

**The accompanying financial statements and report are intended for the original recipient. They must be presented in their entirety and may not be modified in any manner.**



**AMERICAN CIVIL LIBERTIES  
UNION OF MONTANA**

**COMBINED FINANCIAL REPORT**

**March 31, 2019 and 2018**



## C O N T E N T S

	<u>PAGE</u>
INDEPENDENT AUDITOR’S REPORT.....	1 and 2
COMBINED FINANCIAL STATEMENTS	
Combined Statements of Financial Position.....	3
Combined Statements of Activities .....	4 and 5
Combined Schedule of Functional Expenses - 2019 .....	6
Combined Schedule of Functional Expenses - 2018 .....	7
Combined Statements of Cash Flows.....	8
Notes to Combined Financial Statements.....	9 through 20
SUPPLEMENTARY INFORMATION	
Combining Schedule of Financial Position – 2019 .....	21
Combining Schedule of Financial Position – 2018 .....	22
Combining Schedule of Activities – 2019.....	23
Combining Schedule of Activities – 2018.....	24

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Stockholders  
of the American Civil Liberties Union of Montana  
Helena, Montana

We have audited the accompanying combined financial statements of the American Civil Liberties Union of Montana (the Union) and American Civil Liberties Union of Montana Foundation (the Foundation), collectively the American Civil Liberties Union of Montana (ACLU of Montana), (a non-profit organization), which comprise the combined statements of financial position as of March 31, 2019 and 2018, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of the combined 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 the combined 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 combined financial statements based on our audits. We conducted our audits 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 combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of the ACLU of Montana as of March 31, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Effect of Adopting New Accounting Standard**

As discussed in Note 1, the ACLU of Montana adopted the Financial Accounting Standards Board's Accounting Standard Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Non-for-Profit Entities* as of and for the year ended March 31, 2019. The requirements of the ASU have been applied retrospectively to all periods presented. Our opinion is not modified with respect to this matter.

### **Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining schedules of financial position and activities are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

*Anderson Zurmuehlen & Co., P.C.*

Helena, Montana  
December 16, 2019

COMBINED FINANCIAL STATEMENTS

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
 COMBINED STATEMENTS OF FINANCIAL POSITION  
 March 31, 2019 and 2018

ASSETS	<u>2019</u>	Restated <u>2018</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 291,845	\$ 280,148
Cash held for fiscal agent	-	11,538
Accounts receivable	1,226	23,631
Rent receivable	4,295	-
Due from ACLU National	312,456	105,532
Pledges receivable, current portion	197,500	185,000
Grants receivable	102,500	5,000
Prepaid expenses	<u>14,840</u>	<u>14,040</u>
Total current assets	<u>924,662</u>	<u>624,889</u>
INVESTMENTS	<u>1,373,693</u>	<u>1,370,773</u>
PLEDGES RECEIVABLE, net of discount and current portion	<u>354,501</u>	<u>418,979</u>
<b>PROPERTY AND EQUIPMENT, at cost</b>		
Office furniture and equipment	144,997	104,483
Software	3,000	3,000
Less accumulated depreciation	<u>(98,315)</u>	<u>(93,639)</u>
Total property and equipment	<u>49,682</u>	<u>13,844</u>
Total assets	<u>\$ 2,702,538</u>	<u>\$ 2,428,485</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 44,913	\$ 9,787
Due to ACLU National	97,335	-
Fiscal agent liability	-	11,538
Accrued payroll liabilities	25,021	19,221
Accrued salaries	36,399	27,181
Accrued compensated absences	41,654	30,823
Capital lease, current portion	<u>-</u>	<u>1,135</u>
Total current liabilities	<u>245,322</u>	<u>99,685</u>
Total liabilities	<u>245,322</u>	<u>99,685</u>
<b>NET ASSETS</b>		
Without donor restrictions - undesignated	1,241,920	1,074,786
Without donor restrictions - designated	<u>347,728</u>	<u>408,617</u>
Total without donor restrictions	1,589,648	1,483,403
With donor restrictions	<u>867,568</u>	<u>845,397</u>
Total net assets	<u>2,457,216</u>	<u>2,328,800</u>
Total liabilities and net assets	<u>\$ 2,702,538</u>	<u>\$ 2,428,485</u>

The Notes to Combined Financial Statements are an integral part of these statements.

