

ACLU Nebraska
Lincoln, Nebraska

March 31, 2017

Consolidating Financial Statements
and
Report of Independent Certified Public Accountants



CPAs & Consultants | Wealth Management

ACLU Nebraska

Year ended March 31, 2017

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Board of Directors
ACLU Nebraska
Lincoln, Nebraska

We have audited the accompanying consolidating financial statements of ACLU Nebraska, which comprise the consolidating statement of financial position as of March 31, 2017 and the related consolidating statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidating financial statements.

Management's Responsibility for the Consolidating Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidating financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidating financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidating financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidating financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidating financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidating financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidating financial statements referred to above present fairly, in all material respects, the consolidating financial position of ACLU Nebraska as of March 31, 2017 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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidating financial statements as a whole. The supplemental schedule of expenses – Union and schedule of expenses - Foundation is presented for purposes of additional analysis and is not a required part of the consolidating financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidating financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidating financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidating financial statements or to the consolidating financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidating financial statements as a whole.

ABE LLP

September 23, 2017

ACLU Nebraska

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

March 31, 2017

ASSETS

	<u>Union</u>	<u>Foundation</u>	<u>Eliminations</u>	<u>Total</u>
CURRENT ASSETS				
Cash and cash equivalents (note A)	\$ 50,973	\$ 307,894	\$ -	\$ 358,867
Investments (notes A, B and C)	-	179,032	-	179,032
Prepaid expenses	-	1,328	-	1,328
Receivables (notes A and D)	6,165	318,913	(12,732)	312,346
Pledges receivable (notes A and E)	-	75,000	-	75,000
	<u>57,138</u>	<u>882,167</u>	<u>(12,732)</u>	<u>926,573</u>
Total current assets				
PROPERTY AND EQUIPMENT (notes A and F)	<u>-</u>	<u>10,397</u>	<u>-</u>	<u>10,397</u>
Total assets	<u>\$ 57,138</u>	<u>\$ 892,564</u>	<u>\$ (12,732)</u>	<u>\$ 936,970</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES				
Accounts payable	\$ 12,732	\$ 4,997	\$ (12,732)	\$ 4,997
Accrued salaries	-	4,863	-	4,863
Payroll tax liabilities	-	996	-	996
Accrued pension	296	2,664	-	2,960
Accrued vacation	-	20,241	-	20,241
	<u>13,028</u>	<u>33,761</u>	<u>(12,732)</u>	<u>34,057</u>
Total current liabilities				
NET ASSETS (note A)				
Unrestricted	44,110	783,803	-	827,913
Temporarily restricted	-	75,000	-	75,000
	<u>44,110</u>	<u>858,803</u>	<u>-</u>	<u>902,913</u>
Total net assets				
Total liabilities and net assets	<u>\$ 57,138</u>	<u>\$ 892,564</u>	<u>\$ (12,732)</u>	<u>\$ 936,970</u>

See accompanying notes to consolidating financial statements.

ACLU Nebraska

CONSOLIDATING STATEMENT OF ACTIVITIES

Year ended March 31, 2017

	<u>Union</u>	<u>Foundation</u>	<u>Total</u>
CHANGES IN UNRESTRICTED NET ASSETS			
Revenue and support			
ACLU membership	\$ 8,960	\$ -	\$ 8,960
ACLU GMI	50,000	200,000	250,000
ACLU shared revenue	1,397	369,908	371,305
Contributions, unrestricted	-	138,708	138,708
External giving program	-	24,527	24,527
Unrestricted grant income	-	105,500	105,500
Unrealized gain on investments	-	16,327	16,327
Interest income	-	4,409	4,409
Realized loss on sale of investments	-	(566)	(566)
Events income	-	13,400	13,400
Attorney fees	-	57,382	57,382
Other income	-	625	625
	<u>60,357</u>	<u>930,220</u>	<u>990,577</u>
Total revenue and support			
Expenses			
Program services	32,383	367,079	399,462
Support services	14,946	141,464	156,410
	<u>47,329</u>	<u>508,543</u>	<u>555,872</u>
Total expenses			
Increase in unrestricted net assets	13,028	421,677	434,705
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS			
Temporarily restricted grant income	-	75,000	75,000
	<u>-</u>	<u>75,000</u>	<u>75,000</u>
INCREASE IN NET ASSETS	13,028	496,677	509,705
Net assets at beginning of year	<u>31,082</u>	<u>362,126</u>	<u>393,208</u>
Net assets at end of year	<u>\$ 44,110</u>	<u>\$ 858,803</u>	<u>\$ 902,913</u>

