIS STATEMENT MUST BE FILED IN DUPLICATE

L.F.T. 10

FEE \$10

STATE OF ILLINOIS, Sangamon County, ss

To EDWARD J. HUGHES, Secretary of State:

We, the undersigned, Floyd E. Thompson, R. Allan Stephens and Tappan Gregory,

citizens of the United States, propose to form a corporation under an Act of the General Assembly of the State of Illinois, entitled, "An Act concerning Corporations," approved April 18, 1872, and all Acts amendatory thereof; and for the purpose of such organization we hereby state as follows, to-wit:

1. The name of such corporation is 15 American Bar Association Endowment Y.H.

2. The object for which it is formed is the receipt of gifts, bequests, and devises to be used for the advancement of jurisprudence and the promotion of the administration of justice and uniformity of judicial decision throughout the United States, exclusively through education and scientific research; the acquisition for such use of such real and personal property as may be donated to the corporation from time to time and the holding, administering, and disposition thereof, and the doing of any and all things necessary or incident to the accomplishment of the foregoing purposes, provided, however, that none of the funds, property or income of the corporation shall be used in attempting to influence legislation by the carrying on of propoganda or otherwise or for the benefit of any private member of the corporation or individual.

PAGE PAYMENT LINE

159 FEB 13 '42 17

3. The management of the aforesaid corporation shall be vested in a board of five Directors. Edward J. Hughes Secy. OF STATE

4. The following persons are hereby selected as the Directors to control and manage said corporation for the first year of its corporate existence, viz.:

Table with columns: NAME, NUMBER, STREET, CITY, STATE. Rows include: One-year term R. Allan Stephens, First Natl. Bank Bldg., Springfield, Ill.; Two-year term George L. Buist, 30 Broad St., Charleston, South Carolina; Three-year term Thomas J. Guthrie, Register & Tribune Bldg., Des Moines, Iowa; Four-year Term Carl B. Rix, 833 Wells Building, Milwaukee, Wisconsin; Five-year term Jacob M. Lashly, 705 Olive St., St. Louis, Missouri

5. The location is in the city of Chicago in the county of Cook in the State of Illinois, and the post office address of its business office is at No. 1140 North Dearborn Street in the said City of Chicago

Signed, Floyd E. Thompson

(005)

ss.

(37587) 12

R. Allan Stephens Tappan Gregory

STATE OF ILLINOIS,

COOK County, } ss.

I, F. Railton, a Notary Public in and for the County and State aforesaid, do hereby certify that on this 9th day of February A. D. 1942, personally appeared before me FLOYD E. THOMPSON and TAPPAN GREGORY,

to me personally known to be the same persons who executed the foregoing certificate, and severally acknowledged that they had executed the same for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year above written.

(Seal Here)

F. Railton

Notary Public.

STATE OF ILLINOIS)
COUNTY OF SANGAMON) ss.

I, Leroy C. Williams, a Notary Public in and for the County and State aforesaid, do hereby certify that on this 6th day of February, A.D. 1942, personally appeared before me R. Allan Stephens, to me personally known to be the same person who executed the foregoing certificate, and acknowledged that he had executed the same for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year above written.

(SEAL)

Leroy C. Williams

Notary Public

2728

218183

The American Bar Association

Endowment

1140 N. Dearborn Street
Chicago, Illinois

CERTIFICATE

FEE FOR INCORPORATION OF
ORGANIZATION NOT FOR
PECUNIARY PROFIT

Section 1. Be it enacted by the People of the State of Illinois, represented in the General Assembly: That all societies, corporations and associations not for pecuniary profit, hereafter organized under the laws of the State of Illinois, shall pay to the Secretary of State before there shall issue a certificate of incorporation, a fee of \$10.00. (Section 25, Chapter 53, Smith-Hurd, Illinois Revised statutes.)

Leroy C. Williams
Secretary of State

STATE OF ILLINOIS

OFFICE OF
THE SECRETARY OF STATE



To all to whom these Presents Shall Come, Greeting:

Whereas, Articles of Amendment to the Articles of Incorporation duly signed and verified, of

AMERICAN BAR ASSOCIATION ENDOWMENT

have been filed in the Office of the Secretary of State, on the 4th day of October A. D. 1966, as provided by the "GENERAL NOT FOR PROFIT CORPORATION ACT" of Illinois, approved July 17, 1943, in force January 1, A. D. 1944:

Now Therefore, I, PAUL POWELL, Secretary of State of the State of Illinois, by virtue of the powers vested in me by law, do hereby issue this Certificate of Amendment, and attach thereto a copy of the Articles of Amendment to the Articles of Incorporation of the aforesaid corporation.

In Testimony Whereof, I thereto set my hand and cause to

be affixed the Great Seal of the State of Illinois.

Done at the City of Springfield, this 4th

(SEAL)

day of October AD. 1966 and

of the Independence of the United States

the one hundred and 91st.

Paul Powell

SECRETARY OF STATE



5

(DO NOT WRITE IN THIS SPACE)

To Be Filed
In Duplicate
Filing Fee \$10.00

FORM NP-A

Date 10-4-66

ARTICLES OF AMENDMENT
to the
ARTICLES OF INCORPORATION
under the

Filing Fee \$ 10.00

Clerk JP

GENERAL NOT FOR PROFIT CORPORATION ACT

To PAUL POWELL, Secretary of State, Springfield, Illinois.

3210 39

The undersigned corporation, for the purpose of amending its Articles of Incorporation and pursuant to the provisions of Section 35 of the "General Not For Profit Corporation Act" of the State of Illinois, hereby executes the following Articles of Amendment:

1. The name of the corporation is: AMERICAN BAR ASSOCIATION ENDOWMENT

2. There are some members, having voting rights with respect to amendments;
(Insert "no" or "some")

~~(Strike paragraphs (a), (b), or (c) not applicable)~~

3. (a) At a meeting of members, at which a quorum was present, held on August 8, 19 66, same receiving at least two-thirds (2/3) of the votes entitled to be cast by the members of the corporation present or represented by proxy at such meeting,

~~(b) By a consent in writing signed by all members of the corporation entitled to vote with respect thereto,~~

~~(c) At a meeting of directors (members having no voting rights with respect to amendments) held on~~

~~_____ 19 _____, same receiving the votes of a majority of the directors then in office,~~

the following amendment or amendments were adopted in the manner prescribed by the "General Not For Profit Corporation Act" of the State of Illinois:

The name of this corporation is changed to AMERICAN BAR ENDOWMENT

PAID

OCT 4 1966

Paul Powell
Secretary of State

IN WITNESS WHEREOF, the undersigned corporation has caused these Articles of Amendment to be executed in its name by its _____ President, and its _____ Secretary, this Twenty-ninth day of September, 1966



AMERICAN BAR ASSOCIATION ENDOWMENT

(Exact Corporate Title)

By Ronald J. Frels
Its President
W. A. [Signature]
Its Secretary

STATE OF District
COUNTY OF Columbia ss.

I, Harry E. Larner, a Notary Public, do hereby certify that on the 29 day of September, 1966, Ronald J. Frels
(Acknowledgment by either officer is sufficient)

personally appeared before me and, being first duly sworn by me, acknowledged that _____ he signed the foregoing document in the capacity therein set forth and declared that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year before written.



My Commission Expires March 31, 1969

Harry E. Larner
Notary Public.

FORM NP-A

Box 2728 File 183

ARTICLES OF AMENDMENT
to the
ARTICLES OF INCORPORATION
of

FILED

OCT 4 1966

Paul Powell
Secretary of State

Filing Fee \$10.00

(3070-10M-12-64)



To all to whom these Presents Shall Come, Greeting:

Whereas, *Articles of Amendment to the Articles of Incorporation* duly signed and verified of _____

AMERICAN BAR ENDOWMENT

have been filed in the Office of the Secretary of State, on the 24th
day of October *A. D.* 1972 *as provided by the "GENERAL NOT*
FOR PROFIT CORPORATION ACT" of Illinois, approved July 17, 1943, in force
January 1, A. D., 1944;

Now Therefore, I, JOHN W. LEWIS, Secretary of State of the State of Illinois,
by virtue of the powers vested in me by law, do hereby issue this Certificate of
Amendment, and attach thereto a copy of the Articles of Amendment to
the Articles of Incorporation of the aforesaid corporation.

In Testimony Whereof, *I thereto set my hand and cause to*

be affixed the Great Seal of the State of Illinois.

Done at the City of Springfield this 24th

day of October *AD.* 1972 *and*

of the Independence of the United States

the one hundred and 97th

(SEAL)

John W. Lewis
SECRETARY OF STATE



To Be Filed
In Duplicate
Filing Fee \$10.00

FORM NP-35

Date 10-24-72

ARTICLES OF AMENDMENT
to the
ARTICLES OF INCORPORATION
under the

Filing Fee \$ 16.00

Clerk M

GENERAL NOT FOR PROFIT CORPORATION ACT

5542 28

To JOHN W. LEWIS, Secretary of State, Springfield, Illinois.

The undersigned corporation, for the purpose of amending its Articles of Incorporation and pursuant to the provisions of Section 35 of the "General Not For Profit Corporation Act" of the State of Illinois, hereby executes the following Articles of Amendment:

1. The name of the corporation is: American Bar Endowment

2. There are some members, having voting rights with respect to amendments:
(Insert "no" or "some")

(Strike paragraphs (a), (b), or (c) not applicable)

3. (a) At a meeting of members, at which a quorum was present, held on August 14, 19 72 same receiving at least two-thirds (2/3) of the votes entitled to be cast by the members of the corporation present or represented by proxy at such meeting.

~~(b) By a consent in writing signed by all members of the corporation entitled to vote with respect thereto,~~

~~(c) At a meeting of directors (members having no voting rights with respect to amendments) held on _____, 19____, same receiving the votes of a majority of the directors then~~

~~in office, the following amendment or amendments were adopted in the manner prescribed by the "General Not For Profit Corporation Act" of the State of Illinois.~~

The following amendments were adopted in the manner prescribed by the "General Not For Profit Corporation Act" of the State of Illinois.

