ACLU Nebraska
Lincoln, Nebraska

March 31, 2024

Consolidating Financial Statements
and
Independent Auditor's Report

HBE
CPAs & Consultants | Wealth Management

ACLU Nebraska

Year ended March 31, 2024

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
ACLU Nebraska
Lincoln, Nebraska

Report on the Audit of the Consolidating Financial Statements

Opinion

We have audited the consolidating financial statements of ACLU Nebraska, which comprise the consolidating statement of financial position as of March 31, 2024, 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.

In our opinion, the accompanying consolidating financial statements present fairly, in all material respects, the consolidating financial position of ACLU Nebraska as of March 31, 2024, and the changes in its net assets and its cash flows for the years 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidating Financial Statements section of our report. We are required to be independent of ACLU Nebraska and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As discussed in Note K to the consolidating financial statements, in the year ended March 31, 2024, the entity adopted new accounting guidance ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326)*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidating Financial Statements

Management is responsible for the preparation and fair presentation of the consolidating 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 consolidating financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidating Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidating 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 consolidating 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 consolidating 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 consolidating 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 ACLU Nebraska'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 consolidating financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ACLU Nebraska'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.

Supplementary Information

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 are 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.

HBE LLP

Lincoln, Nebraska
October 8, 2024

ACLU Nebraska

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

March 31, 2024

ASSETS

	Union	Foundation	Eliminations	Total
CURRENT ASSETS				
Cash and cash equivalents (note A)	$ 586,950	$ 3,752,563	$ -	$ 4,339,513
Investments (notes A, B and C)	-	216,887	-	216,887
Prepaid expenses	-	15,938	-	15,938
Receivables (notes A and D)	11,667	193,075	(9,862)	194,880
Promises to give, current (note A)	-	100,000	-	100,000
Total current assets	598,617	4,278,463	(9,862)	4,867,218
PROPERTY AND EQUIPMENT (notes A and G)	-	60,458	-	60,458
OTHER ASSETS				
Operating lease right-of-use assets (notes A and I)	6,285	152,543	-	158,828
Total other assets	6,285	152,543	-	158,828
Total assets	$ 604,902	$ 4,491,464	$ (9,862)	$ 5,086,504

LIABILITIES AND NET ASSETS

	Union	Foundation	Eliminations	Total
CURRENT LIABILITIES				
Accounts payable	$ 74,630	$ 135,021	$ (9,862)	$ 199,789
Accrued salaries	-	44,972	-	44,972
Accrued vacation	-	112,103	-	112,103
Operating lease obligations, current (notes A and I)	2,289	54,382	-	56,671
Total current liabilities	76,919	346,478	(9,862)	413,535
LONG-TERM LIABILITIES				
Operating lease obligations, net of current portion (notes A and I)	4,090	98,646	-	102,736
Total liabilities	81,009	445,124	(9,862)	516,271
NET ASSETS (note A)				
Without donor restrictions	516,252	3,373,672	-	3,889,924
With donor restrictions (note H)	7,641	672,668	-	680,309
Total net assets	523,893	4,046,340	-	4,570,233
Total liabilities and net assets	$ 604,902	$ 4,491,464	$ (9,862)	$ 5,086,504

See accompanying notes to consolidating financial statements.

ACLU Nebraska

CONSOLIDATING STATEMENT OF ACTIVITIES

Year ended March 31, 2024

	Without Donor Restrictions		With Donor Restrictions			
	Union	Foundation	Union	Foundation	Eliminations	Total
REVENUE AND SUPPORT						
ACLU membership	$ 266	$ -	$ -	$ -	$ -	$ 266
ACLU GMI	144,146	260,000	-	-	-	404,146
ACLU shared revenue	-	152,959	-	-	-	152,959
Contributions	146,649	151,044	-	-	-	297,693
External giving program	-	75,524	-	-	-	75,524
Grant income	-	1,410,603	25,000	437,400	-	1,873,003
Interest income	6,394	59,439	-	-	-	65,833
Investment income, net	-	22,935	-	-	-	22,935
Net assets released from restrictions	138,467	457,232	(138,467)	(457,232)	-	-
Total revenue and support	435,922	2,589,736	(113,467)	(19,832)	-	2,892,359
EXPENSES						
Program services	394,494	1,421,580	-	-	-	1,816,074
Support services	13,487	501,504	-	-	-	514,991
Total expenses	407,981	1,923,084	-	-	-	2,331,065
Increase in unrestricted net assets	27,941	666,652	(113,467)	(19,832)	-	561,294
INCREASE (DECREASE) IN NET ASSETS	27,941	666,652	(113,467)	(19,832)	-	561,294
Net assets at beginning of year	488,311	2,707,020	121,108	692,500	-	4,008,939
Net assets at end of year	$ 516,252	$ 3,373,672	$ 7,641	$ 672,668	$ -	$ 4,570,233

See accompanying notes to consolidating financial statements.