See accompanying notes to consolidating financial statements.

ACLU Nebraska

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES - PROGRAM SERVICES

Year ended March 31, 2017

	Union	Foundation			Total Program Services
		Litigation	Education	Program Services	
Salaries	\$ 17,830	\$ 79,973	\$ 74,975	\$ 154,948	\$ 172,778
Employee benefits	4,925	23,053	21,612	44,665	49,590
Payroll taxes	1,387	6,442	6,040	12,482	13,869
Contract labor	-	5,075	4,758	9,833	9,833
Litigation expenses	-	17,218	-	17,218	17,218
Lobbying	176	-	42,235	42,235	42,411
Professional fees	822	3,671	3,441	7,112	7,934
Office expenses	763	5,607	5,257	10,864	11,627
Printing	892	1,081	1,014	2,095	2,987
Telephone	534	2,521	2,363	4,884	5,418
Insurance	252	2,988	2,800	5,788	6,040
Rent	1,715	7,864	7,374	15,238	16,953
Postage	-	1,102	1,033	2,135	2,135
Meetings and conferences	1,656	1,801	1,687	3,488	5,144
Travel	333	1,710	1,604	3,314	3,647
Bank fees	146	753	707	1,460	1,606
Public education	-	14,753	13,830	28,583	28,583
Miscellaneous	952	380	357	737	1,689
Total expenses	<u>\$ 32,383</u>	<u>\$ 175,992</u>	<u>\$ 191,087</u>	<u>\$ 367,079</u>	<u>\$ 399,462</u>

See accompanying notes to consolidating financial statements.

ACLU Nebraska

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES - SUPPORT SERVICES

Year ended March 31, 2017

	Union			Foundation			Total Support Services
	Management and General	Fund Raising	Support Services	Management and General	Fund Raising	Support Services	
Salaries	\$ 5,900	\$ 2,261	\$ 8,161	\$ 51,273	\$ 19,651	\$ 70,924	\$ 79,085
Employee benefits	1,629	625	2,254	14,780	5,665	20,445	22,699
Payroll taxes	459	176	635	4,130	1,583	5,713	6,348
Professional fees	272	104	376	2,354	902	3,256	3,632
Office expenses	253	97	350	3,595	1,378	4,973	5,323
Printing	295	113	408	693	266	959	1,367
Telephone	177	68	245	1,616	619	2,235	2,480
Insurance	83	32	115	1,915	734	2,649	2,764
Rent	567	217	784	5,042	1,932	6,974	7,758
Postage	-	-	-	707	271	978	978
Meetings and conferences	548	210	758	1,155	443	1,598	2,356
Event expenses	-	204	204	-	14,954	14,954	15,158
Travel	111	42	153	1,096	420	1,516	1,669
Bank fees	48	19	67	483	185	668	735
Miscellaneous	315	121	436	244	94	338	774
Total expenses before depreciation	10,657	4,289	14,946	89,083	49,097	138,180	153,126
Depreciation	-	-	-	3,284	-	3,284	3,284
Total expenses	\$ 10,657	\$ 4,289	\$ 14,946	\$ 92,367	\$ 49,097	\$ 141,464	\$ 156,410

See accompanying notes to consolidating financial statements.