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
 COMBINED STATEMENT OF ACTIVITIES  
 For the Year Ended March 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>SUPPORT AND REVENUE</b>			
GMI National subsidy grant	\$ 304,959	\$ -	\$ 304,959
National grants and distributions	314,506	225,000	539,506
Attorney fees	3,159	-	3,159
Contributions	169,520	370,131	539,651
Unrealized gain on investments, net	14,198	-	14,198
Dividends and interest	30,371	-	30,371
Miscellaneous	5,210	-	5,210
Net assets released from restriction	<u>572,960</u>	<u>(572,960)</u>	<u>-</u>
Total support and revenue	<u>1,414,883</u>	<u>22,171</u>	<u>1,437,054</u>
<b>EXPENSES</b>			
Legal program	246,328	-	246,328
Communications/public education	150,980	-	150,980
Advocacy	110,738	-	110,738
Lobbying	108,537	-	108,537
General programs	<u>416,771</u>	<u>-</u>	<u>416,771</u>
Total program	1,033,354	-	1,033,354
Administrative and general	158,485	-	158,485
Fundraising	<u>116,799</u>	<u>-</u>	<u>116,799</u>
Total expenses	<u>1,308,638</u>	<u>-</u>	<u>1,308,638</u>
Change in net assets	106,245	22,171	128,416
Net assets at beginning of year	<u>1,483,403</u>	<u>845,397</u>	<u>2,328,800</u>
Net assets at end of year	<u>\$ 1,589,648</u>	<u>\$ 867,568</u>	<u>\$ 2,457,216</u>

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



AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
 COMBINED STATEMENT OF ACTIVITIES  
 For the Year Ended March 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>			
GMI National subsidy grant	\$ 310,213	\$ -	\$ 310,213
Strategic Affiliate Initiative	523,740	-	523,740
National grants and distributions	189,232	-	189,232
Attorney fees	14,981	-	14,981
Contributions	157,222	843,735	1,000,957
Unrealized gain on investments, net	16,472	-	16,472
Dividends and interest	13,844	-	13,844
Miscellaneous	7,507	-	7,507
Net assets released from restriction	<u>448,014</u>	<u>(448,014)</u>	<u>-</u>
Total support and revenue	<u>1,681,225</u>	<u>395,721</u>	<u>2,076,946</u>
<b>EXPENSES</b>			
Legal program	251,204	-	251,204
Communications/public education	126,439	-	126,439
Advocacy	137,813	-	137,813
Lobbying	10,968	-	10,968
General programs	<u>238,668</u>	<u>-</u>	<u>238,668</u>
Total program	765,092	-	765,092
Administrative and general	94,108	-	94,108
Fundraising	<u>152,909</u>	<u>-</u>	<u>152,909</u>
Total expenses	<u>1,012,109</u>	<u>-</u>	<u>1,012,109</u>
Change in net assets	669,116	395,721	1,064,837
Net assets at beginning of year, as originally reported	<u>1,047,346</u>	<u>216,617</u>	<u>1,263,963</u>
Prior period adjustment	<u>(233,059)</u>	<u>233,059</u>	<u>-</u>
Net assets at beginning of year, as restated	<u>814,287</u>	<u>449,676</u>	<u>1,263,963</u>
Net assets at end of year	<u>\$ 1,483,403</u>	<u>\$ 845,397</u>	<u>\$ 2,328,800</u>

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

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES  
 For the Year Ended March 31, 2019

