PHILADELPHIA VIP, INC.
Financial Statements
December 31, 2024
With Independent Auditor's Report

ADVISORY TAX AUDIT

Philadelphia VIP, Inc.
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ADVISORY TAX AUDIT

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Philadelphia VIP, Inc.:

Opinion

We have audited the financial statements of Philadelphia VIP, Inc. (the "Organization"), which comprise the statement of financial position as of December 31, 2024, 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 accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024, 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 ("GAAP").

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization, 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 GAAP, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

The financial statements of the Organization as of and for the year ended December 31, 2023, were audited by BBD, LLP, who joined with WithumSmith+Brown, PC on April 1, 2024 and expressed an unmodified opinion on those statements dated June 14, 2024. The financial statements include certain prior year summarized comparative information in total but not by net asset class. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

WithumSmith+Brown, PC

June 11, 2025, except for Note 3
(as to which the date is September 17, 2025)

Philadelphia VIP, Inc.
Statement of Financial Position
December 31, 2024 with Comparative Totals for 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 1,353,634	$ 784,541
Investments, short-term	-	1,039,413
Grants and contributions receivable	1,465,884	746,832
Prepaid expenses and other assets	26,684	34,200
Furniture and equipment	131,896	116,741
Less: accumulated depreciation	(59,838)	(38,869)
Right to use asset, operating, net	512,701	613,453
Total assets	$ 3,430,961	$ 3,296,311
Liabilities and Net Assets		
Liabilities		
Accounts payable	$ 42,514	$ 20,598
Refundable advance	2,485	25,000
Lease liability - operating	545,172	629,688
Total liabilities	590,171	675,286
Net assets		
Without donor restrictions		
Operations	1,759,336	1,643,137
Board designated reserves	675,270	675,270
Total without donor restrictions	2,434,606	2,318,407
With donor restrictions	406,184	302,618
Total net assets	2,840,790	2,621,025
Total liabilities and net assets	$ 3,430,961	$ 3,296,311

The Notes to the Financial Statements are an integral part of this statement.

Philadelphia VIP, Inc.
Statement of Activities
Year Ended December 31, 2024, with Comparative Totals for 2023

	Without Donor Restrictions	With Donor Restrictions	Total	2023
Operating revenue and other support				
Contributions and grants of cash and financial assets	$ 2,267,641	$ 113,566	$ 2,381,207	$ 2,179,396
Contributions on nonfinancial assets	7,342,916	-	7,342,916	8,469,342
Net assets used in accordance with donor restrictions	10,000	(10,000)	-	-
Total operating revenue and other support	9,620,557	103,566	9,724,123	10,648,738
Expenses				
Program services	9,263,430	-	9,263,430	10,329,228
Supporting services				
Management and general	198,569	-	198,569	199,606
Fundraising	96,693	-	96,693	128,137
Total expenses	9,558,692	-	9,558,692	10,656,971
Change in net assets from operations	61,865	103,566	165,431	(8,233)
Non-operating activity				
Net investment gain	54,334	-	54,334	45,518
Total non-operating activity	54,334	-	54,334	45,518
Change in net assets	116,199	103,566	219,765	37,285
Net assets				
Beginning of year	2,318,407	302,618	2,621,025	2,583,740
End of year	$ 2,434,606	$ 406,184	$ 2,840,790	$ 2,621,025

The Notes to the Financial Statements are an integral part of this statement.

Philadelphia VIP, Inc.
Statement of Functional Expenses
Year Ended December 31, 2024 with Comparative Totals for 2023

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Total	2023
Payroll	$ 1,009,747	$ 132,229	$ 60,104	$ 1,202,080	$ 1,260,572
Payroll taxes and employee benefits	193,842	25,384	11,538	230,764	234,819
	1,203,589	157,613	71,642	1,432,844	1,495,391
Program litigation services	7,797,615	-	-	7,797,615	8,816,387
Awards and recognition	8,058	-	-	8,058	9,494
Bank fees	-	4,735	-	4,735	7,667
Depreciation	20,465	2,680	1,218	24,363	26,594
Fundraising consultant and services	-	-	13,547	13,547	29,464
Insurance expense	14,171	1,856	843	16,870	15,034
Marketing and communications	556	-	556	1,112	1,505
Office expense	23,205	3,039	1,380	27,624	32,576
Occupancy	115,466	15,120	6,872	137,458	136,235
Professional fees	36,385	12,128	-	48,513	46,895
Staff development	10,678	1,398	635	12,711	9,104
Technology services	33,242	-	-	33,242	30,625
	$ 9,263,430	$ 198,569	$ 96,693	$ 9,558,692	$ 10,656,971

The Notes to the Financial Statements are an integral part of this statement.

