



**IOLA FOUNDATION
DBA: IT GETS BETTER PROJECT**

FINANCIAL STATEMENTS

DECEMBER 31, 2023

A Trusted Nonprofit Partner

Main Office: 2698 Mataro Street, Pasadena, CA 91107 Phone: 626.403.6801
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
IOLA Foundation dba: It Gets Better Project

Opinion

We have audited the accompanying financial statements of IOLA Foundation dba: It Gets Better Project (a nonprofit organization), which comprise the Statement of Financial Position as of December 31, 2023, and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of IOLA Foundation dba: It Gets Better Project as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of IOLA Foundation dba: It Gets Better Project and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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.

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INDEPENDENT AUDITORS' REPORT

continued

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

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

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

Other Matter

Report on Summarized Comparative Information

We have previously audited IOLA Foundation dba: It Gets Better Project's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 6, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Harrington Group

Pasadena, California

June 13, 2024

IOLA FOUNDATION DBA: IT GETS BETTER PROJECT

STATEMENT OF FINANCIAL POSITION
 December 31, 2023
 With comparative totals at December 31, 2022

	2023	2022
ASSETS		
Cash	\$ 574,322	\$ 1,606,264
Restricted cash - board reserve	300,000	300,000
Accounts receivable	13,567	246,151
Prepaid expenses	14,232	6,115
Investments (Note 2)	-	539,993
Property and equipment (Note 4)	<u>18,255</u>	<u>22,402</u>
TOTAL ASSETS	<u>\$ 920,376</u>	<u>\$ 2,720,925</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued liabilities	\$ 120,282	\$ 123,377
Deferred revenue (Note 5)	<u>-</u>	<u>150,000</u>
TOTAL LIABILITIES	<u>120,282</u>	<u>273,377</u>
NET ASSETS		
Without donor restrictions	(60,383)	1,009,224
Without donor restrictions - board designated (Note 6)	300,000	300,000
With donor restrictions (Note 6)	<u>560,477</u>	<u>1,138,324</u>
TOTAL NET ASSETS	<u>800,094</u>	<u>2,447,548</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 920,376</u>	<u>\$ 2,720,925</u>

The accompanying notes are an integral part of these financial statements.

IOLA FOUNDATION DBA: IT GETS BETTER PROJECT

STATEMENT OF ACTIVITIES

For the year ended December 31, 2023

With comparative totals for the year ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	2023	2022
REVENUE AND SUPPORT				
Contributions and grants	\$ 1,853,226	\$ 619,376	\$ 2,472,602	\$ 3,084,599
Income from investments	27,100		27,100	(9,783)
Merchandise income	5,108		5,108	7,357
Other income	100		100	14,092
Net assets released from restrictions (Note 6)	1,197,223	(1,197,223)	-	-
TOTAL REVENUE AND SUPPORT	3,082,757	(577,847)	2,504,910	3,096,265
EXPENSES				
Program services	3,234,066		3,234,066	3,912,155
Administrative	501,117		501,117	371,163
Fundraising	417,181		417,181	274,767
TOTAL EXPENSES	4,152,364	-	4,152,364	4,558,085
CHANGE IN NET ASSETS	(1,069,607)	(577,847)	(1,647,454)	(1,461,820)
NET ASSETS, BEGINNING OF YEAR	1,309,224	1,138,324	2,447,548	3,909,368
NET ASSETS, END OF YEAR	\$ 239,617	\$ 560,477	\$ 800,094	\$ 2,447,548

The accompanying notes are an integral part of these financial statements.