(1) Article 2 shall be deleted and the following Article 2 shall be substituted in lieu thereof:

ARTICLE 2: This corporation is organized exclusively for charitable, educational, literary, religious and scientific purposes including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law). Within the foregoing, the corporation's purposes in part are to advance legal study and research and to promote the administration of justice and uniformity of judicial decision throughout the United States.

(2) Article 3 shall be deleted and the following Article 3 shall be substituted in lieu thereof:

ARTICLE 3: The management of the corporation shall be vested in a Board of Directors the number of members of which shall be not less than three, as shall be from time to time fixed by the By-Laws of the corporation. SEE ATTACHMENT FOR FURTHER AMENDMENTS

IN WITNESS WHEREOF, the undersigned corporation has caused these Articles of Amendment to be executed in its name by its _____ President, and its _____ Secretary, this 16th day of October, 19 72.

American Bar Endowment
(Exact Corporate Title)
By Harold H. Bredell
Its _____ President
W. Lee Smith
Its _____ Secretary

Place
(CORPORATE SEAL)
Here



STATE OF Indiana }
COUNTY OF Marion } ss.

I, Joina Kay Yount, a Notary Public, do hereby certify that on the 16th day of October, 19 72, Harold H. Bredell
(Acknowledgment by either officer is sufficient)

personally appeared before me and, being first duly sworn by me, acknowledged that _____ he signed the foregoing document in the capacity therein set forth and declared that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year before written.

Place My Commission Expires
(NOTARIAL SEAL) 3-22-73
Here

Joina Kay Yount
JOINA KAY YOUNT Notary Public.

FORM NP-35

Box _____ File _____

ARTICLES OF AMENDMENT

to the

ARTICLES OF INCORPORATION

of

FILED

OCT 24 1972

John W. Lewis
Secretary of State

Filing Fee \$10.00

(32125-671) 147-c

AMERICAN BAR ENDOWMENT

ATTACHMENT TO
ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
UNDER THE
GENERAL NOT FOR PROFIT CORPORATION ACT
OF THE STATE OF ILLINOIS
August 14, 1972

(3) The following Article 6 shall be added:

ARTICLE 6: No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, directors, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 2 hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting, to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

(4) The following Article 7 shall be added:

ARTICLE 7: Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, literary, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine.

BYLAWS of the AMERICAN BAR ENDOWMENT

ARTICLE I

Members

Section 1. The members of the Endowment shall be the persons who from time to time constitute the members in good standing of the American Bar Association. The Board of Directors may from time to time establish such other class or classes of members of the Endowment comprised of other persons deemed by the Board to have an appropriate relationship with the American Bar Association. In so acting, the Board shall prescribe the privileges thereof and shall retain the authority to discontinue any such class of members at any time.

Section 2. The annual meeting of the members, for the election of Directors and the transaction of such other business as may come before the meeting, shall be held during and in the same city as the annual meeting of the American Bar Association. Notice of the day, time, and place of the annual meeting of the members and the slate of nominees for election as Directors shall be published in the *American Bar Association Journal*, posted on the website of the American Bar Endowment and, to the extent reasonably possible, transmitted by electronic means (including email or facsimile) to all members in good standing not less than five or more than sixty days before the date of the meeting.

Section 3. Special meetings of the members may be held at such time and place within or without the state of incorporation as the President or the Board of Directors may from time to time determine. Notice of the day, time and place of any such special meeting and the purpose or purposes for which the meeting is called shall be published in the *American Bar Association Journal*, posted on the website of the American Bar Endowment and to the extent reasonably possible, transmitted by electronic means (including email or facsimile) to all members in good standing not less than five nor more than sixty days before the date of the meeting.

Section 4. Fifty members shall constitute a quorum at any meeting. Voting by proxy shall not be permitted. Members must be present to vote; participation by conference telephone or other communication equipment shall not constitute attendance and will not be permitted.

Section 5. Any member who desires to bring an action or a resolution before the membership must first give written notice thereof to the Secretary. The Secretary shall provide the member with the form of a petition which must set forth the proposed action or resolution, be signed by fifty members of the Endowment, and be served upon the Secretary at least one hundred eighty days prior to the meeting of members at which the action or resolution is to be presented. The Secretary shall promptly transmit any such petition to the Board of Directors.

Section 6. No action shall be taken by the members except at the annual meeting or a duly called special meeting.

ARTICLE II

Directors

Section 1. The affairs of the Endowment shall be managed by a Board of fourteen Directors as follows: ten Directors elected by the members; two Directors appointed by the Board of Governors of the American Bar Association; and two *ex officio* Directors with full voting rights selected by the ABA President from among the ABA officers for the duration of their terms as officers. The terms of all Directors shall commence upon the adjournment of the annual meeting of the American Bar Association during which they are elected or appointed and until their successors shall have been elected and qualified. Directors elected by the members shall serve five-year terms and may not serve for more than two terms or ten years with the exception that any Director in office and currently in line to serve as President at the time these amended bylaws are adopted will be able to be elected and serve through the end of his or her term as President. To create a staggered rotation of Directors, two member-elected Directors shall be elected each year to five year terms by the members. The Directors in office at the time these amended bylaws are adopted will remain in office for their current terms and the Board shall implement a schedule for rotation off the Board to maintain the staggered election schedule. ABA appointed Directors shall be appointed to five-year terms and may serve a total of two terms or ten years. To create a staggered rotation, the ABA Board of Governors and President will initially appoint two Directors, one to a four year term and one to a five year term. To be eligible to serve as a Director, a person must be a member of the Endowment.

Section 2. A majority of the whole Board of Directors shall constitute a quorum..

Section 3. If any vacancy occurs among the elected Directors, the remaining Directors by majority vote shall elect an eligible person to fill such vacancy until the next meeting of members, at which meeting the members shall elect an eligible person for the remainder of the term in respect of which the vacancy occurred. If any vacancy occurs among the appointed Directors, the person or entity responsible for the appointment will appoint an eligible person to fill the vacancy for the remainder of the term.

Section 4. One regular meeting of the Board of Directors shall be held each year following the adjournment of the annual meeting of the members. Additional regular meetings may be established by the Board. Special meetings may be held upon the call of the President, the Vice President, or any three Directors. Notice of the time and place of each meeting of the Board shall be sent by mail or by electronic means to each Director not less than five days before such meeting is to be held. Any Director may waive notice of any meeting. Any meeting, however called, for which there is a Waiver of Notice signed by all of the Directors, shall be deemed a valid meeting. Any action which is required to be taken or which may be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all Directors.

Section 5. The Board of Directors shall have an Executive Committee, consisting of the President, Vice President, Treasurer and Secretary of the Endowment, which except as may otherwise be provided in the Illinois General Not for Profit Corporation Act, shall have and exercise the authority of the Board in the management of the Endowment during intervals between meetings of the Board. The minutes of all proceedings of the Executive Committee shall be recorded in writing by the Secretary and shall be promptly served upon all Directors.

Section 6. The Nominating Committee shall consist of four members serving for annual terms ending at the conclusion of the ABE Annual meeting of members, two appointed by the Board of Directors of the ABE and two appointed by the Board of Governors of the ABA, one of whom will be the Chair of the House of Delegates of the American Bar Association. The Nominating Committee will identify potential candidates to serve as elected Directors and submit those names to the ABE members, subject to the prior approval of the Board of Governors of the ABA and the Board of Directors of the ABE. If the Board of Governors and the ABE Board of Directors do not approve the recommended candidates, the Nominating Committee will identify and propose different candidates. If the Board of Governors and the ABE Board of Directors still do not approve the Nominating Committee's recommendation, the Board of Governors and the ABE Board of Directors each shall identify and submit to the ABE members the names of potential candidates for election.

Section 7. Other committees may be established by resolution, members of each committee shall be appointed by the President. Any committee member may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Endowment shall be served by such removal.

ARTICLE III

Officers

Section 1. The officers shall consist of a President, a Vice President, a Secretary, and a Treasurer, who shall be elected annually by the Board of Directors and shall hold office for the term of one year commencing upon the adjournment of the annual meeting of the American Bar Association during which they are elected and until their successors shall have been elected and qualified. Only Directors may be elected or serve as officers. All officers authorized to sign checks or withdraw funds shall furnish a fiduciary bond in such amount as the Board may determine at the expense of the Endowment.

Section 2. The duties of such officers shall be such as usually attach to such offices, and in addition thereto, such further duties as shall be designated from time to time by the Board of Directors.

Section 3. The Board of Directors may appoint assistants to the officers who serve at the pleasure of the Board and whose duties shall be designated from time to time by the officer being assisted or by the Board.

ARTICLE IV

Gifts, Donations and Requests

Section 1. Gifts, donations and bequests may be given directly to the Endowment with directions that the principal or the income therefrom shall be used for certain specified purposes, or the principal of such gift, donation or bequest may be given to some other person, corporation or trustee with instructions that the income therefrom shall either be paid to the Endowment or disbursed in accordance with the instructions of the Board of Directors of the Endowment, provided, however, that the uses and purposes of all such gifts, donations and bequests, either of income or principal, shall be in accord with the purposes specified in the Articles of Incorporation.

Section 2. Unless some special purpose accompanies such gift, donation or bequest, the Board of Directors of the Endowment may disburse the income for the purpose specified in the Articles of Incorporation.

Section 3. Unless prohibited by the terms of the gift, donation or bequest, the Endowment may by vote of four-fifths of the Directors then in office expend the principal of any gift, donation or bequests, for any or all of the purposes specified in the Articles of Incorporation.