Philadelphia VIP, Inc.
Statement of Cash Flows
Year Ended December 31, 2024 with Comparative Totals for 2023

	2024	2023
Operating activities		
Changes in net assets	$ 219,765	$ 37,285
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	24,363	26,594
Amortization of right-of-use asset, operating	100,752	95,843
Realized gain on investments, short-term	(20,855)	(6,407)
Change in operating assets and liabilities:		
Grants and contributions receivable	(719,052)	76,840
Prepaid expenses and other assets	7,516	(6,801)
Accounts payable	21,916	(36,030)
Refundable advance	(22,515)	25,000
Operating lease liability	(84,516)	(79,608)
Net cash provided by (used in) operating activities	(472,626)	132,716
Investing activities		
Purchase of furniture and equipment	(18,550)	(10,545)
Sale of investments, short-term	6,396,476	2,045,000
Purchase of investments, short-term	(5,336,207)	(2,095,474)
Net cash provided by (used in) investing activities	1,041,719	(61,019)
Net change in cash and cash equivalents	569,093	71,697
Cash and cash equivalents		
Beginning of year	784,541	712,844
End of year	$ 1,353,634	$ 784,541

The Notes to the Financial Statements are an integral part of this statement.

1. Nature of Operations

Philadelphia VIP, Inc. (the "Organization") has a 40-year history as the only legal aid organization in Philadelphia entirely dedicated to securing pro bono (i.e., free) legal assistance for low-income individuals, families, businesses and nonprofits. Created by the Philadelphia Bar Organization, the Organization was incorporated in 1981 under the Non-Profit Corporation Law of 1972 of the Commonwealth of Pennsylvania. Originally, the Organization was named the Philadelphia Volunteer Lawyers Action Program, and was renamed Philadelphia VIP, Inc. in 1986.

Too often, a person's ability to achieve a fair and just outcome in a legal matter depends not on the merits of the case but on her/his ability to pay for a lawyer. This results in a "civil justice gap" whereby each year tens of thousands of Philadelphians confront daunting legal matters that implicate basic needs and central relationships – housing, income, family composition – on their own without counsel, simply because they cannot afford to hire an attorney. The Organization was founded and continues to exist to help close that gap.

To that end, the goal of Organization is to provide civil legal services to low-income residents of the City of Philadelphia. The Organization pursues this goal by recruiting, training and supporting thousands of legal professionals throughout Philadelphia who then provide pro bono legal services to the Organization's low-income clients. The Organization volunteers represent individuals, small businesses and nonprofits on civil legal matters in four priority areas: (1) preventing homelessness; (2) supporting family stability; (3) maintaining family income; and (4) promoting community economic development. The Organization has earned a reputation as the "hub of pro bono" in Philadelphia.

The Organization primarily accepts referrals from Community Legal Services, Inc. and Philadelphia Legal Assistance Center, Inc., and receives referrals from other direct service nonprofits, social service agencies, the courts and legislative offices.

The Organization is independently governed and operated, and relies on funding from the legal community, private foundations, corporations, individuals and government contracts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of the Organization is presented to assist the reader in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America ("GAAP") and have been consistently applied in the preparation of the financial statements.

Summarized Prior Year Information

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 GAAP. Accordingly, such information should be read in conjunction with the financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Basis of Presentation

The accompanying financial statements are prepared on the accrual basis of accounting consistent with GAAP.

GAAP requires the Organization to report the information regarding its financial position and activities according to the following classes of net assets:

Net assets without donor restrictions: Net assets available for use in general operations and not subject to donor-imposed restrictions. The governing board has designated, from net assets without donor restrictions, net assets for future purposes of $675,270 at December 31, 2024 and 2023.

Net assets with donor restrictions: Net assets subject to donor-imposed restrictions that will be satisfied by actions of the Organization and/or the passage of time. The 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.

Donor restricted contributions are reported as increases in net assets with donor restrictions. 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 or when then the donor releases the restriction. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized.

Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when received and are released when the assets are placed in service.

Revenue and other support are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions or by law. Expenses are reported as decreases in net assets without donor restrictions. Other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law

Also included in this category are net assets that are subject to donor-imposed restrictions that require the net assets be maintained indefinitely while permitting the Organization to expend the income.

Measure of Operations
The statement of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities reflect all transactions attributable to the Organization’s ongoing programs and other income. Non-operating activities reflect transactions considered to be nonrecurring in nature or not directly relating to the Organization’s mission including net investment gain.

Cash and Cash Equivalents
The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments
Investments, short-term are reported at fair value. Realized and unrealized gains are included as part of net investment gain in the statement of activities. Interest and dividends are also reported as part of net investment gain. As of December 31, 2024, all investments are government securities with maturity of three months or less at time of purchase.