ACLU Nebraska

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES - PROGRAM SERVICES

Year ended March 31, 2024

	Union	Foundation	Total Program Services
Salaries	$ 10,786	$ 807,209	$ 817,995
Employee benefits	2,641	193,002	195,643
Payroll taxes	840	60,021	60,861
Litigation expenses	-	84,973	84,973
Lobbying	358,640	66,711	425,351
Office expenses	2,852	38,519	41,371
Insurance	658	12,485	13,143
Rent	2,353	46,215	48,568
Postage	74	1,404	1,478
Professional development	932	613	1,545
Travel	123	3,083	3,206
Bank fees	173	2,918	3,091
Public education	13,712	83,995	97,707
Miscellaneous	710	20,432	21,142
Total expenses	$ 394,494	$ 1,421,580	$ 1,816,074

See accompanying notes to consolidating financial statements.

ACLU Nebraska

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES - SUPPORT SERVICES

Year ended March 31, 2024

	Union			Foundation			
	Management and General	Fund Raising	Support Services	Management and General	Fund Raising	Support Services	Total Support Services
Salaries	$ 2,236	$ 1,234	$ 3,470	$ 167,312	$ 92,316	$ 259,628	$ 263,098
Employee benefits	547	302	849	40,004	22,072	62,076	62,925
Payroll taxes	174	96	270	12,441	6,864	19,305	19,575
Professional fees	3,679	-	3,679	106,677	-	106,677	110,356
Office expenses	591	326	917	7,984	4,405	12,389	13,306
Insurance	136	75	211	2,588	1,428	4,016	4,227
Rent	488	269	757	9,579	5,285	14,864	15,621
Postage	15	8	23	291	161	452	475
Board expenses	2,688	-	2,688	2,688	-	2,688	5,376
Event expenses	-	-	-	-	1,106	1,106	1,106
Professional development	193	107	300	127	70	197	497
Travel	25	14	39	639	353	992	1,031
Bank fees	36	20	56	604	334	938	994
Miscellaneous	147	81	228	4,235	2,337	6,572	6,800
Total expenses before depreciation	10,955	2,532	13,487	355,169	136,731	491,900	505,387
Depreciation	-	-	-	9,604	-	9,604	9,604
Total expenses	$ 10,955	$ 2,532	$ 13,487	$ 364,773	$ 136,731	$ 501,504	$ 514,991

See accompanying notes to consolidating financial statements.

ACLU Nebraska

CONSOLIDATING STATEMENT OF CASH FLOWS

Year ended March 31, 2024

	Union	Foundation	Total
Cash flows from operating activities			
Cash received from operations	$ 479,765	$ 2,630,743	$ 3,110,508
Cash paid to suppliers and employees	(351,970)	(1,770,810)	(2,122,780)
Interest received	6,394	59,439	65,833
Net cash provided by operating activities	134,189	919,372	1,053,561
Cash flows from investing activities			
Proceeds from sale of investments	-	8,587	8,587
NET INCREASE IN CASH AND CASH EQUIVALENTS	134,189	927,959	1,062,148
Cash and cash equivalents at beginning of year	452,761	2,824,604	3,277,365
Cash and cash equivalents at end of year	$ 586,950	$ 3,752,563	$ 4,339,513
Reconciliation of increase (decrease) in net assets to net cash provided by operating activities			
Increase (decrease) in net assets	$ (85,526)	$ 646,820	$ 561,294
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities			
Depreciation	-	9,604	9,604
Investment return, net	-	(22,935)	(22,935)
Reduction in carrying amount of right-of-use assets	2,286	56,620	58,906
(Increase) decrease in assets			
Receivables	163,704	43,213	206,917
Pledges receivable	-	100,000	100,000
Prepaid expenses	-	(8,765)	(8,765)
Increase (decrease) in liabilities			
Accounts payable	55,981	114,947	170,928
Accrued wages	-	11,660	11,660
Payroll tax liabilities	-	(120)	(120)
Accrued vacation	-	24,462	24,462
Operating lease liabilities	(2,256)	(56,134)	(58,390)
Total adjustments to increase in net assets	219,715	272,552	492,267
Net cash provided by operating activities	$ 134,189	$ 919,372	$ 1,053,561
Supplemental disclosure of cash flow information:			
Right-of-use assets obtained in exchange for lease liabilities	$ -	$ 169,893	$ 169,893

See accompanying 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, 2024 include the accounts of the Union and Foundation. 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 Union and Foundation consider all unrestricted highly liquid investments with a maturity of three months or less to be cash equivalents. Cash and cash equivalents are measured at amortized cost, thus, evaluated for expected credit losses. Based on management's review of historical data in addition to current conditions and forecasts, the Organization has not recognized an expected credit loss.