Section 4. The Board of Directors shall have the authority and power to establish a charitable gift fund within the Endowment as a means for members to make lifetime testamentary contributions to be used for charitable purposes in accord with the purposes of the Endowment specified in its Articles of Incorporation. The Board of Directors, in its discretion, may establish by resolution from time to time the terms and provisions for the organization and operation of the charitable gift fund. Notwithstanding Sections 2 and 3 of this Article IV, the income and principal of gifts, donations and bequests to such a charitable gift fund of the Endowment may be expended or disbursed by conditions established from time to time by the Board of Directors for such charitable gift fund. If such a charitable gift fund is created, the Board of Directors shall have the power to modify any restriction or condition on the distribution of funds from the charitable gift fund for any specified charitable purposes or to any specified organization if in the sole judgment of the Board of Directors (without the necessity of the approval of any participating trustee, custodian, or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served by the specified purpose or organization, and the Board of Directors shall have the power to transfer the assets of such charitable gift fund to a separate charitable trust or nonprofit corporation if, in its sole discretion, it determines such action to be in the best interests of the Endowment. The Board of Directors shall have the power to replace any participating trustee, custodian or agent of the charitable gift fund for any reason, including but not limited to a breach of fiduciary duty under the laws of the State of Illinois or a failure to produce a reasonable return of net income over a reasonable period of time, as determined by the Board of Directors in accordance with applicable Treasury Regulations.

ARTICLE V

Staff and Agents

Section 1. The Board of Directors in behalf of the Endowment may employ a staff to assist it in implementing its management of the affairs of the Endowment, and may retain the services of one or more agents to provide such additional services as the Board deems necessary or convenient in further implementation thereof, including, without limitation, the carrying on of its investment program, the purchase and sale of securities and investments, the custody of all securities and investments, and the auditing of the Endowment's accounts and records.

ARTICLE VI
Books of Account

Section 1. All books and records of the Endowment may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time. The books of account shall be audited annually by Certified Public Accountants selected from time to time by the Board of Directors.

ARTICLE VII
Fiscal Year

Section 1. The fiscal year of the Endowment shall begin on the first day of July in each year and end on the last day of June in the succeeding year.

ARTICLE VIII
Indemnification

Section 1. The Directors, officers, employees and agents of the Endowment shall be indemnified by the Endowment to the fullest extent permitted by the Illinois General Not for Profit Corporation Act, without limitation upon any other right to indemnification to which any of them may otherwise be entitled, and the Board of Directors may authorize the purchase of insurance by the Endowment in behalf of any such Directors, officers, employees or agents against any liability asserted against any one or more of them in such capacity or arising from his, her or their status as such whether or not the Endowment would have the power to indemnify him or them against such liability under the provisions of the Act.

ARTICLE IX
Amendments to Bylaws

Section 1. These Bylaws may be amended by a majority vote of the members present at any annual or special meeting of the members, provided notice of intention to amend and the substance of the proposed amendment is included in the notice of the meeting given in accordance with Article I, Section 2 or Section 3 (as applicable) not less than five nor more than forty days before any such meeting.

Section 2. No amendment shall alter substantially the general objects set forth in the Articles of Incorporation.

Approved	August 25, 1958
Amended	August 8, 1966
Amended	August 12, 1970
Amended	August 8, 1977
Amended	August 6, 1984
Amended	August 8, 1987
Amended	August 5, 1997
Amended	July 10, 2000
Amended	August 13, 2007
Amended	August 11, 2008
Amended	August 8, 2016
Amended	August 14, 2017

MEMORANDUM OF AGREEMENT

among the

AMERICAN BAR ASSOCIATION, AMERICAN BAR ENDOWMENT

and

AMERICAN LAWYERS INSURANCE PLANS INC

WHEREAS, the American Bar Association (“ABA”), the American Bar Endowment (“ABE”), and the American Lawyers Insurance Plans Inc (“ALIP”), each a “Party” and collectively the “Parties”, seek to identify a set of cooperative principles to guide their intersecting activities in the areas of insurance, charitable grants and fundraising by entry into this Memorandum of Agreement (“MOA”), effective August 1, 2017 (“Effective Date”);

WHEREAS, the Parties seek to harmonize and de-conflict their respective insurance programs to eliminate marketing confusion and effect greater efficiencies;

WHEREAS, each of ABA and ABE are committing to take certain actions set forth below with respect to ABE’s bylaws and amendments to ABE’s bylaws;

WHEREAS, the Parties acknowledge that there is good and valuable consideration for the Parties’ execution of this MOA and all necessary follow-on implementation agreements required to effect the purposes of the MOA;

WHEREAS, the Parties agree that they enter into this MOA in good faith and will use their best efforts to effectuate the intent and purposes of this MOA; and,

NOW THEREFORE, it is hereby agreed, by and between the Parties, as follows:

BYLAWS

1. Subject to and conditioned upon the Parties approving and executing this MOA and entering into definitive transaction agreements implementing the understandings outlined in the MOA by no later than August 1, 2017, ABA will agree to support the adoption of the bylaws proposed by the ABE’s Board of Directors (“ABE Bylaws” Exhibit A), as generally outlined in sections 2 through 6 below, and will further support a motion to withdraw the ABE-member proposed Resolution of January 20, 2017 (“Resolution” Exhibit B) at the August 2017 ABE Annual Meeting. If the ABE amendments are adopted by the ABE membership, the proposed changes will take effect immediately after the ABE Annual Meeting. ABE agrees to properly notice its amendments.

2. The ABE Board shall be increased to a total of 14 members, which membership shall consist of the 10 existing ABE Directors, two additional members appointed by the ABA's Board of Governors, and two ABA *ex officio* members with full voting rights selected by the ABA President from among the ABA officers. The four new positions will be filled following adoption of these amendments in August 2017.
3. The terms of service for ABE Board members will be limited to two terms of five years each. All current directors' terms will expire on reaching the 10-year point; an exception will be made for any Board member currently in line to be President who otherwise will hit the 10-year cap before being able to serve (the only known exception that will extend the term of any ABE Board member under this provision is Howard Vogel).
4. The ABE Board will have no emeritus members.
5. Thereafter, ABE Board members will be nominated by a Nominating Committee made up of two ABE representatives appointed by the ABE Board of Directors and two ABA representatives appointed by the ABA Board of Governors, one of whom shall be the Chair of the ABA House of Delegates. The names of proposed ABE Board members nominated by the Nominating Committee will be considered for approval by the ABA Board of Governors (BOG) and the ABE Board. To the extent that the BOG and the ABE Board do not approve the proposed slate, the Nominating Committee will propose new candidates. In the event of deadlock, the ABE and the ABA may each put forth their respective candidates or slates of candidates for approval by the ABE membership.
6. The ABE Bylaws notice provisions will be amended to reflect that notice of ABE member meetings shall be given by publication in the ABA Journal, and that notice and the substance of proposed actions are also to be posted prominently on the ABE website and distributed by electronic means to the extent reasonably possible to all ABE members no later than five days before the meeting and no earlier than 40 days before the meeting.

ABE GRANTS

7. The maximum amount available to be granted by ABE to charitable entities other than ABA/FJE and ABF shall be \$300,000 or 4% of the total amount granted to ABA/FJE and ABF, whichever amount is less, unless otherwise agreed to by the American Bar Association Board of Governors and the American Bar Endowment Board of Directors.

8. Grants made by the ABE from the Legal Legacy Fund will be made equally to the ABA/FJE and the ABF.

STUDY OF ABA AND ABE FUNDRAISING STRUCTURES

9. Upon the execution of this MOA, ABE and ABA will form a Joint Committee of six members, three appointed by ABA and three by ABE, to evaluate and make recommendations regarding the possibility of aligning all of the fundraising and 501(c)(3) activities of the two organizations under a single leadership and management structure to maximize efficiencies and effectiveness (e.g., in order to minimize confusion in the marketplace as to which entities are involved in providing funds for the ABA's and ABE's activities). A key component of such a new structure would be to align the FJE as a fund within ABE. The Joint Committee shall provide its final report, in writing, no later than the 2018 Annual Meeting of the ABA.
10. The concept to be evaluated is the possible transfer of responsibility of the operations of the FJE to the ABE Board, with input and oversight from the ABA BOG and programmatic priorities being provided by the FJE Council.
11. The FJE Council would continue its work of seeking grants and outside funding from non-ABA sources.
12. The Joint Committee shall consider and recommend staffing and support services, the structure of this new arrangement, and the office and administrative requirements for the FJE and ABE staff and activities.
13. The ABE will continue to administer the Legal Legacy Fund, and will continue to provide grants from that Fund as set forth in section 8 above.

INSURANCE

14. ALIP shall, by August 1, 2017, retain USI to become its Broker of Record for all ALIP programs (except for any programs, policies, or contracts that require a registered securities representative to serve as the broker), to the extent consistent with legal obligations, and all policies shall thereafter go into runoff. The ALIP corporate entity shall remain with ABE through runoff to dissolution and will not engage in any other business except as authorized by the Steering Committee, and any such business shall be marketed only under the ABA Insurance banner. ALIP agrees it shall not compete with or otherwise operate to the detriment of the ABA affinity insurance program; and that, at the end of the five-year period during which ALIP receives Residuals (Section 22 below), it

will take all necessary actions required by law to effect its dissolution or to make such other revisions to the arrangement as needed to assure that any remaining residuals ultimately redound to the benefit of the ABA.