The cost of investments sold is identified using the specific identification method.

Grants and Contributions Receivable

Grant and contributions receivable are stated at the amount management expects to collect. Management provides for probable uncollectible amounts through a charge to bad debt expense and a credit to an allowance for estimated credit losses based on its assessment of the status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for estimated credit losses and a credit to account receivable. At December 31, 2024 and 2023, management has determined no allowance to be necessary.

Contributions are recognized as revenue in the period received (contributions receivable) that are expected to be collected in future years are recorded at the present value of their future cash flows using risk-adjusted interest rates applicable to the years in which the contributions are received. Discount amortization is included in contribution revenue. Management has determined that the discount is not material for the year end December 31, 2024 and 2023. Contributions are recognized when the conditions are substantially met.

Furniture and Equipment

Furniture and equipment are recorded at cost if purchased, less accumulated depreciation if donated at fair value on the date contributed. The Organization capitalizes all significant additions while all other costs that do not improve or extend the useful lives of the respective assets are expensed in the period in which they occur. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets, which range from three to six years.

Revenue Recognition

Contributions Revenue

Contributions revenue is recognized when cash, securities, other assets, an unconditional promise to give, or a 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 or release) are not recognized until the condition on which they depend have been substantially met. When collected prior to satisfaction of donor restrictions, amounts are reported as refundable advances in the statement of financial position. All contributions are considered to be net assets without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restricted support. Contributions and grant revenue are included with contributions and grants on the statement of activities.

Grant Revenue

A portion of the Organization's revenue is derived from cost-reimbursement grants which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization was awarded cost-reimbursable grants of approximately $475,000 that have not been recognized at December 31, 2024 because qualifying expenditures have not yet been incurred.

Contribution of Nonfinancial Assets

Certain aspects of the Organization's programming are possible only through the generosity of volunteers who contribute their services by assisting with events and providing free legal services. Contributed volunteer hours are not reported as support and expense in the statement of activities when such services either do not require specialized skills or would not typically be purchased if not provided by donation. Contributed goods and services received to support the Organizations mission consisted of donated time of attorneys and donated sports tickets and related items for a fundraising event are recognized at their fair market value, based on current attorney hourly rates for similar service provided and current ticket market prices, at the date of contribution as unrestricted support and expense in the financial statements. During the years ended December 31, 2024 and 2023, the Organization received donated time from attorneys valued at $7,337,151 and $8,465,642, respectively. Additionally, the Organization received auction items valued at $5,765 and $3,700, respectively. These amounts represent the fair value of the assets received.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include useful of Furniture and Equipment and allowances for uncollectible receivables. Actual results could vary from those estimates.

Lease

The Organization classifies leases with contractual terms longer than twelve months as either operating or finance. Finance leases are generally those leases that allow the Organization to substantially utilize or pay for the entire asset over its estimated life. All other leases are categorized as operating leases. Leases with contractual terms of 12 months or less are not recorded on the statement of financial position.

Certain lease contracts include obligations to pay for other services, such as operations, property taxes, and maintenance. For leases of property, the Organization accounts for these other services as a component of the lease. For all other leases, the services are accounted for separately and the organization allocates payment to the lease and other services components based on estimated stand-alone prices.

Lease liabilities are recognized at the present value of the fixed lease payments, reduced by landlord incentives, if any, using a discount rate based on the applicable US treasury interest rate. Right of use assets are recognized based on the initial present value of the fixed lease payments, reduced by landlord incentives if any plus any direct costs from executing the leases. Lease assets are tested for impairment in the same manner as long-lived assets used in operations.

Options to renew or extend lease terms, terminate leases before the contractual expiration dates, or purchase the leased assets, are evaluated for their likelihood of exercise. If it is reasonably certain that the option will be exercised, the option is considered in determining the classification and measurement of the lease.

Costs associated with operating lease assets are recognized on a straight-line basis within operating expenses over the term of the lease. Finance lease assets are amortized on a straight-line basis over the shorter of the estimated useful lives of the assets or the lease term. The interest component of a finance lease is included in interest and amortization and recognized using the effective interest method over the lease term.

Functional Allocation of Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. The vast majority of costs are programmatic in nature and are directly charged as such. Certain other costs have been allocated among program and management and general based on the benefit received. Such allocations are determined by management on an equitable basis. Payroll and related taxes and benefits are allocates based on time and effort and all other expense allocation based on full-time equivalent.