	Program Services					Supporting Services			
	Legal Program	Communications/ Public Education	Advocacy	Lobbying	General Programs	Total Program Expense	Administrative and General	Fundraising	Total
Advertising	\$ -	\$ 881	\$ -	\$ 10,642	\$ 3,275	\$ 14,798	\$ 578	\$ -	\$ 15,376
Contracted services	22,532	15,519	4,294	30,814	34,897	108,056	7,909	9,408	125,373
Depreciation	1,757	927	623	-	3,014	6,321	1,148	828	8,297
Disposal of asset	-	-	-	-	-	-	3,541	-	3,541
Dues and subscriptions	5,367	2,556	1,213	-	2,278	11,414	1,541	-	12,955
Equipment	2,088	2,997	1,912	-	4,916	11,913	1,364	1,290	14,567
Facilities rental	-	-	95	-	1,233	1,328	-	-	1,328
Insurance	1,210	638	639	-	2,088	4,575	790	570	5,935
Meals and hosting	597	422	1,419	600	3,212	6,250	375	-	6,625
Miscellaneous	-	-	19	-	2,323	2,342	1,130	-	3,472
Occupancy	11,889	8,591	10,020	-	21,168	51,668	7,767	5,601	65,036
Personnel	186,352	98,306	66,100	48,519	293,934	693,211	121,743	87,786	902,740
Postage	747	3,254	42	-	511	4,554	956	1,830	7,340
Printing	665	6,678	105	176	471	8,095	254	1,069	9,418
Staff training/development	216	2,298	1,220	498	4,629	8,861	-	1,834	10,695
Supplies	400	1,656	374	261	1,144	3,835	3,804	244	7,883
Telecommunications	5,550	4,135	2,482	15,113	9,144	36,424	3,626	2,614	42,664
Travel	6,958	2,122	20,181	1,914	28,534	59,709	1,959	3,725	65,393
Total expenses	<u>\$ 246,328</u>	<u>\$ 150,980</u>	<u>\$ 110,738</u>	<u>\$ 108,537</u>	<u>\$ 416,771</u>	<u>\$ 1,033,354</u>	<u>\$ 158,485</u>	<u>\$ 116,799</u>	<u>\$ 1,308,638</u>

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

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES  
 For the Year Ended March 31, 2018

	Program Services				Supporting Services				Total
	Legal Program	Communications/ Public Education	Advocacy	Lobbying	General Programs	Program Expense	Administrative and General	Fundraising	
Advertising	\$ -	\$ 9,031	\$ 17	\$ -	\$ 2,531	\$ 11,579	\$ 20	\$ -	\$ 11,599
Contracted services	33,581	12,466	18,960	1,000	34,390	100,397	6,989	11,551	118,937
Depreciation	1,477	751	825	-	2,136	5,189	767	1,233	7,189
Dues and subscriptions	9,911	-	1,278	-	5,218	16,407	1,011	110	17,528
Equipment expense	293	782	859	-	1,279	3,213	799	1,474	5,486
Facilities rental	-	-	-	-	-	-	-	-	-
Insurance	3,832	160	176	-	340	4,508	164	263	4,935
Meals and hosting	1,014	5,040	1,970	354	10,026	18,404	536	1,304	20,244
Miscellaneous	5,546	2,269	2,491	-	2,979	13,285	2,318	3,723	19,326
Occupancy	12,511	5,118	5,621	-	9,346	32,596	5,229	8,398	46,223
Online legal research	-	-	-	-	-	-	-	-	-
Personnel expense	169,737	69,430	76,256	8,892	139,962	464,277	73,401	113,939	651,617
Postage	1,671	2,557	661	-	440	5,329	352	1,173	6,854
Printing	601	9,293	1,068	-	950	11,912	160	3,008	15,080
Staff training/development	-	-	-	-	-	-	-	-	-
Supplies	1,130	1,802	985	15	1,001	4,933	394	700	6,027
Telecommunications	4,809	1,926	2,141	-	3,568	12,444	1,968	3,161	17,573
Travel	5,091	5,814	24,505	707	24,502	60,619	-	2,872	63,491
Total expenses	<u>\$ 251,204</u>	<u>\$ 126,439</u>	<u>\$ 137,813</u>	<u>\$ 10,968</u>	<u>\$ 238,668</u>	<u>\$ 765,092</u>	<u>\$ 94,108</u>	<u>\$ 152,909</u>	<u>\$ 1,012,109</u>