15. To the extent permitted by applicable law, ALIP shall agree to cooperate with ABA and USI in transferring ALIP's existing agency agreements with insurance carriers to USI to enable USI to serve as broker of record with respect to all insurance products offered by ALIP as of the Effective Date except for any products, policies, or contracts that require a registered securities representative to serve as the broker.
16. The current participating programs offered by ABE will continue to be overseen and controlled by ABE in coordination with ABA Insurance as facilitated by the Steering Committee. The proceeds of the participating programs will continue to flow to ABE and will be used for charitable programs which benefit ABA/FJE and the ABF and the Opportunity Grants.
17. A Steering Committee consisting of six members (2 from USI, 2 from ABA, and 2 from ABE) will be established.
18. ABE may continue to offer only its historic six lines of participating programs. The Steering Committee shall have responsibility for coordinating the annual marketing plans for ABA and ABE which will be reviewed and approved by a majority vote of the Steering Committee; provided, however, that ABE shall not be required to take any action that would be prohibited by applicable law, regulation or contractual obligation.
19. Each organization (ABA, ABE, ALIP) is responsible for paying its expenses to fund marketing programs and campaigns for their respective programs. Should any marketing activity be shared, each organization will pay its pro rata share of expense.
20. Residuals. "Residuals" means all commissions and fees received and actually collected by or on behalf of ALIP, specifically on a policy which existed with ALIP at the date of acquisition, less payments to co-brokers, sub-producers, external service providers, or any servicing expenses related to the ALIP programs incurred by USI as broker of record. "Residuals" shall not include any overrides or profit-sharing; interest on premiums on deposit; or contingent, bonus, excess, supplemental, non-standard, annually computed, non-specific volume based, or any other similar commissions or fees.
21. Receipt of Residuals. ABA agrees that ALIP shall receive all Residuals from the programs and policies USI acquires as Broker of Record for ALIP for a period of five years from the Effective Date of those Parties' agreement or as otherwise

may be defined by the parties. Other than such Residuals, ABE and ALIP shall have no rights with respect to any products sold under the ABA affinity insurance program, whether such sales are effected using the Expirations ("Expirations" defined in section 26 below) or otherwise. After this five-year period, USI, on behalf of ABA Insurance, will remain the Broker on ALIP insurance programs, with rights to its records, commissions, and other income. Other than as described herein, the proceeds of products now or in the future sold under the ABA Insurance Program will flow directly to the ABA.

22. The Parties acknowledge that the relationships between ABE, ALIP, ABA and USI are subject to and conditioned upon separate agreement(s) among those Parties as required. Usual and mutual indemnification provisions consistent with market practices shall be incorporated therein which, at minimum, indemnify the Parties for another Party's wrongful acts and omissions and indemnify USI for all acts or omissions occurring prior to USI becoming broker of record for ALIP programs.
23. ABE shall agree that, so long as ALIP has any issued and outstanding stock owned by ABE, ABE shall own 100% of such stock and will be responsible for all costs associated with maintaining ALIP as a corporate entity in good standing.
24. The ALIP programs shall be managed exclusively under the ABA Insurance banner by USI as Broker of Record unless otherwise determined by USI.
25. At the end of the five-year period during which ALIP is entitled to receive Residuals (Section 23), ALIP shall transfer to ABA, unless ABA declines such transfer or third party agreements prevent, (a) the Expirations with respect to all of ALIP's customer accounts and (b) all related books and records, to the full extent it has such information or materials. As used herein, "Expirations" means customer lists and the following information related to each of the customers comprising ALIP's customer accounts as of the Effective Date (as defined below): (i) the customer name, address and contact information; (ii) insurance products purchased from ALIP; (iii) the terms, conditions, premium rates and dates of expiration of such policies; (iv) customer purchasing preferences to the extent documented by ALIP; and (v) strategies for placing insurance for such customers to the extent documented by ALIP.
26. ALIP shall provide ABA with satisfactory evidence of title to the Expirations and all related books and records
27. To the extent they exist or are in the future created, ALIP shall provide ABA with satisfactory evidence of non-compete, confidentiality and non-solicitation agreements with ALIP's employees and individual licensed insurance producers, which agreements shall be transferable to and enforceable by ABA upon transfer.

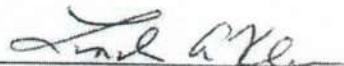
GENERAL PROVISIONS


- 28. The provisions of this MOA are subject to the approval of the Parties' respective governing boards and by the execution by August 1, 2017, of all definitive transaction agreements necessary to effect the objectives of the MOA.
- 29. To the extent the terms of this MOA conflict with any prior agreements among the Parties, the terms of this MOA shall control.
- 30. Governing Law and Choice of Forum. This MOA is made and entered into within and shall be governed by, construed, interpreted and enforced in accordance with the laws of the State of Illinois, without regard to the principles of conflicts of laws. Any disputes that may arise out of or related to this Agreement shall be resolved through Binding Arbitration, other than an action requiring injunctive relief, under AAA Commercial Arbitration Rules in Chicago, Illinois.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement.

AMERICAN BAR ASSOCIATION

AMERICAN BAR ENDOWMENT

By: 

By: 

Printed Name: Linda A. Klein

Printed Name: J. Anthony Patterson, Jr.

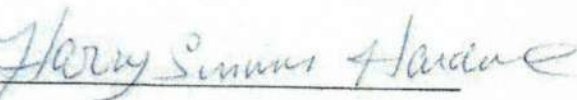
Title: President

Title: President

Date: 7/5/17

Date: 6.24.17

AMERICAN LAWYERS INSURANCE PLANS INC

By: 

Printed Name: Harry Simms Hardin III

Title: President

CONFIDENTIAL

Date: 6/24/17

EXHIBIT A
PROPOSED ABE BYLAW AMENDMENTS

ARTICLE I
Members

Section 1. The members of the Endowment shall be the persons who from time to time constitute the members in good standing of the American Bar Association. The Board of Directors may from time to time establish such other class or classes of members of the Endowment comprised of other persons deemed by the Board to have an appropriate relationship with the American Bar Association. In so acting, the Board shall prescribe the privileges thereof and shall retain the authority to discontinue any such call of members at any time.

Section 2. The annual meeting of the members, for the election of Directors and the transaction of such other business as may come before the meeting, shall be held during and in the same city as the annual meeting of the American Bar Association. Notice of the day, time and place of the annual meeting of the members shall be published in the American Bar Association Journal, posted on the website of the American Bar Endowment and, to the extent reasonably possible, transmitted by electronic means (including email or facsimile) to all members in good standing not less than five or more than forty days before the date of the meeting.

Section 3. Special meetings of the members may be held at such time and place within or without the state of incorporation as the President or the Board of Directors may from time to time determine. Notice of the day, time and place of any such special meeting and the purpose or purposes for which the meeting is called shall be published in the American Bar Association, posted on the website of the American Bar Endowment and to the extent reasonably possible, transmitted by electronic means (including email or facsimile) to all members in good standing not less than five nor more than forty days before the date of the meeting.

Section 4. Fifty members shall constitute a quorum at any meeting. Voting by proxy shall not be permitted. Members must be present to vote; participation by conference telephone or other communication equipment shall not constitute attendance and will not be permitted.

Section 5. Any member who desires to bring an action or a resolution before the membership must first give written notice thereof to the Secretary. The Secretary shall provide the member with the form of a petition which must set forth the proposed action or resolution, be signed by fifty members of the Endowment, and be served upon the Secretary at least one hundred eighty days prior to the meeting of members at which the action or resolution is to be presented. The Secretary shall promptly transmit any such petition to the Board of Directors.

Section 6. No action shall be taken by the members except at the annual meeting or a duly called special meeting.

ARTICLE II

Directors

Section 1. The affairs of the Endowment shall be managed by a Board of fourteen Directors as follows: ten Directors elected by the members; two Directors appointed by the Board of Governors of the American Bar Association; and two *ex officio* Directors with full voting rights selected by the ABA President from among the ABA officers for the duration of their terms as officers. The terms of all Directors shall commence upon the adjournment of the annual meeting of the American Bar Association during which they are elected or appointed and until their successors shall have been elected and qualified. Directors elected by the members shall serve five-year terms and may not serve for more than two terms or ten years with the exception that any Director in office and currently in line to serve as President at the time these amended bylaws are adopted will be able to be elected and serve through the end of his or her term as President. To create a staggered rotation of Directors, two member-elected Directors shall be elected each year to five year terms by the members. The Directors in office at the time these amended bylaws are adopted will remain in office for their current terms and the Board shall implement a schedule for rotation off the Board to maintain the staggered election schedule. ABA appointed Directors shall be appointed to five-year terms and may serve a total of two terms or ten years. To create a staggered rotation, the ABA Board of Governors and President will initially appoint two directors, one to a four year term and one to a five year term. To be eligible to serve as a Director, a person must be a member of the Endowment.

Section 2. A majority of the whole Board of Directors shall constitute a quorum.-

Section 3. If any vacancy occurs among the elected Directors, the remaining Directors by majority vote shall elect an eligible person to fill such vacancy until the next meeting of members, at which meeting the members shall elect an eligible person for the remainder of the term in respect of which the vacancy occurred. If any vacancy occurs among the appointed Directors, the person or entity responsible for the appointment will appoint an eligible person to fill the vacancy for the remainder of the term.

Section 4. One regular meeting of the Board of Directors shall be held each year following the adjournment of the annual meeting of the members. Additional regular meetings may be established by the Board. Special meetings may be held upon the call of the President, the Vice President, or any three Directors. Notice of the time and place of each meeting of the Board shall be sent by mail or by electronic means to each Director not less than five days before such meeting is to be held. Any Director may waive notice of any meeting. Any meeting, however called, for which there is a Waiver of Notice signed by all of the Directors, shall be deemed a valid meeting. Any action which is required to be taken or which may be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all Directors.

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Section 5. The Board of Directors shall have an Executive Committee, consisting of the President, Vice President, Treasurer and Secretary of the Endowment, which except as may otherwise be provided in the Illinois General Not for Profit Corporation Act, shall have and exercise the authority of the Board in the management of the Endowment during intervals between meetings of the Board. The minutes of all proceedings of the Executive Committee shall be recorded in writing by the Secretary and shall be promptly served upon all Directors.

Section 6. The Nominating Committee shall consist of four members serving for annual terms ending at the conclusion of the ABE Annual meeting, two appointed by the Board of Directors of the ABE and two appointed by the Board of Governors of the ABA, one of whom will be the Chair of the House of Delegates of the American Bar Association. The Nominating Committee will identify potential candidates to serve as elected Directors and submit those names to the ABE members, subject to the prior approval of the Board of Governors of the ABA and the Board of the ABE. If the Board of Governors and the ABE Board do not approve the recommended candidates, the Nominating Committee will identify and propose different candidates. If the Board of Governors and the ABE Board still do not approve the Nominating Committee's recommendation, the Board of Governors and the ABE Board each shall identify and submit to the ABE members the names of potential candidates for election.