IOLA FOUNDATION DBA: IT GETS BETTER PROJECT

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2023

With comparative totals for the year ended December 31, 2022

	Program Services			Total Program Services	Administrative	Fundraising	Total Expenses	
	Education	Media	International				2023	2022
Salaries	\$ 305,953	\$ 563,006	\$ 273,292	\$ 1,142,251	\$ 264,288	\$ 218,188	\$ 1,624,727	\$ 1,287,091
Global grant recipients	596,018	20,000	42,765	658,783	20,000		678,783	588,457
Advertising	168,208	358,168	24	526,400		96,622	623,022	628,989
Talent	16,075	147,030	332	163,437		26,798	190,235	145,523
Employee benefits	35,358	61,279	22,173	118,810	20,968	23,480	163,258	124,053
Program consulting	28,004	106,596		134,600			134,600	245,335
Payroll taxes	24,887	45,915	16,737	87,539	19,809	17,189	124,537	95,877
Events	25,709	35,836	29,118	90,663		7,083	97,746	524
Travel and meeting expenses	22,877	49,307	24,639	96,823			96,823	173,667
Production expenses		72,422	1,106	73,528			73,528	585,256
Rent	8,844	26,794	8,487	44,125	10,575	7,818	62,518	58,551
Other program costs	17,868	17,887	297	36,052			36,052	49,852
Miscellaneous	48	149	45	242	25,861	42	26,145	4,114
Program supplies and equipment	5,618	18,552	1,919	26,089	1		26,090	28,738
Dues and subscriptions	35	1,597		1,632	13,953	9,464	25,049	21,616
Recruitment expense	800	4,265	320	5,385	17,047	1,893	24,325	3,003
Accounting fees				-	22,682		22,682	29,615
Legal fees				-	18,361		18,361	9,737
Insurance	1,466	2,961	1,362	5,789	10,034	1,369	17,192	6,482
Payroll fees	3,200	5,772	2,045	11,017	1,909	2,186	15,112	11,288
Independent contractors				-	11,425		11,425	41,930
Audit and tax preparations				-	10,450		10,450	19,500
Depreciation	1,099	4,195	2,996	8,290	1,099	599	9,988	12,081
Office expenses				-	9,545		9,545	10,582
Fundraising compliance services				-	9,099		9,099	11,849
Lodging				-	5,555		5,555	15,971
Bank charges				-	1,037	3,999	5,036	5,616
Investment management fees				-	2,764		2,764	2,774
Internet and telephone	303	936	283	1,522	975	263	2,760	2,587
Entertainment				-	2,538		2,538	718
Utilities	217	668	204	1,089	158	188	1,435	-
Transportation				-	617		617	4,218
Taxes and licenses				-	367		367	457
Venue rental				-			-	187,851
Training				-			-	101,174
Graphic and web design				-			-	12,002
Post-production				-			-	7,811
Bad debts				-			-	7,496
Workers compensation				-			-	6,989
Merchandise				-			-	5,513
Staff and board meetings				-			-	1,898
Printing and copying				-			-	1,300
TOTAL 2023 FUNCTIONAL EXPENSES	\$ 1,262,587	\$ 1,543,335	\$ 428,144	\$ 3,234,066	\$ 501,117	\$ 417,181	\$ 4,152,364	
TOTAL 2022 FUNCTIONAL EXPENSES	\$ 1,050,174	\$ 2,135,218	\$ 726,763	\$ 3,912,155	\$ 371,163	\$ 274,767		\$ 4,558,085

The accompanying notes are an integral part of these financial statements.