ACLU Nebraska

CONSOLIDATING STATEMENT OF CASH FLOWS

Year ended March 31, 2017

	<u>Union</u>	<u>Foundation</u>	<u>Total</u>
Cash flows from operating activities			
Cash received from operations	\$ 71,209	\$ 662,743	\$ 733,952
Cash paid to suppliers and employees	(61,698)	(503,863)	(565,561)
Interest received	-	120	120
	<u>9,511</u>	<u>159,000</u>	<u>168,511</u>
Net cash provided by operating activities			
Cash flows from investing activities			
Proceeds from sale of investments	-	7,136	7,136
Redemption of certificates of deposit	-	73,909	73,909
Purchase of property and equipment	-	(3,462)	(3,462)
	<u>-</u>	<u>77,583</u>	<u>77,583</u>
Net cash provided by investing activities			
NET INCREASE IN CASH AND CASH EQUIVALENTS	9,511	236,583	246,094
Cash and cash equivalents at beginning of year	<u>41,462</u>	<u>71,311</u>	<u>112,773</u>
Cash and cash equivalents at end of year	<u>\$ 50,973</u>	<u>\$ 307,894</u>	<u>\$ 358,867</u>
Reconciliation of increase in net assets to net cash provided by operating activities			
Increase in net assets	<u>\$ 13,028</u>	<u>\$ 496,677</u>	<u>\$ 509,705</u>
Adjustments to reconcile increase in net assets to net cash provided by operating activities			
Depreciation	-	3,284	3,284
Unrealized gain on investments	-	(16,327)	(16,327)
Realized loss on sale of investments	-	566	566
Reinvested interest income, net of investment fees	-	(3,834)	(3,834)
(Increase) decrease in assets			
Receivables	10,852	(263,441)	(252,589)
Other receivables	-	16,134	16,134
Pledges receivable	-	(75,000)	(75,000)
Prepaid expenses	-	3,697	3,697
Cash surrender value of life insurance	-	1,102	1,102
Increase (decrease) in liabilities			
Accounts payable	(14,412)	(1,257)	(15,669)
Accrued wages	-	(668)	(668)
Payroll tax liabilities	-	(1,232)	(1,232)
Accrued pension	43	389	432
Accrued vacation	-	(1,090)	(1,090)
	<u>(3,517)</u>	<u>(337,677)</u>	<u>(341,194)</u>
Total adjustments to increase in net assets			
Net cash provided by operating activities	<u>\$ 9,511</u>	<u>\$ 159,000</u>	<u>\$ 168,511</u>

See accompanying notes to consolidating financial statements.

NOTES TO CONSOLIDATING FINANCIAL STATEMENTS

ACLU Nebraska (the Union) was organized to further the objectives of the American Civil Liberties Union and to advance the causes of civil liberties in the State of Nebraska, including the rights of free speech, free press, free assemblage, equality before the law, and other civil liberties, and to take all legitimate action in the furtherance and defense of such purposes. The Union's objective is sought wholly without political partisanship. ACLU Nebraska Foundation (the Foundation) was organized to support the activities of the Union.

NOTE A - SUMMARY OF ACCOUNTING POLICIES

A summary of significant accounting policies consistently applied in the preparation of the accompanying consolidating financial statements follows:

Method of Accounting. The accompanying consolidating financial statements have been prepared on the accrual method of accounting.

Principles of Consolidation. The accompanying consolidating financial statements for the year ended March 31, 2017 include the accounts of the Foundation and the Union. All significant intercompany investments, transactions and account balances have been eliminated in consolidation.

Cash and Cash Equivalents. For purposes of the consolidating statement of cash flows, the Foundation and the Union consider all unrestricted highly liquid investments with a maturity of three months or less to be cash equivalents.

Net Asset Classification. The Union and Foundation reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted Net Assets. Net assets that are not subject to outside restrictions.

Temporarily Restricted Net Assets. Net assets on which grantors or donors have placed restrictions regarding the use of the funds or the time period in which the funds can be used. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as "net assets released from restrictions." Temporarily restricted net assets consist of a time restricted pledge receivable.