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

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
 COMBINED STATEMENTS OF CASH FLOWS  
 For the Years Ended March 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 128,416	\$ 1,064,837
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	8,297	7,189
Noncash contribution of investments	(24,216)	(59,823)
Unrealized/realized gain on investments, net	(22,641)	(23,084)
Loss on disposal of asset	3,544	-
Change in discount on pledges receivable	(11,022)	15,636
Change in current assets and liabilities:		
Accounts receivable	22,405	10,496
Pledges receivable	63,000	(310,941)
Grants receivable	(97,500)	25,000
Prepaid expenses	(5,095)	(4,361)
Accounts payable	35,126	(5,798)
Due from related party, ACLU National	(109,589)	49,655
Fiscal agent liability	(11,538)	(49,606)
Accrued payroll liabilities	5,800	3,272
Accrued salaries	9,218	(3,154)
Accrued compensated absences	10,831	2,036
Net cash flows from operating activities	<u>5,036</u>	<u>721,354</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	950,305	621,133
Purchase of investments	(906,368)	(1,535,342)
Purchase of property and equipment	(47,679)	(3,000)
Net cash flows from investing activities	<u>(3,742)</u>	<u>(917,209)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on capital lease	(1,135)	(2,043)
Net cash flows from financing activities	<u>(1,135)</u>	<u>(2,043)</u>
Net change in cash and cash equivalents	159	(197,898)
Cash and cash equivalents at beginning of year	291,686	489,584
Cash and cash equivalents at end of year	<u>\$ 291,845</u>	<u>\$ 291,686</u>
Cash and cash equivalents as presented on the statement of financial position:		
Cash and cash equivalents	\$ 291,845	\$ 280,148
Cash held for fiscal agent	-	11,538
	<u>\$ 291,845</u>	<u>\$ 291,686</u>
Noncash investing activity:		
Noncash investment contribution	<u>\$ 24,216</u>	<u>\$ 59,823</u>

The Notes to Combined Financial Statements are an integral part of these statements.

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
NOTES TO COMBINED FINANCIAL STATEMENTS  
March 31, 2019 and 2018

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

The American Civil Liberties Union of Montana (the Union) and the American Civil Liberties Union of Montana Foundation (the Foundation), collectively the American Civil Liberties Union of Montana (ACLU of Montana), were established to provide public education and litigation support in furtherance of civil liberties for all people without political partisanship.

**Principles of Combination**

The accompanying combined financial statements include the accounts of the Union and the Foundation. Certain members of the board of directors of the Union comprise the board of directors of the Foundation. All significant inter-organizational accounts and transactions have been eliminated in combination.

**Basis of Accounting**

The accompanying combined financial statements reflect practices common to not-for-profits in accordance with accounting principles generally accepted in the United States of America (GAAP) as codified by the Financial Accounting Standards Board (FASB).

**New Accounting Pronouncement**

On August 18, 2016 FASB issued Accounting Standards Update (ASU) *2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. ACLU of Montana has implemented ASU 2016-14 and has adjusted the presentation in these financial statements accordingly. The ASU has been applied retrospectively to all periods presented, which had no effect on the total change in net assets or total assets previously reported. Certain items in the 2018 financial statements have been reclassified for consistency with the 2019 presentation.

**Basis of Presentation**

As required by GAAP, ACLU of Montana classifies contributions as without donor restrictions and with donor restrictions in accordance with donor stipulations. Donor restricted support is reported as an increase in donor-restricted net assets. When the time restriction expires or is met through expenditure, donor-restricted net assets are reclassified to net assets without donor restrictions. All expenses are reported as decreases in net assets without donor restrictions, after satisfaction of applicable restrictions.

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)  
March 31, 2019 and 2018

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (Continued)**

The resulting classes of net assets are:

*Net assets without donor restrictions* – Net assets that are not subject to donor-imposed stipulations. This category includes net assets which have been designated by the Board or other designated funds. The Board has designated net assets for an operating reserve in order to ensure the stability of the mission, services, employment, and ongoing operations of the organization. The operating reserve target amount is six months of operating expenses less that portion of expenses funded by Guaranteed Minimum Income supplied by the National ACLU.

*Net assets with donor restrictions* – Net assets subject to donor-imposed stipulations that may or will be met by actions of the ACLU of Montana or the passage of time. Some donor restrictions are temporary in nature; those restrictions will be met by actions of ACLU of Montana or by the passage of time. Other donor restrictions may be imposed in perpetuity. At March 31, 2019 and 2018, there were no net assets subject to perpetual restrictions.