IOLA FOUNDATION DBA: IT GETS BETTER PROJECT

STATEMENT OF CASH FLOWS

For the year ended December 31, 2023

With comparative totals for the year ended December 31, 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS (TO) OPERATING ACTIVITIES:		
Change in net assets	\$ (1,647,454)	\$ (1,461,820)
Adjustments to reconcile change in net assets to net cash (used) by operating activities:		
Depreciation	9,988	12,081
Reinvested interest and dividends	(3,703)	(7,233)
(Gain) loss on investments	(23,397)	17,016
(Increase) decrease in operating assets:		
Restricted cash	-	209,157
Accounts receivable	232,584	67,881
Prepaid expenses	(8,117)	983
Increase (decrease) in operating liabilities:		
Accounts payable and accrued liabilities	(3,095)	47,854
Deferred revenue	<u>(150,000)</u>	<u>150,000</u>
NET CASH (USED) BY OPERATING ACTIVITIES	(1,593,194)	(964,081)
CASH FLOWS FROM (TO) INVESTING ACTIVITIES:		
Proceeds from sale of investments	636,093	105,130
Purchase of investments	(69,000)	(654,906)
Purchase of equipment	<u>(5,841)</u>	<u>(9,040)</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	561,252	(558,816)
NET (DECREASE) IN CASH	(1,031,942)	(1,522,897)
CASH, BEGINNING OF YEAR	1,606,264	3,129,161
CASH, END OF YEAR	\$ 574,322	\$ 1,606,264

The accompanying notes are an integral part of these financial statements.

IOLA FOUNDATION DBA: IT GETS BETTER PROJECT

NOTES TO FINANCIAL STATEMENTS

1. Organization

IOLA Foundation dba: It Gets Better Project (“IOLA Foundation”) is a California nonprofit corporation classified by the Internal Revenue Service as tax-exempt under Section 501(c)(3).

Mission

It Gets Better’s mission is to uplift, empower, and connect lesbian, gay, bisexual, transgender, and queer (LGBTQ+) youth around the globe.

Hope is in high demand, especially for young LGBTQ+ people whose journey to self-acceptance is often met with incredible, seemingly insurmountable obstacles. Higher rates of bullying, family and peer rejection, homelessness, and sexual assault can all contribute to feelings of isolation, depression, and hopelessness, which can lead to personal crisis and, in a worst case scenario, suicidal ideation. It Gets Better is at the ready to capture the attention of young LGBTQ+ people before a crisis occurs, helping them navigate their identity development with life-affirming resources designed to pave the way for a brighter future where all LGBTQ+ youth are free to live equally, connect with their community, and know their power as individuals.

History

Launched in September 2010 in response to a rash of suicides that claimed the lives of several LGBTQ+ youth, including Tyler Clementi, Seth Walsh, Raymond Chase, and Billy Lucas, the first It Gets Better video was released on YouTube urging young LGBTQ+ people to stay true to themselves despite bullying and other challenges of adolescence. The message was simple – no matter how difficult things may be, it can get better. The message went viral and inspired one of the largest commons-based peer productions in history. It was a movement created for the people by the people that led to the birth of the world’s largest storytelling effort to uplift and empower LGBTQ+ young people everywhere: It Gets Better.

Thirteen years later, it has gotten better for millions of LGBTQ+ people in the US and around the world. Marriage equality is now enshrined in law in 36 countries representing more than 1.3 billion people. Nearly 1 in 5 youth and young adults openly identify as LGBTQ+ today, an encouraging development correlated with the mainstreaming and normalization of LGBTQ+ experiences. It Gets Better’s message of hope and resilience, aligned with the LGBTQ+ community’s stalwart determination to achieve acceptance and equality, has served to inspire youth everywhere contributing to sweeping cultural changes around the world.

But there is much work that needs to be done, as we are now witnessing an unprecedented backlash to LGBTQ+ community progress. In the United States alone, hundreds of bills targeting LGBTQ+ people, particularly youth, have been proposed in recent years, including attacks on education and healthcare. More than 60 countries treat homosexuality as a criminal act, and our beloved transgender community continues to experience horrific acts of violence everywhere. The well-being of LGBTQ+ youth is at risk, and the need for It Gets Better is now greater than ever.

IOLA FOUNDATION DBA: IT GETS BETTER PROJECT

NOTES TO FINANCIAL STATEMENTS

1. Organization, continued

With an ever-expanding, wisdom-infused dynamic collection of stories expounding on the values of resiliency, hope, community, and staying true to oneself, It Gets Better is the destination for queer and questioning youth exploring their sexual orientation and/or gender identity. More than 70,000 individuals, corporations, and organizations have shared their stories, and many have donated their time and financial resources, resulting in a universally recognized and celebrated global movement with a growing presence in eight languages across four continents.