Income Taxes

The Organization qualifies as a tax-exempt Organization under Section 501(c)(3) of the Internal Revenue Code ("IRC") and state taxes under similar provisions. As a not-for-profit entity, the Organization is subject to unrelated business income tax (UBIT), if applicable. In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 740, Income Taxes, the Organization applies the "more likely than not" threshold to the recognition and derecognition of tax positions for its financial statements. The Organization, in accordance with accounting standards regarding accounting for uncertainty in income taxes, has evaluated uncertain tax positions in accordance with accounting standards regarding accounting for contingencies and has determined it has no uncertain tax positions as of December 31, 2024 Furthermore, there are no tax-related interest or penalties included in the financial statements.

Advertising

The Organization expenses advertising and promotion costs as they are incurred,

Subsequent Events

Management has evaluated the subsequent events of the Organization through June 11, 2025, except for Note 3 (as to which the date is September 17, 2025), the date on which the financial statements were available to be issued. Based on this evaluation, management determined that no subsequent events have occurred which require adjustment in the financial statements.

3. AVAILABILITY AND LIQUIDITY

As of December 31, 2024 and 2023, the Organization's liquidity resources and financial assets available within one year, were as follows:

	2024	2023
Cash and cash equivalents	$ 1,353,634	$1,823,954
Grants and contributions receivable	1,465,884	746,832
Total financial assets at year-end	2,819,518	2,570,786
Less amounts not available to be used within one year		
Net assets with donor restrictions	(406,184)	(302,618)
Board designated net assets	(675,270)	(675,270)
	(1,081,454)	(977,888)
Financial assets available to meet general expenditures over the next twelves months	$ 1,738,064	$ 1,592,898

As part of the Organization's liquidity management, the Organization structured a policy whereby financial assets are available for general expenditure, liabilities and other obligations as they become due. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

4. NET INVESTMENT GAIN

The components of net investment gain are as follows for the years ended December 31:

	2024	2023
Interest and dividends	$ 33,779	$ 39,111
Realized gain on investments	20,855	6,407
Investment fees	(300)	-
	$ 54,334	$ 45,518

5. GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable consisted of the following as of December 31:

	2024	2023
Foundations and organizations	$ 10,000	$ 10,000
Individuals and other	80,889	29,272
City of Philadelphia	1,374,995	707,560
	$ 1,465,884	$ 746,832

All grants and contributions receivable are due within one year at the statement of the financial position date.

6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following as of December 31:

	2024	2023
Restricted by purpose or time		
Long-term projects	$ 350,684	$ 282,618
Future annual fund and events	55,500	20,000
	$ 406,184	$ 302,618

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose, by the occurrence of the passage of time or by a change in the restrictions specified by the donor. Those amounts released from restrictions during the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
Purpose of restriction accomplished		
Annual fund	$ 10,000	$ 20,000
	$ 10,000	$ 20,000

7. LEASE

The Organization leases office space under a noncancelable operating lease expiring in April 2029.

The following is a maturity analysis of the undiscounted cash flows of the lease liability for the year ended December 31:

2025	$ 134,665
2026	134,665
2027	151,496
2028	151,496
Thereafter	50,498
	622,820
Less: Imputed Interest	(77,648)
Lease Liability	$ 545,172

The weighted average discount rate associated with the lease as of December 31, 2024 and 2023, was 6%. Lease expense for December 31, 2024 and 2023 was $136,234 and $136,235, respectively. Cash paid during 2024 and 2023 for amounts included in the measurement of lease liability totaled $121,222 and $120,000, respectively. There were no long-term operating or finance leases executed in 2024 and 2023. The weighted average remaining life of the lease as of December 31, 2024 and 2023 is 4.33 years and 5.33 years.

8. PENSION

The Organization has a discretionary contributory 403(b) retirement plan (the "Plan") which covers all employees who meet certain length of service requirements. Contributions to the Plan qualified under the Internal Revenue Code are determined annually at the discretion of the governing board. Contributions totaled $29,120 and $28,309 for the years ended December 31, 2024 and 2023.

9. CONCENTRATIONS OF CREDIT RISK AND MARKET RISK

Concentrations of Credit Risk
Financial instruments which potentially subject the Organization to concentrations of credit risk are cash and cash equivalents and grants and contributions receivable.

The Organization has significant cash balances at financial institutions which regularly exceed the federally insured limit of $250,000. Any loss incurred or a lack of access to such funds could have a significant adverse impact on the Organization's financial condition, change in net assets, and cash flow.

Concentrations
As of December 31, 2024, approximately 99% of the Organizations grants and contributions receivable was due from one pay source. For the years ended December 31, 2024 and 2023, approximately 94% and 95% of the Organization's contributions and grants revenue was from one pay source.

Market Risk

Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is possible that changes in values of investment securities could occur in the near term and that such change could materially affect investment balances and activity included in the financial statements. The Organization has a diversified portfolio of investments and retains an investment advisor to attain a prudent level of diversification in an attempt to minimize risk associated with investment securities to the extent possible.