Section 7. Other committees may be established by resolution, members of each committee shall be appointed by the President. Any committee member may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Endowment shall be served by such removal.

ARTICLE III

Officers

Section 1. The officers shall consist of a President, a Vice President, a Secretary, and a Treasurer, who shall be elected annually by the Board of Directors and shall hold office for the term of one year commencing upon the adjournment of the annual meeting of the American Bar Association during which they are elected and until their successors shall have been elected and qualified. Only Directors may be elected or serve as officers. All officers authorized to sign checks or withdraw funds shall furnish a fiduciary bond in such amount as the Board may determine at the expense of the Endowment.

Section 2. The duties of such officers shall be such as usually attach to such offices, and in addition thereto, such further duties as shall be designated from time to time by the Board of Directors.

Section 3. The Board of Directors may appoint assistants to the officers who serve at the pleasure of the Board and whose duties shall be designated from time to time by the officer being assisted or by the Board.

ARTICLE IV
Gifts, Donations and Requests

Section 1. Gifts, donations and bequests may be given directly to the Endowment with directions that the principal or the income therefrom shall be used for certain specified purposes, or the principal of such gift, donation or bequest may be given to some other person, corporation or trustee with instructions that the income therefrom shall either be paid to the Endowment or disbursed in accordance with the instructions of the Board of Directors of the Endowment, provided, however, that the uses and purposes of all such gifts, donations and bequests, either of income or principal, shall be in accord with the purposes specified in the Articles of Incorporation.

Section 2. Unless some special purpose accompanies such gift, donation or bequest, the Board of Directors of the Endowment may disburse the income for the purpose specified in the Articles of Incorporation.

Section 3. Unless prohibited by the terms of the gift, donation or bequest, the Endowment may by vote of four-fifths of the Directors then in office expend the principal of any gift, donation or bequests, for any or all of the purposes specified in the Articles of Incorporation.

Section 4. The Board of Directors shall have the authority and power to establish a charitable gift fund within the Endowment as a means for members to make lifetime testamentary contributions to be used for charitable purposes in accord with the purposes of the Endowment specified in its Articles of Incorporation. The Board of Directors, in its discretion, may establish by resolution from time to time the terms and provisions for the organization and operation of the charitable gift fund. Notwithstanding Sections 2 and 3 of this Article IV, the income and principal of gifts, donations and bequests to such a charitable gift fund of the Endowment may be expended or disbursed by conditions established from time to time by the Board of Directors for such charitable gift fund. If such a charitable gift fund is created, the Board of Directors shall have the power to modify any restriction or condition on the distribution of funds from the charitable gift fund for any specified charitable purposes or to any specified organization if in the sole judgment of the Board of Directors (without the necessity of the approval of any participating trustee, custodian, or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served by the specified purpose or organization, and the Board of Directors shall have the power to transfer the assets of such charitable gift fund to a separate charitable trust or nonprofit corporation if, in its sole discretion, it determines such action to be in the best interests of the Endowment. The Board of Directors shall have the power to replace any participating trustee, custodian or agent of the charitable gift fund for any reason, including but not limited to a breach of fiduciary duty under the laws of the State of Illinois or a failure to produce a reasonable return of net income over a reasonable period of time, as determined by the Board of Directors in accordance with applicable Treasury Regulations.

**ARTICLE V
Staff and Agents**

Section 1. The Board of Directors in behalf of the Endowment may employ a staff to assist it in implementing its management of the affairs of the Endowment, and may retain the services of one or more agents to provide such additional services as the Board deems necessary or convenient in further implementation thereof, including, without limitation, the carrying on of its investment program, the purchase and sale of securities and investments, the custody of all securities and investments, and the auditing of the Endowment's accounts and records.

**ARTICLE VI
Books of Account**

Section 1. All books and records of the Endowment may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time. The books of account shall be audited annually by Certified Public Accountants selected from time to time by the Board of Directors.

**ARTICLE VII
Fiscal Year**

Section 1. The fiscal year of the Endowment shall begin on the first day of July in each year and end on the last day of June in the succeeding year.

**ARTICLE VIII
Indemnification**

Section 1. The Directors, officers, employees and agents of the Endowment shall be indemnified by the Endowment to the fullest extent permitted by the Illinois General Not for Profit Corporation Act, without limitation upon any other right to indemnification to which any of them may otherwise be entitled, and the Board of Directors may authorize the purchase of insurance by the Endowment in behalf of any such Directors, officers, employees or agents against any liability asserted against any one or more of them in such capacity or arising from his, her or their status as such whether or not the Endowment would have the power to indemnify him or them against such liability under the provisions of the Act.

**ARTICLE IX
Amendments to By-Laws**

Section 1. These By-Laws may be amended by a majority vote of the members present at any annual or special meeting of the members, provided notice of intention to amend and the substance of the proposed amendment is included in the notice of the meeting given in accordance with Article I

Section 2 or Section 3 (as applicable), not less than five nor more than forty days before any such meeting.

Section 2. No amendment shall alter substantially the general objects set forth in the Articles of Incorporation.

NOMINATING COMMITTEE OPERATING PROTOCOL FOR ABE OFFICERS

The following is an outline of the protocol for the nomination of American Bar Endowment Officers going forward. It recognizes that the tradition of ascending a long leadership ladder based on seniority on the Board is no longer viable given the shortened Board terms implemented by the Memorandum of Agreement (MOA) among the American Bar Association, the American Bar Endowment, and the American Lawyers Insurance Plans Inc., and the consequent changes to the ABE Bylaws in 2017. This protocol is meant to provide a new method of selecting ABE Officers, without being more elaborate than necessary. The following is not intended to amend or supplant the ABE Bylaws. To the extent that there is any conflict between this Protocol and the Bylaws, the Bylaws shall control.

The ABE Bylaws provide for election of officers annually, with no provision regarding whether an officer will serve more than one year in an office and no provision that any office's incumbent will be nominated or elected to any other office. However, we recognize the value of experience and an orderly rotation and succession among the officers. We propose an Officer Nominating Committee that will ordinarily honor a set of generally understood expectations.

Protocol for Nominating ABE Officers:

1. Recommendations for ABE Officers, including Secretary, Treasurer, Vice President and President will be made by three-person committee – the Officers' Nominating Committee.
2. The Nominating Committee will consist of the Immediate Past President, President, and Vice President. The Immediate Past President will serve as chair. If the President is seeking a second one (1) year term, then the third member of the Nominating Committee for the purpose of nominating the President, shall be chosen at random from among the members of the senior Board class – those in their second five (5) year term of service. If the Vice President is seeking reelection, then the third member of the Nominating Committee for the purpose of nominating the Vice President, shall be chosen at random from among the members of the junior Board class – those in their first five (5) year term of service.
3. All Officers will serve one (1) year terms.
4. The President will be limited to two (2) consecutive terms.
5. When the President has served two terms or is not seeking nomination for a second term, then the Nominating Committee will ordinarily nominate the Vice President for election as President.
6. To be considered for the office of Vice President, a Board member must have at least one year of experience on the Executive Committee of the Board. If more than one Board member meets this expectation for nomination as Vice President, then the Nominating Committee will work with those Board members to ascertain their interest and, in consultation and collaboration with the interested Board members, nominate one candidate.

7. In the normal course, Officer Nominations will be provided by the Officers' Nominating Committee to the ABE Board for consideration at its June meeting and for formal approval by the ABE Board approval at the next Annual Meeting.
8. By the preceding winter meeting (January/February), the Nominating Committee shall identify desired skills, expertise, and experience of potential Officer candidates and solicit input from ABE Boards Members. The ultimate selection of an individual(s) for nomination will be the decision of the Officers' Nominating Committee.
9. The Officers' Nominating Committee collectively will develop a list of potential candidates thought to have the identified skills, experience and expertise. When a member of the Officers' Nominating Committee suggests a nominee, they will have first confirmed with that nominee willingness and availability to serve if ultimately selected. Any discussion with prospective nominees must be done without any promises being made to the nominee by the person suggesting the nomination that she/he will be selected. If requested, current CVs can be distributed to members of the Nominating Committee.
10. Following the winter meeting the Officers' Nominating Committee will meet by phone or otherwise to review potential candidates and discuss qualifications, skills, experiences, expertise and the needs of the ABE.
11. Before the June meeting, the Nominating Committee shall vote on potential candidates to nominate (seeking a consensus).

**AMERICAN BAR ENDOWMENT
2023-2024 BOARD OF DIRECTORS
BUSINESS CONTACT LIST**

DIRECTORS & EX-OFFICIO DIRECTORS

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2023-2024 BOARD OF DIRECTORS
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Updated 5/28/24

**AMERICAN BAR ENDOWMENT
2023-2024 BOARD OF DIRECTORS**

RESIDENTIAL CONTACT LIST

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**AMERICAN BAR ENDOWMENT
2023-2024 BOARD OF DIRECTORS
COMMITTEES, LIAISONS, AND ADVISORS**

Executive Committee

Howard H. Vogel, Chair
Hon. Lora J. Livingston, Vice Chair
Hilarie Bass
Tommy D. Preston, Jr.

Nominating Committee

Howard H. Vogel, Chair
Hon. Lora J. Livingston
Palmer Gene Vance II (HOD Chair)
TBD

Communications Committee

Tommy D. Preston, Jr., Chair
Tracy A. Giles, Vice Chair
Deborah Enix-Ross
Frank Langrock
Roberta D. Liebenberg
Patricia Lee Refo

ADVISORS AND LIAISONS

ALIP

Hon. Lee S. Edmon

A-E-F-C Pension Plan

Randall D. Noel

Finance Committee

Michelle A. Behnke, Chair
Hilarie Bass, Vice Chair
Tracy A. Giles
Randall D. Noel
Kevin L. Shepherd

Young Lawyers Division

Josephine M. Bahn

Grants Committee

Hon. Lora J. Livingston, Chair
Patricia Lee Refo, Vice Chair
Robert M. Carlson
Josephine M. Bahn
Roberta D. Liebenberg
Kevin L. Shepherd

Insurance Committee

Randall D. Noel, Acting Chair
Michelle A. Behnke
Robert M. Carlson
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Strategic Planning

Tracy A. Giles, Chair
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Hon. Lora J. Livingston
Tommy D. Preston, Jr.