It Gets Better nurtures a global platform currently reaching more than 800,000 youth and young adults each year to bring hope, community, and support to all who seek it. By continuing to influence the global social narrative through new media initiatives, broadening its distribution network, and enhancing visibility of the It Gets Better brand, It Gets Better will continue to reach young LGBTQ+ people who have the most to gain from the organization's positive and empowering work.

It Gets Better focuses its work on three areas: storytelling, education, and global community building.

STORYTELLING & MEDIA

Storytelling is at the heart of our effort to empower LGBTQ+ youth around the globe. We share stories that inspire hope, stories that spark conversations, and stories that can inform and positively influence a sexual orientation and/or gender identity journey.

In 2023, It Gets Better stories were viewed more than 130 million times across our suite of social media channels, sustaining the organization's position as the largest LGBTQ+ nonprofit on YouTube, Tumblr, and Twitch. More than 520,000 visitors explored ItGetsBetter.org, our information-rich website, to engage with resources designed to inform LGBTQ+ youth on their sexual orientation and/or gender journey.

In addition to its 2012 Emmy and The New York Times bestselling book, It Gets Better continues to be recognized as a leader in digital content. Last year, It Gets Better storytelling initiatives received more than two dozen awards, including Shorty, Webby, Telly, Communicator, AVA and Anthem Awards for the original productions of Queer Sex Ed; LGBTQ+ Fundamentals; It Gets Better with Olivia Julianna; and Perfectly Queer.

Other community favorites included:

It Gets Better with Thaddeus (aka Hippy Potter) - an exploration of intersectional identities, as shared through the lens of a black, queer, cartoonist, dancer, and model – and how their passion to spread love and light led to a collaboration with Pop Tarts!

The Assignment - a collaboration with the Taco Bell Foundation that delved into workforce readiness. The series connected young people with LGBTQ+ professionals in the food and beverage industry, including Top Chef champion Melissa King, Chopped champion Lazarus Lynch, and interior designer Sophie Collé.

It Gets Better with Nneka Onuorah - a heartfelt perspective on growing up in the church, coming out as a lesbian, and discovering a balance within her identities.

IOLA FOUNDATION DBA: IT GETS BETTER PROJECT

NOTES TO FINANCIAL STATEMENTS

1. Organization, continued

It Gets Better's Shorty Award-winning Vodcast Perfectly Queer kicked off its second season with new hosts AshleyRoboto and Blizz. The series offers a safe and highly moderated space for LGBTQ+ youth seeking community, advice/guidance, and perspectives on the LGBTQ+ experience – with a healthy dose of game culture to make it as entertaining as possible! The season averaged more than 225 concurrent viewers for each episode, and ended with a special “Chosen Family”-themed broadcast designed to help young LGBTQ+ people navigate the holiday season.

Beyond the vodcast, It Gets Better partners with a network of content ambassadors across Twitch and TikTok. On Twitch, alone, our partners attracted nearly 540K viewers with more than 2 million minutes viewed, representing a 1400% and 300% increase over 2022, respectively.

More than 500K viewers tuned in for our Black&, AAPI&, and Hispanic& storytelling campaigns, hosted on TikTok. The campaigns highlighted influential LGBTQ+ people at the intersection of their identities and featured an incredible cast, including Carmen Carrera, Kristen Kish, Arianne Banda, Reeta Loi, and members of It Gets Better's youth ambassador program Youth Voices.