Net Asset Classification. 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 grantor restrictions.

With donor restrictions. Net assets subject to donor- or 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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. 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, and are reported in the statements of activities as net assets released from restrictions.

Contributions restricted by donors received in the same period when the associated stipulated time or purpose restriction is accomplished are reported as increases in net assets without donor restrictions. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions.

Receivables. Receivables 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.

NOTE A - SUMMARY OF ACCOUNTING POLICIES - CONTINUED

Promises to Give. Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Unconditional promises to give that are expected to be collected or paid in more than one year are recognized at the present value of estimated future cash flows. Management provides for probable uncollectible unconditional promises receivable through a charge to net assets and a credit to a valuation allowance based on prior years' experience and management's analysis of specific promises made. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to unconditional promises receivable.

Investments. Investments in marketable securities, including equity and debt securities, with readily determinable fair values are reported at their fair values in the consolidating statement of financial position. Equity securities without readily determinable fair values are carried at cost, minus impairment, if any, plus or minus changes resulting in observable price changes in orderly transactions for identical or similar investments. Unrealized gains and losses are included in the consolidating statement of activities. Donated securities are recorded as contributions equal to the fair market value of the securities at the date of gift.

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. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Investments measured at net asset value (NAV) per share (or its equivalent) using the practical expedient in the FASB's fair value measurement guidance are not required to be categorized in the fair value hierarchy. The Foundation measures its investments in private and proprietary equity funds using this method, and therefore, they have not been categorized in the fair value hierarchy.

NOTE A - SUMMARY OF ACCOUNTING POLICIES - CONTINUED

Property and Equipment and Depreciation. 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 $1,000. 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.

Revenue Recognition. The following is a description of the Union and Foundation's principal sources of revenue:

Grants: The Union and Foundation are the recipients of private grants to fund its primary programs. Grants are recorded as revenue when the related approved expenditures are made. Unearned grant revenue represents advances of grant funds received prior to the incurrence of related costs by the Union and Foundation.

Contributions: Contributions are recognized when a donor makes a promise to give that is, in substance, unconditional. 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 substantially met. The Union and Foundation have not received any conditional contributions.

ACLU GMI: The Union and the Foundation receive guaranteed minimum income (GMI) from ACLU National. The ACLU GMI is determined annually by ACLU National and paid on a monthly basis. The Union and Foundation consider the GMI payments as contributions for purposes of revenue recognition.

ACLU Shared Revenue: The Union and Foundation share revenue with ACLU National and other affiliate ACLU organizations annually by filing a Revenue Reconciliation Report based on total grants and contributions received during the fiscal year. ACLU shared revenue is considered a contribution for purposes of revenue recognition.

ACLU Memberships: Memberships in the Union are available to the general public and are non-refundable. Any benefits provided to members are negligible as the Union provides services to both members and non-members. Union memberships are considered contributions for purposes of revenue recognition.

NOTE A - SUMMARY OF ACCOUNTING POLICIES - CONTINUED

Leases. At inception, the Organization determines if a contract is or includes a lease arrangement. The following describes the Organization's accounting policies related to its leasing arrangements:

As Lessee
Leased assets represent the right to control the use of an identified asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. The Organization recognizes a right-of-use asset and related liability at the commencement date, generally based on the present value of lease payments over the lease term using the risk-free rate. Leases with an initial term of 12 months or less, including month to month leases, are not recorded on the consolidating statement of financial position and are expensed on a straight-line basis.

Operating Leases
Operating lease assets and liabilities are recognized separately on the Organization's consolidating statement of financial position. The Organization recognizes a single lease expense on a straight-line basis over the lease term. Lease and non-lease components are accounted for together as a single lease component for operating leases.

Functionalized Expenses. The consolidating financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, employee benefits, payroll taxes, supplies, rent, and other expenses, which are allocated on the basis of estimates of time and effort.

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. Any income earned through unrelated business activities is subject to income tax at normal corporate rates. For the year ended March 31, 2024, the Union and 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 consolidating financial statements.