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Updated 5/28/2024

**AMERICAN LAWYERS INSURANCE PLANS, INC.
2023 – 2024 BOARD OF DIRECTORS
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Updated 5/28/24

**AMERICAN LAWYERS INSURANCE PLANS, INC.
2023 – 2024 BOARD OF DIRECTORS
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SECRETARY & TREASURER

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**ABE
STAFF DIRECTORY**

TITLE	NAME	TELEPHONE #	E-MAIL ADDRESS
ABE Executive Director	HILL, Dana	988-6407	dhill@abenet.org
Executive Assistant	EISEN, Izzy	988-6402	ieisen@abenet.org
Communications Project Mgr.	CODY, Abby	988-6409	acody@abenet.org
Compliance Manager	PETERSEN, Pam	988-6404	pampetersen@abenet.org
IT Manager	WOLTERINK, Dan	988-6668	dwolterink@abenet.org
Office Services/Information Services	WILLIAMS, Cheryl	988-6412	cwilliams@abenet.org
Accounting Manager			
O'Connor Consultant	WILLIAMS, Penny		penny@oconnorcs.com
Marcum Consultant	WU, Wenxia		wwu@abenet.org
Ins. Administration Manager	CZARNY, Bonnie	988-6416	bczarny@abenet.org
ABE Insurance Plan Specialist	STUBBS, Charlene	988-6419	cdstubbs@abenet.org

OTHER IMPORTANT PHONE NUMBERS:

ABE TOLL-FREE:	1-800-621-8981	ALIP TOLL-FREE:	1-800-445-9862
ABE TOLL-FREE (SOLO & SMALL FIRM):	1-877-621-7670 (solo)	ALIP MAIN:	1-312-988-6499
ABE MAIN LINE:	1-312-988-6400		
ABE FAX LINE:	1-312-988-6401		
MASON CONFERENCE RM:	1-312-988-6406		
ABA TOLL-FREE:	1-800-285-2221		
ABA MAIN LINE:	1-312-988-5000		
ABA FAX LINE:	1-312-988-6281		

EMERGENCY CLOSING: <http://www.emergencyclosingcenter.com/complete.html>

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Updated 5/29/2024

FUTURE MEETINGS

ABE BOARD OF DIRECTORS MEETINGS

June 12 – June 16, 2024
Oct. 27 – Oct. 30, 2024

The Charleston Place
The Ritz-Carlton Bacara

Charleston, SC
Santa Barbara, CA

ABA ANNUAL MEETINGS

July 31 – August 6, 2024
August 6 – August 12, 2025

Chicago, IL
Toronto, ON

ABA MIDYEAR MEETINGS

Jan. 30 – Feb. 3, 2025

Phoenix, AZ

ABA BOARD OF GOVERNORS MEETINGS

August 1 – 2, 2024

Chicago, IL



AMERICAN BAR ENDOWMENT BOARD OF DIRECTORS EXPENSE REPORT

321 NORTH CLARK STREET
CHICAGO, IL 60654-7648
PHONE: 312-988-6400
TOLL-FREE: 800-621-8981

NAME:					PERIOD COVERED FROM:			
DESTINATION:					PURPOSE:			
EXPENSES: (Include both out-of-pocket and charged items)								
ITEM	DESCRIPTION	Date:	Date:	Date:	Date:	Date:	Date:	TOTAL
1	Air & Rail Transportation							
2	To and From Terminals							
3	Automobile Mileage							
4	Parking & Tolls							
5	Lodging (Room & Tax)							
6	Breakfast							
7	Lunch							
8	Dinner							
9	Taxi – Local							
10	Telephone							
11	Tips (not included elsewhere)							
12	Other (Itemize)							
13								
14								
TOTAL EXPENSES								

14-1

The expenses above are business expenses. Personal expenses are not included.

SIGNED:		DATE:	
APPROVED:		DATE:	

Hilarie Bass, Treasurer: Pay as is Pay as amended Pay by exception \$ _____
 Staff Recommendation: Pay as is Pay as amended Pay by exception \$ _____

MAKE CHECK PAYABLE TO:

NAME: _____
ADDRESS: _____

For Accounting Use Only	
Adjustments, if any:	
Total Reimbursement:	
Charge Account #:	

Mail or Email Completed Report To:

IZZY EISEN
IEISEN@ABENET.ORG
AMERICAN BAR ENDOWMENT
321 N. CLARK STREET, 14TH FLOOR
CHICAGO, IL 60654-7648

AMERICAN BAR ENDOWMENT POLICY FOR REIMBURSEMENT OF EXPENSES OF DIRECTORS AND DIRECTORS EMERITI*

- A. **Reimbursable Expenses:** It shall be the policy of the Endowment to reimburse its Directors and Directors Emeriti for necessary, actual and reasonable expenses incurred in connection with the performance of their duties. Under no circumstances will reimbursement be made if the request is submitted more than six months after the end of the fiscal year during which the expenses were incurred. Reimbursement of expenses shall be made in accordance with the following guidelines:
1. **Office Expenses:** Office expenses incurred in the furtherance of ABE's work, such as copying, postage, long distance fax and phone charges, are reimbursable. The President shall have the authority to approve other necessary office expenses, if deemed appropriate.
 2. **Meetings of the Board of Directors and its Committees** (except meetings held in conjunction with ABA Annual and Mid-Year Meetings) and travel directed by the President on business of the Endowment:
 - a. Transportation: Reimbursement is made for long-distance transportation at coach or economy fares, and local transportation between terminals and hotel, home or office.
 - (1) Common Carriers: Reimbursement shall not exceed the lowest available rate for coach airfare. Members of the Board who buy an advance purchase ticket in order to save Endowment funds, and are then unable to travel because of unforeseen circumstances, will be reimbursed for such tickets to encourage preplanning and cost saving by advance purchase. No reimbursement may be made for tickets acquired through frequent flyer programs.
 - (2) Personal automobiles: The rate for reimbursement for the use of a private automobile shall be the amount authorized by the Internal Revenue Service for a business expense deduction under its rules at the time such expense is incurred. When air transportation is not used for long-distance travel, no reimbursement will be made for lodging and meals en route. The total reimbursement for mileage cannot exceed the cost of the air travel as outlined in 2a(1) above.
 - (3) Other related expenses: Transportation to and from air and rail terminals, parking fees and highway toll charges shall be reimbursed in the amount actually incurred.
 - b. Lodging and Meals: Expenses shall be reimbursed, except for group meals. If a Board member chooses not to participate in a group meal, he/she will not be reimbursed for a separate meal. Expenses for meals not provided by ABE will be reimbursable up to a maximum of \$100.00 per day.
 - c. Gratuities: Expenses incurred for services in connection with transportation, lodging and meals are reimbursable.
 3. **American Bar Association Annual and Mid-Year Meetings:**
 - a. Transportation: No reimbursement will be made for air transportation or local transportation expenses incurred related to attendance at a Board meeting that occurs during an Annual Meeting. Travel-related expenses as defined in paragraph 2 above related to attendance at a Board meeting occurring during a Mid-Year Meeting will be reimbursed, if such expense is not reimbursable to a Director or a Director Emeritus by the ABA or another entity.
 - b. Lodging, meals and gratuities: Expenses incurred in connection with a meeting of the Board or its Committees, when such Committee meeting is not held on the same day as a Board meeting for which reimbursement is authorized, shall be reimbursed but not to exceed two days. Given the variety of room rates available, the rate for such reimbursement shall not be more than the highest Standard rate at an ABA-approved hotel.
 - c. The ABE President shall be reimbursed for the cost of a one-bedroom suite for up to a total of five (5) days in connection with the Annual and Mid-Year Meetings. At least two days must be allocated to each of the two meetings; the remaining allotment of up to one day can be allocated between the two meetings at the President's discretion.
- B. **Non-reimbursable Expenses:** The following expenses shall not be reimbursed:
1. Any expense, including lodging and meals, that may be incurred either prior to or after the scheduled dates of meetings of the Board or its Committees, except to the extent that a transportation schedule may necessitate an earlier arrival or later departure.
 2. Travel and expenses incurred by a spouse except for those incurred by the Vice President and the Assistant Vice President for Board Activities in furtherance of their duties and as defined in the Policy for the Vice President and Assistant Vice President for Board Activities.
 3. Automobile rental expenses incurred for personal convenience.
 4. Personal expenses, such as those incurred for recreational activities, valet services or beverages.
- C. **Reimbursement Request Procedures:**
1. A request for reimbursement shall be made in writing on an Expense Report form issued by the ABE and shall be submitted to the Treasurer for approval, except that expenses of the Treasurer shall be submitted to the President for approval.
 2. Supporting receipts: Any expense that exceeds \$25.00 must be supported by a receipt attached to the Expense Report.
- D. **Policy Interpretation:** Questions concerning this policy statement shall be referred to the Treasurer for interpretation.

*This expense reimbursement policy does not apply to Ex-Officio Directors.

**Supplemental Policy for Expense Reimbursement
for ABE/ALIP Elected Directors
and YLD Liaison**
(Revised 9/13/2019)

In addition to the ABE/ALIP Policy for Reimbursement of Expenses of Directors as set out on the back of ABE/ALIP Expense Report forms, the following is offered as further guidance.

Meals and Accommodations at June and November Board Meetings

If the Endowment sponsors a meal during the November and June Board meetings and the Board member and/or spouse/guest chooses not to participate, the Board member will not be reimbursed for separate meals. Expenses for meals not already provided by ABE/ALIP will be reimbursable up to a maximum of \$100.00 per day. If several Board members have dinner together and one Board member pays the bill, a list of the names of those attending the dinner must accompany a reimbursement request.