Special Highlight: Pride 2023

We launched into Pride season with the fourth annual It Gets Better: A Digital Pride Experience, which streamed exclusively on Twitch throughout June reaching more than 117K viewers. The festivities were kicked off by Trixie Mattel and Emme Montgomery with a Dead by Daylight \$20K charity stream! Other programming featured the Queen of Latin Pop Thalia, RuPaul's Drag Race fan-favorite Valentina, and Colombian YouTubers Calle y Poché. In response to an increase in book bans targeting LGBTQ+ authors and stories, we dedicated a stream to highlight LGBTQ+ literature with guests like Maia Kobabe, author of the most banned book in America (Gender Queer) and Abdi Nazemian (Like a Love Story). Singer/songwriter mxmtoon, voice actors DataDave and Bailey Wolfe, and a segment devoted to queer perspectives (and love for) the video game Final Fantasy made the 2023 digital experience one for the history books!

It Gets Better took the celebration offline at three in-person Pride events in 2023: LA!Pride (Los Angeles, CA), Capital Pride (Washington, DC), and NYC Pride (New York, NY). At each location, we hosted a community art project in collaboration with Chicago-based multi-disciplinary artist Sam Kirk. More than 3,000 people contributed their skills to paint a beautiful mural that, when completed, was donated to a local nonprofit serving LGBTQ+ youth.

Pride Month offered an incredible opportunity for brands and celebrities to support It Gets Better. In addition to the more than 50 brand partners who invested in our work to uplift and empower LGBTQ+ youth, Tony Award winner Idina Menzel and Emmy Award nominee Kerry Washington urged allies to take the It Gets Better pledge, which now surpasses 765K signatures, while two-time Academy Award winner and noted activist Jane Fonda recorded a testimonial urging support for LGBTQ+ youth.

IOLA FOUNDATION DBA: IT GETS BETTER PROJECT

NOTES TO FINANCIAL STATEMENTS

1. **Organization**, continued

IT GETS BETTER EDU

It Gets Better EDU exists to ensure that our uplifting and informative stories reach LGBTQ+ youth and their peers wherever learning takes place. With an impactful youth ambassador program, student-driven grantmaking initiatives, and a growing library of free educational resources for educators and student leaders, thousands of middle and high school students engage with It Gets Better EDU programming every year.

The wildly successful 50 States. 50 Grants. 5000 Voices. grantmaking initiative, made possible by American Eagle and Aerie, entered its second season in 2023. More than \$600K in grants were disbursed to support 67 student-led initiatives at middle and high schools in 40 US States. The program expanded to Canada with support from It Gets Better affiliate It Gets Better Canada to reach schools in 9 provinces/territories. This innovative grantmaking initiative ensures that LGBTQ+ youth have the resources they need to create the positive change they want to see in their local communities. Funded projects included a book club focusing on LGBTQ+ literature at a high school Alabama; a mentorship program for GSA student leadership at a school in Indiana; a first-of-its-kind statewide kickball tournament for LGBTQ+ students in Maryland; and a series of Pride Month events including a dance and Pride walk at a school in New Brunswick. Since its inception in 2021, 50 States. 50 Grants. 5000 Voices. has awarded nearly \$1.1 million in grants designed to empower LGBTQ+ young people!

Now in its fourth year, It Gets Better's youth ambassador program Youth Voices continues to be a powerful reminder of the drive, passion, and resiliency young LGBTQ+ people possess despite the forces working against them. Our Youth Voices ambassadors (each cohort consists of 10 LGBTQ+ students, artists, and activists from around the country) have proven themselves to be stellar spokespeople for It Gets Better – and champions for fellow LGBTQ+ youth. Their work brought them to NBC News to discuss the struggles with accessing mental health care, to ABC News to provide perspective on state mandates surrounding LGBTQ+ inclusive curriculum, to The 19th to share the issues facing LGBTQ+ students in school, and to the Associated Press to promote access to inclusive sex education. They traveled to SXSW EDU in Austin, TX to present on the importance of proper pronoun use, represented It Gets Better at the Human Rights Campaign's Time to Thrive: The Deep South conference, and collaborated with Outfest in support of the coming-of-age film Aristotle and Dante Discover the Secrets of the Universe.