Donor restricted contributions are reported as increases in net assets with donor restrictions. 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. When restrictions are satisfied in the same year received, the contributions are included in net assets without donor restrictions.

**Accounting Estimates**

The preparation of the combined 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 combined financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the ACLU of Montana considers investments with an original maturity of three months or less to be cash and cash equivalents. The ACLU of Montana maintains cash at financial institutions federally insured up to \$250,000. No deposits exceeded federally insured amounts at March 31, 2019 and 2018.

**Accounts and Grants Receivable**

Grants and accounts receivable consist of amounts due from granting agencies, related party balances for shared services and costs, and for the performance of services in the normal course of business. Accounts are reviewed for potential write-offs based on the facts and circumstances of each balance. At March 31, 2019 and 2018, no accounts or grants receivable were past due greater than 90 days and no allowance was recorded for the grants or accounts receivable. Management believes the accounts and grants receivable to be fully collectible, therefore, no allowance is considered necessary.

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)  
March 31, 2019 and 2018

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Pledges Receivable**

Unconditional promises to give (pledges receivable) are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Unconditional promises to give that will be collected beyond one year are reported at the present value of the anticipated cash flows using the discount rate established at the date of the pledge, net of an allowance for uncollectible amounts based on specific identification of uncollectible pledges.

**Property and Equipment**

The ACLU of Montana records purchased property and equipment at cost. Improvements and betterments are capitalized, while repairs and maintenance expenditures are expensed. Individual items greater than \$750 with useful lives longer than one year are capitalized. The ACLU of Montana has elected to depreciate these assets using the straight-line method over the estimated useful lives of 5-7 years. Total depreciation for the years ended March 31, 2019 and 2018 was \$8,297 and \$7,189, respectively.

**Investments**

Investments in marketable equity securities and mutual funds with readily determinable fair values are reported at their fair value in the combined statement of financial position. Interest, dividends, gains and losses are reported as increases in unrestricted net assets unless such earnings, gains and losses are specifically restricted by the donor.

**Compensated Absences**

Full-time and part-time employees are eligible to receive paid leave. Employees are allowed to earn and carry forward vacation balances from year to year up to 100% of their yearly maximum hours. Once that cap is reached, the employee will no longer continue to accrue vacation time. Upon termination, employees are compensated for unused vacation hours.

**Advertising**

Advertising is expensed as it is incurred. Advertising expenses for the years ended March 31, 2019 and 2018 were \$15,736 and \$11,599, respectively.

**Contributed Services**

A number of unpaid volunteers have made contributions of their time to the ACLU of Montana. The value of their contributed time is not recognized in these statements as it does not meet the requirements for recognition in accordance with GAAP.

**Functional Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, expenses are allocated to the various programs and functional classes based on salary reported on timesheets.

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
 NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)  
 March 31, 2019 and 2018

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Tax Status**

The Union is exempt from Federal income tax under Section 501(c)(4) of the Internal Revenue Code, and the Foundation is exempt from Federal income tax under Section 501(c)(3).

**Subsequent Events**

Management has evaluated subsequent events through December 16, 2019, the date the financial statements were available to be issued.

**NOTE 2. PLEDGES RECEIVABLE**

Pledges receivable consist of the following at March 31 2019, and 2018:

	<u>2019</u>	<u>2018</u>
With donor restrictions	\$ 10,000	\$ 24,000
With time restrictions	<u>552,000</u>	<u>601,000</u>
Total	<u>\$ 562,000</u>	<u>\$ 625,000</u>
Due in:		
One year or less	\$ 197,500	\$ 185,000
One to five years	<u>364,500</u>	<u>440,000</u>
	562,000	625,000
Less: discounted for present value	<u>(9,999)</u>	<u>(21,021)</u>
	552,001	603,979
Less: current portion	<u>(197,500)</u>	<u>(185,000)</u>
Pledges receivable, long-term	<u>\$ 354,501</u>	<u>\$ 418,979</u>



AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)  
March 31, 2019 and 2018