Permanently Restricted Net Assets. Net assets whose funds must be held indefinitely. The Union and Foundation have not received any funds that would be classified as permanently restricted net assets as of March 31, 2017.

Receivables and Pledges Receivable. Receivables and pledges receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with the organizations having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

Investments. Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the consolidating statement of financial position. Unrealized gains and losses are included in the change in net assets.

NOTES TO CONSOLIDATING FINANCIAL STATEMENTS

NOTE A - SUMMARY OF ACCOUNTING POLICIES - CONTINUED

Fair Value Measurements. The Financial Accounting Standards Board has issued guidance defining fair value, establishing a framework for measuring fair value and expanding disclosures about fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Foundation utilizes a fair value hierarchy to prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest priority level of any input that is significant to the fair value measurement. Transfers between levels shall occur at the actual date of the event or change in circumstances that caused the transfer. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Property and Equipment. Property and equipment are carried at cost, if purchased and at fair market value at the date of contribution, if received by donation, less accumulated depreciation. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives computed primarily on the straight-line method. It is the Foundation's policy to capitalize property and equipment over \$500. Lesser amounts are expensed. The estimated lives by asset class follow:

Building and leasehold improvements	15-39 years
Office equipment	3-10 years

Leave Policy. During the first three years of employment, an employee earns 80 hours of vacation leave per year. Beginning with the fourth and through the fifth year, an employee earns the maximum amount of vacation per year at 120 hours. After the fifth year, an employee earns a maximum of 160 vacation hours per year. Employees may accumulate vacation leave up to 320 hours. The Foundation's policy is to pay this liability upon termination of employment as required by Nebraska law.

NOTES TO CONSOLIDATING FINANCIAL STATEMENTS

NOTE A - SUMMARY OF ACCOUNTING POLICIES - CONTINUED

Income Taxes. The Union is exempt from Federal income taxes under Section 501(c)(4) of the Internal Revenue Code. The Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As such, income earned in the performance of their exempt purposes is not subject to income tax, except on net income derived from unrelated business activities. For the year ended March 31, 2017, the Union and the Foundation had no tax liability on unrelated business activity. The Union and the Foundation believe that they have appropriate support for any tax positions taken, and as such, do not have any uncertain tax positions that are material to the financial statements.

The Union and the Foundations' federal Returns of Organization Exempt from Income Tax (Form 990) for March 31, 2017, 2016, and 2015 are subject to examination by the IRS, generally for three years after they were filed.

Membership dues paid to the Union are not deductible on the individual members' personal income tax returns. Contributions to the Foundation, however, are deductible on the individual donors' personal income tax returns.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE B - INVESTMENTS

Investments as of March 31, 2017 consist of the following:

	<u>Cost</u>	<u>Market Value</u>
Total investments	<u>\$ 121,721</u>	<u>\$ 179,032</u>
Gross unrealized gain		<u>\$ 57,311</u>

NOTE C - FAIR VALUE MEASUREMENTS

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in methodologies used during the year ended March 31, 2017.

Equities and money market accounts: Valued at the last reported sales price on the day of valuation.

Mutual funds and exchange-traded funds: Valued at fair value based on quoted market or bid prices.

NOTES TO CONSOLIDATING FINANCIAL STATEMENTS

NOTE C - FAIR VALUE MEASUREMENTS - CONTINUED

Hedge funds: Valued at fair value based on the applicable percentage ownership of the underlying net assets on the measurement date. In determining fair value, the entity utilizes, as a practical expedient, the net asset value (or equivalent) provided by the fund managers (“NAV of funds”). The underlying common trust funds and hedge funds value securities and other financial instruments on a fair value. The estimated fair values of certain investments of the underlying hedge funds, which may include private placements and other securities for which prices are not readily available, are determined by the sponsor of the hedge funds and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth the balances of assets and liabilities measured at fair value on a recurring basis as of March 31, 2017.