In October, the Youth Voices landed in Los Angeles for the second annual Youth Summit. While there, they received leadership and media training, visited the Funko flagship store in Hollywood, participated in a photoshoot with acclaimed photographer Maxwell Poth, and attended the Los Angeles LGBT Center's Models of Pride event. In addition to bonding and building friendships with other LGBTQ+ youth, the Youth Voices were led in a workshop centering on social impact, hosted by Youth Voices alums Zach Koung and Uma Fox. Zach and Uma are also inaugural members of the newly formed Youth Advisory Council, serving as liaisons to our Board of Directors to ensure youth perspectives are integrated into all organizational planning initiatives.

IOLA FOUNDATION DBA: IT GETS BETTER PROJECT

NOTES TO FINANCIAL STATEMENTS

1. **Organization**, continued

It Gets Better introduced a call for entries for the first volume of Queerbook, a collection of visual art, short stories, essays, and poems created and curated by LGBTQ+ youth. Eighty-six contributors were selected to be published in the book, which will hit shelves in 2024. This is the first book published by It Gets Better since the 2011 release of The New York Times bestselling It Gets Better: Coming Out, Overcoming Bullying, and Creating a Life Worth Living.

Thousands of It Gets Better-produced educational materials (EduGuides) were downloaded throughout 2023 to reach an estimated 90,000 students. It Gets Better's free-for-download EduGuides+ library expanded to include:

The Assignment - a complementary EduGuide to the original It Gets Better web series that connects young people with LGBTQ+ professionals in the food and beverage industry.

imi - a complimentary guide to the digital mental health resource for LGBTQ+ youth that It Gets Better developed in collaboration with Hopelab and Centerlink.

Guia de lenguaje para la inclusión de personas no binarias (Language Guide for the Inclusion of Nonbinary People) - a Spanish-language educational resource designed to help Spanish-speaking journalists better understand writing about nonbinary gender identities created in collaboration with It Gets Better, It Gets Better México, and Homosensual.com.

IT GETS BETTER GLOBAL

It Gets Better is the world's largest storytelling effort to empower LGBTQ+ youth. Investing in local, like-minded organizations outside the US, It Gets Better brings story-telling and other life-affirming support to communities of LGBTQ+ youth around the globe.

Launched in 2020, the It Gets Better Español initiative seeks to expand It Gets Better storytelling initiatives, educational programming, and global community-building efforts in meaningful and culturally sensitive ways to impact Hispanic and other Spanish-speaking LGBTQ+ youth audiences in the US and abroad. Highlights include:

- Integrating Spanish-language content into It Gets Better: A Digital Pride Experience.
- The launch of It Gets Better Español on Instagram, a channel dedicated to serving the same brand of uplifting and empowering content LGBTQ+ youth have come to love from It Gets Better to Hispanic/Spanish-speaking audiences.
- Offering captions in Spanish for all It Gets Better original digital content.
- Granting funds to two organizations in Latin America: Daria Comunidad and Museum of Identity and Pride.
- The development of two EduGuides offered exclusively in Spanish, including the aforementioned For the Inclusion of Nonbinary People and a Spanish-language version of our EduGuide for The Assignment (La Tarea).
- Expanding the Communications & PR team to include bilingual talent to spearhead storytelling efforts via social media, in general.

IOLA FOUNDATION DBA: IT GETS BETTER PROJECT

NOTES TO FINANCIAL STATEMENTS

1. **Organization**, continued

It Gets Better's Global Grantmaking initiative has awarded more than \$320K in grants and scholarships to international organizations and activists serving the needs of LGBTQ+ youth. Global grantmaking in 2023 included awards to:

- Asia Rainbow Ride in Taiwan as they grow and increase their impact by raising funds for local LGBTQ+ nonprofits that work with youth.
- Daria Comunidad serves indigenous queer and gender non-conforming youth throughout Bolivia. The grant will support connecting 250 LGBTQ+ youth to artistic and educational programs in the cities of La Paz, Cochabamba, and Santa Cruz.
- The Museum of Identity and Pride in Costa Rica to support educational experiences benefitting LGBTQ+ youth.