**NOTE 3. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consist of the following at March 31 2019, and 2018:

	<u>2019</u>	Restated <u>2018</u>
Communications director	\$ 135,789	\$ -
Young staff development	12,362	21,153
Abolition coalition	63	-
Racial Justice reform	7,181	68,295
Criminal Justice reform	130,669	148,555
Medicaid	9,092	-
LGBTQ	20,412	-
Time restriction	552,000	601,000
Miscellaneous program support	-	6,394
	<u>\$ 867,568</u>	<u>\$ 845,397</u>

Assets released from restriction due to fulfillment of donor-imposed restrictions in 2019 and 2018 include:

	<u>2019</u>	Restated <u>2018</u>
Internships	\$ -	\$ 1,652
Communications director	64,211	-
Young staff development	8,791	6,847
ACLU of Montana Union	-	46,435
Abolition coalition	24,953	-
Racial Justice reform	129,621	75,346
Criminal Justice reform	119,379	19,446
Transvisible project	28,054	-
Medicaid	15,908	-
LGBTQ	4,588	-
Time restriction	174,955	247,059
Miscellaneous program support	2,500	51,229
	<u>\$ 572,960</u>	<u>\$ 448,014</u>

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)  
March 31, 2019 and 2018

**NOTE 4. LIQUIDITY AND AVAILABILITY**

Management has identified the following assets as of March 31, 2019 as available for general operations in fiscal year 2020:

Cash and cash equivalents	\$ 76,277
Investments	1,025,965
Grants and pledges receivables, gross	200,000
Other receivables, gross	<u>317,977</u>
	<u>\$ 1,620,219</u>

Financial assets available for general expenditure include those without donor or other restrictions limiting their use within one year of the balance sheet date. In addition, the organization receives significant grants and contributions restricted by donors and grantors, and considers those restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures.

Cash and cash equivalents considered available for future general expenditure exclude those held in the flex account, \$10,042, as those funds are limited as to use. Receivables exclude amounts restricted by grantors when restrictions are unrelated to ongoing programs, as those funds are also considered limited as to use.

Cash balances are routinely monitored in light of projected cash needs and excess balances are transferred to a savings account, where they are managed to both provide for short-term liquidity and to grow the funds value over time.

ACLU of Montana has operating reserves that are available and could be accessed for unanticipated needs or in the event of cash flow shortages. The operating reserve balance was \$428,083 as of March 31, 2019.

**NOTE 5. FISCAL AGENT**

ACLU of Montana serves as the fiscal agent for the Montana Abolition Coalition (AbCo). The Executive Director of the ACLU of Montana is a member of the board of directors of AbCo but does not have significant influence over AbCo operations. During fiscal year 2019, AbCo dissolved and granted the remaining funds to ACLU of Montana. The cash held for AbCo totals \$-0- and \$11,538 as of March 31, 2019 and 2018, respectively, and is reported as an asset and a liability in these combined financial statements.

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)  
March 31, 2019 and 2018

**NOTE 6. PENSION PLANS**

The ACLU of Montana participates in the National ACLU Retirement Plan. The following are the highlights of the Plan:

Eligibility: All employees of the ACLU of Montana, having reached age 21, are eligible on the January 1 or the July 1 following completion of a year of service with at least 1,000 hours of service.

Plan Cost: The ACLU of Montana pays the full cost of providing benefits under the Plan. Contributions are actuarially determined each year by an independent consulting actuary.

Vesting: Eligible employees may retire at age 65 after completing 5 years of service.

Early Retirement: Eligible employees may retire early at any time after age 55 and completion of 10 years of service. Employees who retire early and elect to receive benefits before normal retirement will receive reduced benefits.

Late Retirement: Employees who remain employed after age 65 continue to earn a benefit.

Plan Benefits: Plan benefits are based on annual wages and total years of service and are determined by the national organization on an annual basis.

The ACLU of Montana contributed \$13,413 and \$10,601 for the years ended March 31, 2019 and 2018, respectively. The National organization maintains the pension funding and pension obligations, thus no additional disclosures are made by the Montana affiliates.