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equities	\$ 15,450	\$ 15,450	\$ -	\$ -
Mutual funds				
Large-cap U.S. equity	16,267	16,267	-	-
Small/mid-cap U.S. equity	10,485	10,485	-	-
International equity	35,805	35,805	-	-
Intermediate-term bond	15,906	15,906	-	-
High-yield bond	8,413	8,413	-	-
Other bond	6,357	6,357	-	-
Real estate and commodities	1,632	1,632	-	-
Total mutual funds	<u>94,865</u>	<u>94,865</u>	<u>-</u>	<u>-</u>
Exchange-traded funds				
Large-cap U.S. equity	15,250	15,250	-	-
Small/mid-cap U.S. equity	6,124	6,124	-	-
International equity	6,068	6,068	-	-
Short-term, long-term and intermediate-term bonds	4,747	4,747	-	-
Real estate and hard assets (commodities)	8,374	8,374	-	-
Total exchange-traded funds	<u>40,563</u>	<u>40,563</u>	<u>-</u>	<u>-</u>
Hedge funds (a)	<u>15,740</u>			
Money market accounts held in investment	<u>12,414</u>	<u>12,414</u>	<u>-</u>	<u>-</u>
	<u>\$ 179,032</u>	<u>\$ 163,292</u>	<u>\$ -</u>	<u>\$ -</u>

NOTES TO CONSOLIDATING FINANCIAL STATEMENTS

NOTE C - FAIR VALUE MEASUREMENTS - CONTINUED

- (a) In accordance with the guidance provided by FASB ASU 2015-07, Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

Total realized gains or losses and the change in unrealized gains or losses are included in the Consolidating Statement of Activities.

NOTE D - TRANSACTIONS WITH NATIONAL OFFICE

The American Civil Liberties Union Foundation (ACLU Foundation) supports the activities of the Foundation with a subsidy and revenue sharing. The ACLU Foundation remits the subsidy on a monthly basis and the revenue sharing is calculated annually. The ACLU Foundation also provides group insurance and pension administration to the Foundation on a cost reimbursement basis. The pension plan is a defined benefit multiemployer plan. The Foundation incurred an expense of \$9,488 and the Union an expense of \$1,055 for their share of the plan costs, which is included in employee benefits in the Consolidating Statements of Functional Expenses.

The American Civil Liberties Union, Inc. (ACLU) collects the dues from the membership of the Union. The ACLU allocates and remits the Union's portion of the membership dues monthly.

The ACLU Foundation and ACLU owe the Foundation and Union, \$306,181 and \$6,165, respectively. These amounts are shown in receivables on the Consolidating Statement of Financial Position.

NOTE E - PLEDGES RECEIVABLE

Pledges receivable consist of a grant for operations of \$75,000 for the year ended March 31, 2017. All pledges receivable are expected to be collected in the subsequent year.

NOTE F - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

Office equipment	\$ 21,940
Less accumulated depreciation	<u>(11,543)</u>
	<u>\$ 10,397</u>

The financial statements included depreciation expense of \$3,284 for the year ended March 31, 2017.

NOTES TO CONSOLIDATING FINANCIAL STATEMENTS

NOTE G - LEASES

On September 15, 2015, ACLU Nebraska entered into a 7-year lease agreement for office space in Lincoln for \$2,513 per month commencing December 1, 2015 and expiring November 30, 2022. The rent payments will increase (\$0.50 per square foot) at the end of years 2 and 4 of the 7-year contract.

Rent expense for the year ended March 31, 2017 was \$24,710, which includes rent, additional utilities expense and parking.

Minimum lease payments for the years following March 31, 2017 are as follows:

<u>Years ending March 31,</u>	
2018	\$ 30,507
2019	31,200
2020	31,547
2021	32,240
2022	32,240
Thereafter	<u>21,493</u>
	<u>\$ 179,227</u>

NOTE H - CONCENTRATIONS

See Note D for concentrations with the national office.