We gathered members of our Global Affiliate Network in Toronto for a Global Summit, a two-day event supported by the Howmet Aerospace Foundation and Pink Triangle Press and co-hosted by It Gets Better Canada. With representatives from six different countries, the summit featured a keynote address from Canadian federal officials, networking opportunities, and a tour of the Pink Triangle Press offices. The event also featured representatives from Egale Canada, It Gets Better staff from the U.S., and representatives from our Global Affiliates in Brazil, Canada, Hungary, India and the United Kingdom, in addition to our very first Global Grantee participant from Asia Rainbow Ride (Taiwan).

It Gets Better continues to represent at international events aimed at uplifting LGBTQ+ youth, such as the ILGA LAC (International Lesbian, Gay, Bisexual, Trans and Intersex Association for Latin America and the Caribbean) regional conference in Bolivia, where hundreds of Latin American queer activists gathered to participate in workshops on mental health and creating safe spaces. We joined WIRED Magazine at the #WiredSummit for a panel discussion about the future of AI and the LGBTQ+ community hosted by Condé Nast. And, we moderated a panel at Pride Connection México to present our new Language Guide for the Inclusion of Nonbinary People mentioned previously.

Members of It Gets Better's Global Affiliate Network also had a productive 2023. It Gets Better Perú released a new documentary series centered around the testimonies of four trans indigenous women, funded by support from It Gets Better. It Gets Better Brazil closed a deal with the country's leading educational streaming service TV Cultura to license the first season of Conversas Que Inspiram (Conversations That Inspire). And with the support of the Red Cross and the Canadian federal government, It Gets Better Canada launched a mental health hub aimed at LGBTQ+ youth and the mental health challenges presented by the COVID19 pandemic.

IOLA FOUNDATION DBA: IT GETS BETTER PROJECT

NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements is as follows:

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting.

Revenue and Revenue Recognition

IOLA Foundation recognizes contributions when cash, securities or other assets; an unconditional promise to give; or notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. As of December 31, 2023, IOLA Foundation did not have any contributions categorized as conditional.

A portion of IOLA Foundation's revenue is derived from cost-reimbursable federal, state, and local contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when IOLA Foundation has incurred expenditures in compliance with specific contract or grant provisions.

If amounts are received prior to incurring qualifying expenditures, such amounts are reported as refundable advances in the statement of financial position. IOLA Foundation received cost-reimbursable grants that were earned as expenses were incurred and are reported in the Statement of Activities. IOLA Foundation did not receive advance payments, grants, or contracts during the current fiscal year.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Without Donor Restrictions. Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.

With Donor Restrictions. Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

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NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies, continued

Concentration of Credit Risks

IOLA Foundation places its temporary cash investments in high-credit, quality financial institutions. At times, such accounts may be in excess of the Federal Deposit Insurance Corporation insurance limit. IOLA Foundation has not incurred losses related to these investments.

Investments

IOLA Foundation values its investments at fair value. Realized and unrealized gains or losses (including investments bought, sold, and held during the period) are reflected in the Statement of Activities as investment income (loss), net.

For the year ended December 31, 2023, IOLA Foundation liquidated its investments for operating purposes.

Property and Equipment

Property and equipment are recorded at cost if purchased or at fair value at the date of donation if donated. Depreciation is computed on the straight-line basis over the estimated useful lives of the related assets. Maintenance and repair costs are charged to expense as incurred. Property and equipment are capitalized if the cost of an asset is greater than or equal to one thousand dollars and the useful life is greater than one year.

Reclassification

Certain accounts from the December 31, 2022 financial statements have been reclassified for comparative purposes to conform to the December 31, 2023 presentation.

Income Taxes

IOLA Foundation is exempt from taxation under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d.