**NOTE 7. FAIR VALUE MEASUREMENTS**

GAAP provides a framework for measuring fair value, defined as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. GAAP requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

GAAP also establishes a fair value hierarchy, which prioritizes the valuation of inputs into three broad levels, as described below:

- Level 1 Quoted prices in active markets as of the measurement date;
- Level 2 Quoted prices which are not active, quoted prices for similar assets or liabilities in active markets or inputs other than quoted prices that are observable (either directly or indirectly) for substantially the full term of the asset or liability; and
- Level 3 Significant unobservable prices or inputs where there is little or no market activity for the asset or liability at the measurement date.

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)  
March 31, 2019 and 2018

**NOTE 7. FAIR VALUE MEASUREMENTS (CONTINUED)**

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

- *Brokered certificates of deposit* – Fair value of interest-bearing cash is determined by discounting the related cash flows based on current yields of similar instruments and considering the credit-worthiness of the issuer.
- *Mutual funds* – Valued at the daily closing price as reported by the fund. Mutual funds held by ACLU of MT are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and transact at that price. The mutual funds held by ACLU of MT are deemed to be actively traded.

The preceding methods described may produce fair value calculations that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the ACLU of Montana 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. Transfers between fair value levels are considered effective as of the reporting date.

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)  
March 31, 2019 and 2018

**NOTE 7. FAIR VALUE MEASUREMENTS (CONTINUED)**

As of March 31, 2019 and 2018, investment securities consist of the following assets, which are held by third-party money managers.

	<u>Cost</u>	<u>Level 1</u>	<u>Cumulative Appreciation (Depreciation)</u>
<u>2019:</u>			
Brokered certificates of deposit:	\$ 772,004	\$ 771,951	\$ (54)
Mutual funds:			
Large Blend	37,710	41,130	3,420
Large Growth	53,696	62,865	9,169
Large Value	66,331	73,296	6,965
Medium Value	19,215	21,721	2,506
Mid-Cap Growth	12,634	16,122	3,488
Intermediate Bond	63,566	65,212	1,646
Short Term Bond	63,678	64,392	713
Ultrashort Bond	<u>256,912</u>	<u>257,005</u>	<u>93</u>
Total investments	<u>\$ 1,345,747</u>	<u>\$ 1,373,693</u>	<u>\$ 27,947</u>
 <u>2018:</u>			
Brokered certificates of deposit:	\$ 970,000	\$ 965,984	\$ (4,016)
Mutual funds:			
Large blend	4,064	4,221	157
Bank loan	30,500	30,277	(222)
Foreign large blend	45,666	49,516	3,850
Intermediate term bond	57,195	56,521	(675)
Large Growth	64,730	73,068	8,339
Large Value	79,782	86,362	6,580
Short term bond	64,813	63,769	(1,044)
Small Growth	15,155	17,532	2,378
Small Value	<u>22,652</u>	<u>23,523</u>	<u>871</u>
Total investments	<u>\$ 1,354,557</u>	<u>\$ 1,370,773</u>	<u>\$ 16,217</u>

**NOTE 8. OPERATING LEASES**

The ACLU of Montana rents office space in Helena, Montana. The operating lease renews annually each December 31. The monthly lease amount for January 1, 2017 through December 31, 2019 is \$1,157. Total rent paid was \$13,930 and \$13,884 for the years ended March 31, 2019 and 2018, respectively.

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
 NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)  
 March 31, 2019 and 2018

**NOTE 8. OPERATING LEASES (CONTINUED)**

The ACLU of Montana also rented office space in Missoula, Montana. The operating lease renewed biannually each September 30. The monthly lease amounts were \$2,000 through September 30, 2019. This operating lease was terminated in March 2019. Total rent paid was \$22,000 and \$24,000 for the years ended March 31, 2019 and 2018, respectively.

The ACLU of Montana began renting a new office space in Missoula, Montana in December 2018. The operating lease expires November 30, 2021. The monthly lease amounts are \$3,795 through November 30, 2019, with a 3% increase annually. Total rent paid was \$18,975 for the year ended March 31, 2019.

The ACLU of Montana began renting an apartment in Wolf Point, Montana in May 2018. The operating lease is paid on a month-to-month basis. The monthly lease was entered into on May 1, 2018 for \$500. Total rent paid was \$6,000 for the year ended March 31, 2019.