The Union and the Foundation's federal Returns of Organization Exempt from Income Tax (Form 990) for March 31, 2024, 2023, and 2022 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 consolidating 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, 2024 consist of the following:

	Cost	Market Value
Total investments	$ 67,219	$ 216,887
Gross unrealized gain		$ 149,668

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

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, 2024.

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.

U.S. Treasury notes, agency and related: Valued using independent pricing models.

Private and Proprietary equity 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 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 consolidating financial instruments could result in a different fair value measurement at the reporting date.

NOTE C - FAIR VALUE MEASUREMENTS – CONTINUED

The following table sets forth the balances of assets and liabilities measured at fair value on a recurring basis as of March 31, 2024.

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equities	$ 48,286	$ 48,286	$ -	$ -
U.S. Treasury notes, agency and related	9,995	-	9,995	-
Mutual funds				
Short-term bond	5,199	5,199	-	-
Intermediate-term bond	1,464	1,464	-	-
Total mutual funds	6,663	6,663	-	-
Exchange-traded funds				
Real estate and hard assets (commodities)	10,268	10,268	-	-
Short, long, and intermediate-term bonds	6,432	6,432	-	-
Total exchange-traded funds	16,700	16,700	-	-
Private equity funds, multi-strategy (a)	36,763	-	-	-
Proprietary equity funds, multi-strategy (a)	97,106	-	-	-
Money market accounts held in investment	1,374	1,374	-	-
	$ 216,887	$ 73,023	$ 9,995	$ -

(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 Consolidating Statement of Financial Position.

Investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient consist of the following:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period	Remaining Lock Up Period
Private equity funds, multi-strategy (a)	$ 36,763	$ 27,531	None	N/A	N/A
Proprietary equity funds, multi-strategy (a)	97,106	-	Monthly	7-15 Business Days	None
	$ 133,869	$ 27,531			

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 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, $183,213 and $11,667, respectively. These amounts are shown in receivables on the Consolidating Statement of Financial Position.

NOTE E - PROMISES TO GIVE

Promises to give consist of a grant for operations of $100,000 for the year ended March 31, 2024. This grant is expected to be collected in the next fiscal year.

NOTE F - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidating statement of financial position date, comprise the following:

	Union	Foundation
Financial assets at year end:		
Cash and cash equivalents	$ 586,950	$ 3,752,563
Investments	-	216,887
Receivables	11,667	193,075
Total financial assets	598,617	4,262,525
Less: amounts not available to be used within one year:		
With donor restrictions		
Subject to expenditure for a specified purpose	(7,641)	(572,668)
Financial assets available to meet general expenditures within one year	$ 590,976	$ 3,689,857

As part of the liquidity management plan, cash in excess of daily requirements is invested in short-term investments, CDs, and money market funds. The Board has a Reserve Policy to hold six months' worth of operating expenses in reserve. This reserve is to be held in cash and is calculated as half of one year's regular expenses. As of March 31, 2024, this requirement is half of budgeted operating expenses for fiscal year 2024-25 or $1,107,790 for the Foundation and $211,456 for the Union. The operating reserve is to be drawn upon in the event of financial distress or an immediate liquidity need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities.

NOTE G - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

Office equipment	$ 128,488
Less accumulated depreciation	(68,030)
	$ 60,458

The consolidating financial statements included depreciation expense of $9,604 for the year ended March 31, 2024.

NOTE H - NET ASSETS

Net assets with donor restrictions are restricted for the following purposes or periods:

	Union	Foundation
Subject to expenditure for a specified purpose:		
Nebraska Religious Coalition Against Torture	$ -	$ 40,900
ACLU National - abortion legislation	-	75,000
ACLU National - development position	-	75,000
ACLU National - immigration rights renewal	-	181,998
ACLU National - prisoner rights	-	50,000
ACLU National - racial justice	-	50,000
ACLU National - smart justice	7,641	-
ACLU National - voting rights	-	20,000
ACLU National - women's rights	-	75,000
Nebraska Civic Engagement Table - voting	-	4,770
Subject to the passage of time:		
Weitz Family Foundation	-	100,000
	$ 7,641	$ 672,668

NOTE I - LEASES

On December 12, 2018, the Foundation entered into a 57-month lease agreement for office space in Lincoln expiring November 30, 2023. This lease was extended through November 30, 2026 and monthly rent payments start at $4,945 and increase to $5,144 by the end of the lease.

On January 7, 2022, the Union entered into a 60-month lease agreement for a copier. Under the terms of the lease, monthly rent payments are $197 expiring December 31, 2027.