NOTE I - RETIREMENT PLANS

The Union offers retirement plans for all employees. Employees hired prior to April 1, 2009 participate in the American Civil Liberties Union Defined Benefit Retirement Plan. Employees hired after April 1, 2009 participate in the American Civil Liberties Union Defined Contribution Plan. After age 21 the Union contributes 2% of eligible employees pay and matches employee contributions 100% for first 1% plus 50% of the next 5% of employees pay. The Union contributed \$10,544 to the defined benefit plan and \$7,234 to the defined contribution plan for the year ended March 31, 2017.

NOTE J - SUBSEQUENT EVENTS

Subsequent events have been evaluated through the audit report date, the date that the consolidating financial statements were available to be issued.

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SUPPLEMENTAL INFORMATION

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ACLU Nebraska

SCHEDULE OF EXPENSES - UNION

Year ended March 31, 2017

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Support Services</u>	<u>Total Union Expenses</u>
Salaries	\$ 17,830	\$ 5,900	\$ 2,261	\$ 8,161	\$ 25,991
Employee benefits	4,925	1,629	625	2,254	7,179
Payroll taxes	1,387	459	176	635	2,022
Lobbying	176	-	-	-	176
Professional fees	822	272	104	376	1,198
Office expenses	763	253	97	350	1,113
Printing	892	295	113	408	1,300
Telephone	534	177	68	245	779
Insurance	252	83	32	115	367
Rent	1,715	567	217	784	2,499
Meetings and conferences	1,656	548	210	758	2,414
Event expenses	-	-	204	204	204
Travel	333	111	42	153	486
Bank fees	146	48	19	67	213
Miscellaneous	952	315	121	436	1,388
	<u>32,383</u>	<u>10,657</u>	<u>4,289</u>	<u>14,946</u>	<u>47,329</u>
Total expenses	<u>\$ 32,383</u>	<u>\$ 10,657</u>	<u>\$ 4,289</u>	<u>\$ 14,946</u>	<u>\$ 47,329</u>

ACLU Nebraska

SCHEDULE OF EXPENSES - FOUNDATION

Year ended March 31, 2017

	<u>Litigation</u>	<u>Education</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Support Services</u>	<u>Total Foundation Expenses</u>
Salaries	\$ 79,973	\$ 74,975	\$ 154,948	\$ 51,273	\$ 19,651	\$ 70,924	\$ 225,872
Employee benefits	23,053	21,612	44,665	14,780	5,665	20,445	65,110
Payroll taxes	6,442	6,040	12,482	4,130	1,583	5,713	18,195
Contract labor	5,075	4,758	9,833	-	-	-	9,833
Litigation expenses	17,218	-	17,218	-	-	-	17,218
Lobbying	-	42,235	42,235	-	-	-	42,235
Professional fees	3,671	3,441	7,112	2,354	902	3,256	10,368
Office expenses	5,607	5,257	10,864	3,595	1,378	4,973	15,837
Printing	1,081	1,014	2,095	693	266	959	3,054
Telephone	2,521	2,363	4,884	1,616	619	2,235	7,119
Insurance	2,988	2,800	5,788	1,915	734	2,649	8,437
Rent	7,864	7,374	15,238	5,042	1,932	6,974	22,212
Postage	1,102	1,033	2,135	707	271	978	3,113
Meetings and conferences	1,801	1,687	3,488	1,155	443	1,598	5,086
Event expenses	-	-	-	-	14,954	14,954	14,954
Travel	1,710	1,604	3,314	1,096	420	1,516	4,830
Bank fees	753	707	1,460	483	185	668	2,128
Public education	14,753	13,830	28,583	-	-	-	28,583
Miscellaneous	380	357	737	244	94	338	1,075
Total expenses before depreciation	175,992	191,087	367,079	89,083	49,097	138,180	505,259
Depreciation	-	-	-	3,284	-	3,284	3,284
Total expenses	<u>\$ 175,992</u>	<u>\$ 191,087</u>	<u>\$ 367,079</u>	<u>\$ 92,367</u>	<u>\$ 49,097</u>	<u>\$ 141,464</u>	<u>\$ 508,543</u>