During these meetings, Board members should provide staff with as much advance notice as possible if either they and/or their spouse/guest will not be attending a group meal, function or tour. Because of typical guarantees, ABE must pay for projected attendance, unless advance notice is provided.

Arrangements for the accommodations and group meal functions at these two meetings are handled by and billed to ABE. Board members are responsible for personal and incidental expenses when they check out.

Site Inspections for Future Board Members

It is expected that the President and Vice President will participate in site inspections for the November and June Board meetings that will take place during the year(s) that they hold the office of President. Their spouses/designees may also be involved in these inspections. (For expense reimbursement policies regarding spouse/designee participation in site visits, see the “Expense Reimbursement Policy for the Assistant Vice President for Board Activities and the Vice President for Board Activities.”) Reimbursement for expenses incurred during these site inspections are limited to the actual costs incurred, but no more than the cost of coach airfare in the event of air travel (or the use of a private automobile in the amount authorized by the IRS for a business expense deduction at the time such expense is incurred; the total reimbursement for mileage cannot exceed the cost of air travel to and from the same destination), transportation to and from airports, hotel room expenses for two nights per site inspection, and meals not to exceed \$100 per day for no more than three days per site inspection. Expenses will be reimbursed for only one visit to each site.

Board Member's Spouse/Guest Expenses

Travel and other expenses incurred by a spouse/guest of a Board member are NOT reimbursable costs (except those incurred by the Vice President and Assistant Vice President for Board Activities as outlined in the Expense Reimbursement Policy for the Vice President and the Assistant Vice President for Board Activities. Meal and tour expenses are not covered for spouses/guests unless they are participating in a group function (defined as an event that includes the entire Board, staff, spouses and guests). Restaurant bills for the Board member and his or her spouse/guest should be divided by two as reimbursement is allowed only for the Board member.

Separate breakfasts, lunches and tours, which are set up for spouses/guests when the Board members are meeting, are not covered expenses. If a spouse/guest signs up for one of these functions, the Board member will be responsible for reimbursing ABE/ALIP for any costs the organization incurs for that Board member's spouse/guest participation or failure to participate.

The charge for all spouse/guest functions will be listed on the registration forms. To avoid the expense of billing a Board member for these costs, the charges will be deducted from the Board member's expense reimbursement for the respective meeting. If the charges incurred for any spouse/guest exceed what is due on the Board member's request for reimbursement, the Board member must reimburse ABE/ALIP for the balance due within 90 days of the Board meeting.

Hotel Accommodations During the Mid-year and Annual ABA Meetings

As many room rates are offered to ABA members attending ABA Midyear and Annual Meetings, to the extent that Board members can be reimbursed for hotel stays during these meetings, the reimbursable room rate shall be no more than the highest Standard rate at an ABA-approved hotel.

Transportation Expenses

Airline upgrades are not reimbursable. Reimbursement for airfare shall not exceed the lowest available rate for coach fare. To ensure the best rates, tickets should be purchased a minimum of two weeks prior to the dates of your travel. Tickets purchased within two weeks of departure will be reimbursed only up to the amount the ticket would have cost had the ticket been purchased more than two weeks in advance. (Such reimbursement will not exceed 20% of the ticket price available on the day the reimbursement request is received by ABE.)

Members of the Board who purchase an advance ticket in order to save the organization money and have subsequently been unable to travel or have had to change travel plans because of unforeseen circumstances, can be reimbursed for such tickets or change fees. The dates of ABE/ALIP Board meetings are announced more than a year in advance, to assist in planning. Board members may be reimbursed for the expense of airline baggage fees for one piece of luggage per flight.

Expense Reimbursement

For pilots who fly themselves to the meeting or for those Board members using corporate jets, ABE will reimburse for the lowest fare (14-day advance purchase and nonrefundable) on a common carrier by using the same calculation as outlined in the first paragraph above under Transportation Expenses.

Transportation to and from air and rail terminals is reimbursable except in connection with the Annual Meeting. These expenses may include the use of a full size rental car, if it is comparable to the cost of other forms of transportation; however, rental car expenses outside that scope (to include upgrades to a luxury car, etc.), as well as the cost of parking the car at the hotel, will be considered rental for the Board member's personal convenience and not reimbursable. However, if flying into a different city, renting a car and driving a longer distance to the meeting provides a net savings over flying into a closer airport, an exception will be granted. Documentation of the difference in airfares must be provided with the submitted expense report.

Prior to a June or November Board Meeting, one or more spouses may be asked to and agree to act as drivers to and from planned spouse events held during the meeting. In that event, the spouse should be added in the car rental agreement as an additional driver. The cost of adding an additional driver under these circumstances is reimbursable.

Additionally, the loss damage and liability insurance coverage offered by car rental agencies is not a reimbursable expense. It is an optional charge and unnecessary if the Board member's personal car insurance covers car rentals. However, if a Board member does not have car insurance or has car insurance that would not cover the Board member at the location of the meeting (i.e., outside of the U.S.), two days of coverage are reimbursable.

It is important to remember that the transportation policies for meetings held in conjunction with the ABA Annual and Midyear Meetings are different from what is outlined above. Transportation expenses (airfare, airport transportation, taxis, mileage, parking etc.) are not reimbursed for these meetings except for meetings held during the Midyear when such expenses are not reimbursable by the ABA or another entity.

Submission of Reimbursement Requests

Expense reimbursement requests must be submitted within three months after the end of the fiscal year in which incurred. ABE's fiscal year is July 1 to June 30. Because the ABE/ALIP fiscal year ends on June 30, expense reports must be submitted as soon as possible after the June meeting in order to close the books in preparation for the annual audit. No expenses incurred for any given fiscal year will be reimbursed after September 30th of the succeeding fiscal year.

Completed expense reports should be sent to the attention of ABE's Accounting Manager at the ABE headquarters building in Chicago. The Treasurer will submit his or her expense report to the President. All requests for reimbursement must be reviewed and approved by the Treasurer or President, and the ABE Accounting Manager for compliance with these policies. Any questions concerning the request for reimbursement form or the policies themselves, should be directed to the Treasurer, Accounting Manager, or the Executive Director. ABE's auditors closely monitor expenses for compliance to the written policy.



AMERICAN BAR ENDOWMENT

CONFLICT OF INTEREST POLICY

(Amended and Restated as of August 5, 2022)

The American Bar Endowment (the “ABE”) is committed to integrity and fairness in the conduct of all of its activities. All decisions of the ABE’s Directors, officers, committee members, and employees, whether or not compensated by the ABE (each, a “Covered Person” and, collectively, the “Covered Persons”), shall be made solely on the basis of a desire to promote the best interests of the ABE. From time to time, potential conflicts of interest or the appearance of conflicts of interest inevitably will arise. The ABE will deal with such conflicts of interest openly and in accordance with the following principles and procedures.

The Board of Directors of the ABE (the “Board of Directors” or the “Board”) recognizes and acknowledges that the Covered Persons have significant professional, business, and personal interests and relationships. The Board has determined that the most appropriate manner in which to address actual, potential, or apparent conflicts of interest is initially through liberal disclosure of any relationship or interest which might result in such a conflict. Disclosure under this Conflict of Interest Policy (this “Policy”) should not be construed as creating a presumption of impropriety.

This Policy is intended to supplement, but not replace, any federal or state laws governing conflicts of interest applicable to not-for-profit organizations that are described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), and are further classified as public charities within the meaning of Section 509(a) of the Code. This Policy may be amended from time to time by the Board of Directors.

CONFLICTS OF INTEREST

Each Covered Person shall disclose all conflicts of interest, including, but not limited to, the following:

- Service as a Board member, trustee, officer, or employee of, or a Material Financial Interest (as defined below) in, an organization with which the ABE conducts or may conduct a financial or business transaction;
- Similar service with or a Material Financial Interest in any such organization by any Family Member (as defined below) of such Covered Person;
- Any affiliation (as an officer, director, trustee, employee, or partner) with, or any Material Financial Interest in, any organization that currently receives or applies to receive funds, services, or other support from the ABE or from which the ABE

- receives or applies to receive funds, services, or other support, or whose products or services are in competition with or serving the same community as those of the ABE, or any such similar affiliation of any Family Member of such Covered Person;
- A relationship as a Family Member of any individual who (a) currently conducts or may conduct a financial or business transaction with the ABE, (b) receives or applies to receive funds, services, or other support from the ABE, or (c) furnishes or may furnish services to the ABE for compensation;
 - Any other situation that may prevent or appear to prevent the Covered Person from acting impartially and in the best interests of the ABE.

For purposes of the foregoing, potentially conflicting interests may relate to the ABE's mission and programs (e.g., grants) or its operations (e.g., contracts with third parties).

With respect to any Covered Person who holds a position with a law firm, the Covered Person is not expected to disclose any relationships with those for whom their law firm provides legal services, provided that the Covered Person does not participate in decisions concerning those services.

Covered Persons should disclose interests or relationships held by others that may impact their decision-making to the extent they are aware of such information. Covered Persons are under no obligation to determine the nature of every interest or relationship held by a Family Member if they have no independent knowledge of such interest or relationship.

DEFINITIONS

The term "Family Member" means an individual's spouse, domestic partner, parent, in-law, sibling, ancestor, child, grandchild, great grandchild, immediate household member, or the spouse of the individual's sibling, child, grandchild, great grandchild, or other close personal relationship (such as dating or live-in relationships).

The term "Material Financial Interest" means ownership of 10% or more of the equity interest in a corporation, profits interest in a partnership, or beneficial interest in a trust.

DISCLOSURE

Disclosure Statement and Continuing Obligation

A *Conflict of Interest Disclosure Statement* in the form attached to this Policy as Exhibit A shall be submitted annually by each Covered Person and by any other person determined by the Executive Director to be subject to this Policy. The completed *Conflict of Interest Disclosure Statements* will be kept on file at the ABE for a period of two (2) years; they shall be kept confidential and shall be disclosed only upon the authority of the ABE's President.