Generally accepted accounting principles provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by IOLA Foundation in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. IOLA Foundation's returns are subject to examination by federal and state taxing authorities, generally for three and four years, respectively, after they are filed.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues, and expenses as of the date and for the period presented. Actual results could differ from those estimates.

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NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies, continued

Comparative Totals

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with IOLA Foundation's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

Subsequent Events

Management has evaluated subsequent events through June 13, 2024, the date which the financial statements were available for issue. No events or transactions have occurred during this period that appear to require recognition or disclosure in the financial statements.

3. Liquidity and Availability of Resources

IOLA Foundation receives contributions and sponsorships from a variety of sources. These funds are used exclusively to support our program events, operations and to meet cash needs for our general expenditures. IOLA Foundation manages its liquidity by following three guiding principles: (1) operating within a prudent range of financial soundness and stability; (2) maintaining adequate liquid assets to fund near-term operating needs; and, (3) maintaining enough reserves to provide reasonable assurance that long-term obligations will be discharged.

IOLA Foundation strives to maintain financial liabilities at a minimum of 30 days operating expenses and targets a year-end balance of reserves of unrestricted, undesignated net assets to meet 60 to 90 days of expected expenditures. To achieve these targets IOLA Foundation forecasts its future cash flows and monitors its liquidity and reserves quarterly. During the year ended December 31, 2023, the level of liquidity and reserves were managed within expectations.

As of December 31, 2023, the following financial assets could readily be made available within one year of the statement of financial position date to meet general expenditures:

Cash	\$ 874,322
Accounts receivable, net	13,567
Less: Board designated net assets	(300,000)
Donor designated net assets	<u>(560,477)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 27,412</u>

IOLA FOUNDATION DBA: IT GETS BETTER PROJECT

NOTES TO FINANCIAL STATEMENTS

4. Property and Equipment

Property and equipment at December 31, 2023 consist of the following:

Software	\$ 2,250
Equipment	12,802
Computers	52,714
Furniture	6,625
Less: accumulated depreciation	<u>(56,136)</u>
	<u>\$ 18,255</u>

Depreciation expense for the year ended December 31, 2023 was \$9,988.

5. Deferred Revenue

Deferred revenue consists principally of advanced funds from Corporations' donation for IOLA Foundation to build and support a global network of affiliates. IOLA Foundation receives payments in advance for activities to be provided in future years. These funds are reported as deferred revenue until such year as the activities are performed. There was no deferred revenue at December 31, 2023.

6. Net Assets With Donor Restrictions

IOLA Foundation's donor restricted net assets as of December 31, 2023 consist of the following:

Education programs	<u>\$560,477</u>
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For the year ended December 31, 2023, net assets released from purpose restrictions were \$1,197,223.

In 2020, IOLA Foundation established a strategic plan that prioritized 1) refining and expanding existing programming, 2) strengthening engagement and deepening the relationship with LGBTQ+ youth ages 13-18, and 3) improving organizational infrastructure and governance to support program expansion thus furthering the reach of the It Gets Better message.

With an exceptional financial return in 2021, IOLA Foundation's Board of Directors directed a significant portion of unrestricted assets to ensure the success of the strategic plan, including investments in It Gets Better programming and staff and Board member training.

IOLA FOUNDATION DBA: IT GETS BETTER PROJECT

NOTES TO FINANCIAL STATEMENTS

6. Net Assets With Donor Restrictions, continued

The remaining allocation at December 31, 2023 is as follows:

Media programs	<u>\$300,000</u>
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IOLA Foundation continues to secure significant, restricted funding in support of its programs and services. These funds are recorded as revenue within the fiscal year they are secured; however, it is not uncommon for restricted funding to be dispersed across multiple fiscal years. This can present an operating deficit when matching current year expenditures with current year revenue. Further, one major source of restricted, multi-year funding, motivated by a commercial co-venture, fluctuates based on the engagement of an external customer base. It is not uncommon to experience varying returns year-over-year from this partner, which can create the perception that revenue may not be on pace with expenditures.