NOTE I – LEASES – CONTINUED

Operating lease right-of-use assets and lease liabilities as of March 31, 2024 were as follows:

	Union	Foundation
Right-of-use assets	$ 6,285	$ 152,543
Lease liabilities		
Current	$ 2,289	$ 54,382
Noncurrent	4,090	98,646
	$ 6,379	$ 153,028

The aggregate future lease payments below summarize the remaining future undiscounted cash flows for operating leases as of March 31, 2024, and a reconciliation to operating lease liabilities reported on the Consolidating Statement of Financial Position:

Years ending March 31,		
2025	$ 2,366	$ 59,736
2026	2,366	60,931
2027	1,775	41,151
Total minimum lease payments	6,507	161,818
Less: Present value discount	(128)	(8,790)
Lease liabilities	$ 6,379	$ 153,028
Right-of-use assets obtained in exchange for lease obligations	$ -	$ 169,893

Average operating lease terms and discount rate at March 31, 2024 were as follows:

Weighted average remaining lease term (years):	2.75	2.67
Weighted average discount rate:	1.50%	4.34%

NOTE J - CONCENTRATIONS

See Note D for concentrations with the national office.

NOTE K - NEW ACCOUNTING STANDARDS

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326)*. ASU 2016-13 significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. The FASB has subsequently issued additional, clarifying standards to address issues arising from implementation of the new current expected credit loss standard. ASU 2016-13 and all subsequently issued amendments, collectively "ASC 326," is effective for annual reporting periods beginning after December 15, 2022. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 were cash and cash equivalents and receivables.

On April 1, 2023, the Organization adopted ASC 326. The impact of the adoption was not considered material to the financial statements and primarily resulted in enhanced disclosures only. The Organization's accounting policies in note A have been updated to reflect the impact of the standard.

NOTE L - RETIREMENT PLANS

The Union and Foundation offer retirement plans for all employees. After age 21 the Union and Foundation contribute 2% of eligible employees pay and match employee contributions 100% for first 1% plus 50% of the next 5% of employees pay. The Union contributed $704 while the Foundation contributed $50,378 for the year ended March 31, 2024.

NOTE M - 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

ACLU Nebraska

SCHEDULE OF EXPENSES - UNION

Year ended March 31, 2024

	Program Services	Support Services: Management and General	Support Services: Fundraising	Total Support Services	Total Union Expenses
Salaries	$ 10,786	$ 2,236	$ 1,234	$ 3,470	$ 14,256
Employee benefits	2,641	547	302	849	3,490
Payroll taxes	840	174	96	270	1,110
Lobbying	358,640	-	-	-	358,640
Professional fees	-	3,679	-	3,679	3,679
Office expenses	2,852	591	326	917	3,769
Insurance	658	136	75	211	869
Rent	2,353	488	269	757	3,110
Postage	74	15	8	23	97
Board expenses	-	2,688	-	2,688	2,688
Professional development	932	193	107	300	1,232
Travel	123	25	14	39	162
Bank fees	173	36	20	56	229
Public education	13,712	-	-	-	13,712
Miscellaneous	710	147	81	228	938
Total expenses	$ 394,494	$ 10,955	$ 2,532	$ 13,487	$ 407,981

ACLU Nebraska

SCHEDULE OF EXPENSES - FOUNDATION

Year ended March 31, 2024

		Support Services			
	Program Services	Management and General	Fundraising	Total Support Services	Total Foundation Expenses
Salaries	$ 807,209	$ 167,312	$ 92,316	$ 259,628	$ 1,066,837
Employee benefits	193,002	40,004	22,072	62,076	255,078
Payroll taxes	60,021	12,441	6,864	19,305	79,326
Litigation expenses	84,973	-	-	-	84,973
Lobbying	66,711	-	-	-	66,711
Professional fees	-	106,677	-	106,677	106,677
Office expenses	38,519	7,984	4,405	12,389	50,908
Insurance	12,485	2,588	1,428	4,016	16,501
Rent	46,215	9,579	5,285	14,864	61,079
Postage	1,404	291	161	452	1,856
Board expenses	-	2,688	-	2,688	2,688
Event expenses	-	-	1,106	1,106	1,106
Professional development	613	127	70	197	810
Travel	3,083	639	353	992	4,075
Bank fees	2,918	604	334	938	3,856
Public education	83,995	-	-	-	83,995
Miscellaneous	20,432	4,235	2,337	6,572	27,004
Total expenses before depreciation	1,421,580	355,169	136,731	491,900	1,913,480
Depreciation	-	9,604	-	9,604	9,604
Total expenses	$ 1,421,580	$ 364,773	$ 136,731	$ 501,504	$ 1,923,084