Any individual who has an actual or potential conflict of interest as to any proposed grant, transaction, or other matter shall disclose the conflict of interest before any deliberations

on the matter. All Covered Persons are under a continuing obligation to make full disclosure of all situations involving either actual or potential conflicts of interest whenever such situations may arise. Any such disclosure shall contain sufficient detail to apprise the relevant reviewer of the Covered Person's potential bias or interest in the matter. When in doubt as to the existence of a conflict of interest, the individuals should err on the side of disclosure.

Attached hereto as Exhibit B is a list of service providers and ABE contractors to assist the Covered Persons in identifying potential conflicts.

Special Situations

Individuals may be confronted with special situations that are not specifically addressed by this Policy. In any individual has a question as to the proper course of action, the matter should be disclosed to the Executive Director or to the Board of Directors. The Executive Director or the Board of Directors, as the case may be, shall determine the appropriate handling of the special situation.

Potential Failure to Disclose

If there is reasonable cause to believe that a Covered Person has failed to disclose actual or possible conflicts of interest, such person will be informed of the basis for such belief and afford him/her an opportunity to explain the alleged failure to disclose. If, after hearing the response of the Covered Person and making such further investigation as may be warranted in the circumstances, and it is determined that such person has in fact intentionally failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action, including, if necessary, action to remove the affected Covered Person from his or her position.

Predetermined Conflicts of Interest

For purposes of this Policy, due to the potential for competitive activities between the ABE and the American Bar Association, any Covered Person who also serves as an officer, director, trustee, or employee of the American Bar Association (each, a "Dual Interests Individual") automatically shall be deemed to have a real or potential conflict of interest with respect to (a) the development, discussion, and approval of the ABE's strategic plan, and (b) the development, discussion, and approval of existing and potential lines of business for the ABE (each, a "Strategic Discussion"). Each Dual Interests Individual shall leave the room during the discussion, debate, and vote (and abstain from any vote) of any Strategic Discussion. Additionally, each Dual Interests Individual automatically shall be deemed excused from the portion of all future meetings of the Board of Directors related to any Strategic Discussion; provided, however, that the Board of Directors shall, whenever practicable, provide advance notice to each Dual Interests Individual of the scheduling of any discussion from which the Dual Interests Individual shall be excused.

DEALING WITH CONFLICTS

Once an actual or potential conflict of interest has been identified (e.g., through an individual's disclosure, vote of the Board of Directors, or a matter deemed a conflict for purposes of this Policy), the Board of Directors or relevant committee of disinterested persons (the "Authorized Body"), as the case may be, shall determine whether a conflict of interest exists and, if so, shall determine the proper course of action to address the conflict of interest, including following the protocols set forth below. If each of the other Directors or committee members, as the case may be, has a conflict of interest with respect to a matter to be considered, then the Board of Directors shall develop an appropriate method of addressing the conflict of interest.

Unless otherwise determined by the Board of Directors, after having fully disclosed an actual or potential conflict of interest, the individual who has the actual or potential conflict of interest shall:

- provide information requested by the Authorized Body with respect to the conflict of interest;
- leave the room during the discussion and debate on the matter;
- leave the room during the vote on the matter;
- abstain from any vote on the matter; and
- be deemed excused from the portion of all future meetings of the Board of Directors or the Authorized Body, as the case may be, related to the matter.

The minutes of meetings of the Authorized Body shall (1) state the name of each individual who disclosed, or otherwise was found to have, a conflict of interest, (2) describe any actions taken by the Authorized Body in response, and (3) note the abstention of the individual or individuals with the conflict of interest from the vote on the matter involved (if applicable).

At all times, each individual affiliated with the ABE shall act in a manner consistent with his or her fiduciary obligations to the ABE and shall exercise particular care that no detriment (or appearance of a detriment) to the interests of the ABE may result from a conflict between these interests and any personal interests the individual may have.

Any Covered Person who discloses or is determined to have a conflict of interest under this Policy shall be deemed to have waived their right to obtain any ABE attorney-client privileged information with respect to the matter with which they have a conflict.

NO RETURN BENEFIT

No Covered Person shall knowingly accept any material gift of goods or services when it could reasonably be inferred that the gift was intended to influence an official action in the individual's position with the ABE.

AVOIDANCE OF EXCESS BENEFIT TRANSACTIONS

The ABE shall avoid any transaction that results in an “excess benefit transaction” within the meaning of section 4958 of the Code and the Treasury Regulations thereunder. For example, the ABE shall take steps to review and approve compensation paid to its directors, officers, key employees, and other persons with substantial influence over the affairs of the ABE pursuant to the “rebuttable presumption” procedures set forth in the Treasury Regulations under section 4958 of the Code.

A voting member of the Board of Directors who receives compensation, directly or indirectly, from ABE for services rendered as an officer or employee of, or professional advisor to, ABE is precluded from voting on matters pertaining to that member's compensation.

PERIODIC REVIEWS

To ensure that ABE operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable and are the results of arm's-length bargaining.
2. Whether the Conflict of Interest Policy has been followed or is in need of revision.

In conducting the periodic reviews provided for above, ABE may, but need not, use outside advisors who are not interested persons and who are selected by the Board of Directors. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring that periodic reviews are conducted. The Executive Committee shall have the authority to amend the form and instructions from time to time after seeking the advice of counsel.

EXHIBIT A

CONFIDENTIAL

AMERICAN BAR ENDOWMENT
Conflict of Interest Annual Disclosure Statement

To: Executive Director, American Bar Endowment

As part of its Conflict of Interest Policy (the "Policy"), the American Bar Endowment (the "ABE") requires that its directors, officers, committee members, advisors, and employees disclose any actual or potential conflicts of interest. This disclosure statement assists in the implementation of that requirement.

Your name: _____

Capacity (please check the appropriate box below):

- Director
- Officer
- Committee Member
- Advisor
- Employee
- Other (please describe: _____)

DISCLOSURE

1. These are, to the best of my knowledge, the names of all corporations, companies, firms, or other business enterprises (a) with which I am affiliated (or with which any Family Member, as defined below, is affiliated), as an employee, officer, director, trustee, partner, or similar position; or (b) in which I (or any Family Member) have an ownership interest as a 10% or more owner, in each case if such entity is likely to do business with the ABE. (If none, please check here ____.)

<u>Name of Business or Organization</u>	<u>Position or Relationship</u>
_____	_____
_____	_____
_____	_____
_____	_____

2. These are, to the best of my knowledge, the names of all not-for-profit, non-governmental, or governmental organizations with which I am affiliated (or with which any Family Member is affiliated) as an employee, officer, director, trustee, or member of an advisory board or committee. (If none, please check here ____.)

<u>Name of Organization</u>	<u>Position or Relationship</u>
_____	_____
_____	_____
_____	_____

3. I have set forth below any information concerning myself or any Family Member not requested in the preceding paragraphs that I feel may present an actual or potential conflict of interest. (If none, please check here ____.)

* The term "Family Member" has the meaning set forth in the Policy.

4. Charitable Registrations and Solicitation

- a. Had your registration to solicit charitable contributions denied or revoked by a governmental authority? Yes No
- b. Been the subject of any administrative, civil or criminal proceeding regarding any charitable contribution solicitation or registration? Yes No
- c. Entered into a voluntary agreement of compliance or discontinuance regarding charitable solicitations with any government agency or in a case before a court or administrative agency? Yes No
- d. Applied for registration or exemption from charitable contribution registration (that is not yet completed or has not yet been obtained)? Yes No
- e. Solicited charitable contributions or funds in any state on behalf of ABE?
Yes No

If the answer to any of these is yes, attach a detailed explanation. Also attach a copy of any orders, judgments, consent agreements or other documents, which show any allegations against you and the final disposition of the matter.

If yes to Item b, also give name and address of the court, nature of the offense, and month and year of the conviction.

CERTIFICATION

I have read and understand the ABE's Conflict of Interest Policy and agree to comply with it in good faith. I certify that I have completed the above disclosure statement fully and truthfully to the best of my knowledge, and I agree to promptly report to the Board of Directors any changes in the foregoing information as well as any possible conflict of interest that might develop before the completion of my next disclosure statement. I also acknowledge and agree that, in accordance with ABE's Conflict of Interest Policy, I waive my right to any ABE attorney-client privileged information regarding any matter with which I have disclosed or otherwise been determined to have a conflict of interest under the ABE's Conflict of Interest Policy.

Print Name

Signature

Date

Exhibit B

CONFIDENTIAL

List of Suppliers, Vendors and Fundraising Firms Paid Over \$5,000 in the 2022/2023 Fiscal Year or With Whom the ABE Has a Continuing Relationship

ABA Journal	IronShore (Misc. Professional Liability)
ABA Fund for Justice & Education	Gary Karlowicz
Action Mailing & Printing Solutions	Michele Karlowicz
AIG (United States Life)/Corebridge	Levine Leichtman Capital Partners, LP
Alliant Financial Institution Group	Marquette Associates, Inc.
Allied Universal Technology Services	Morgan Stanley (Prime Property Funds)
American Bar Association	New York Life Insurance Company
American Bar Foundation	The Northern Trust Company
AON Consulting, Inc.	Noventech, Inc.
Baird Funds	ODP Business Solutions, LLC
BMO Harris Bank N.A.	One Step
Pam Bronkema	Parametric
Fabienne Brooks	PIMCO
C3 Legal	Regal Business Machines, Inc.
Ceridian HCM, Inc.	Renaissance Administration LLC
CNA (Directors/Officers Liability, Crime Insurer)	RSM US LLP
Comcast	RSUI (Excess Directors/Officers Liability)
ComEd	Sass Advisors
Dodge & Cox	STOW Enterprises, Inc.
Garvey's Office Products	UPS
Goldman Sachs	Van Santen Studio
GoTo	Vanguard Archives
Grosvenor Institutional Partners, LP	WorldPay Merchant Services
Hines	Young Mayden LLC
	ZeisGroup