Future minimum lease commitments under non-cancellable operating leases at March 31, 2019 are as follows:

<u>Fiscal year ending</u>		
2020	\$	46,110
2021		47,493
2022		<u>28,182</u>
	<u>\$</u>	<u>93,603</u>

**NOTE 9. CAPITAL LEASE**

In December, 2013 the ACLU of Montana entered into a capital lease for a Konica Minolta Copier. The capital lease is for 60 months with payments of \$167 and a bargain purchase price of \$1 at the end of the lease, and expired in December 2018. This lease is on a month to month basis.

**NOTE 10. MONTANA COMMUNITY FOUNDATION FUND**

The Montana Community Foundation, Inc. (MCF), a Montana non-profit corporation, has established an American Civil Liberties Union of Montana and Affiliate Fund (the Fund). The Fund is an inviolable endowment fund whereby the principal is donated to MCF for the benefit of the ACLU of Montana. As income is earned, it is distributed to the ACLU of Montana as unrestricted revenue. Net capital appreciation is considered an addition to principal. The assets of the fund are the property of MCF and are therefore not reported on the ACLU of Montana's financial statements.

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
 NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)  
 March 31, 2019 and 2018

**NOTE 10. MONTANA COMMUNITY FOUNDATION FUND (CONTINUED)**

The Fund activity is summarized as follows:

	<u>2019</u>	<u>2018</u>
Principal balance, beginning of year	\$ 23,789	\$ 21,676
Contributions	-	535
Realized gain	104	845
Unrealized gain (loss)	(353)	1,524
Interest and dividends	253	252
Distribution of income	(963)	(740)
Fees	<u>(288)</u>	<u>(303)</u>
Principal balance, end of year	<u>\$ 22,542</u>	<u>\$ 23,789</u>

Distributions represent income to the Foundation. The distribution of income was \$963 and \$740 for the years ended March 31, 2019 and 2018, respectively.

**NOTE 11. NATIONAL AFFILIATION RELATIONSHIP**

The National organization distributes funds to its affiliated state organizations through several programs.

Guaranteed minimum income (GMI) payments to the ACLU of Montana's Foundation and Union are disbursed on a monthly basis. National ACLU provides an annual amount to each individual affiliate organization, in order to properly budget for the income to be received from National. ACLU of Montana Foundation received GMI payments of \$266,000 and \$275,003 for the years ended March 31, 2019 and 2018, respectively. ACLU of Montana Union received GMI payments of \$38,959 and \$35,210 for the years ended March 31, 2019 and 2018, respectively.

The National Strategic Affiliate program provided additional funding in the amounts of \$523,740 in 2018, when this program ended.

The National organization has a Grants to Affiliates program which accepts proposals from Affiliates for additional specific projects for which local affiliates are interested in receiving money. National ACLU approves the proposal and then transfers the approved funding amount. ACLU of Montana Foundation received funds from the Grants to Affiliates program of \$340,000 and \$90,500 for the years ended March 31, 2019 and 2018, respectively.

An additional distribution was received from the National ACLU in the amount of \$98,732 in 2018. ACLU of Montana made an additional payment to the National organization in the amount of \$105,220 for the ACLU of Montana's share of appropriation in 2019.

AMERICAN CIVIL LIBERTIES UNION OF MONTANA  
 NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)  
 March 31, 2019 and 2018

**NOTE 12 PRIOR PERIOD ADJUSTMENT**

During 2019 it was determined that contributions received in the form of pledges for future payments should have been included in net assets with donor restrictions due to the time restriction, rather than net assets without donor restrictions. Accordingly, net assets were reclassified to properly include the gross outstanding pledges receivable balance as of April 1, 2017 in net assets with donor restrictions. New pledges received in fiscal year 2018 were reclassified to net assets with donor restrictions, and pledge payments received have also been included in net assets released from donor restrictions. Balances were reclassified as follows:

	<u>As Previously Reported</u>	<u>Restatement</u>	<u>As Restated</u>
Net assets - Without donor restriction	\$ <u>1,047,346</u>	\$ <u>(233,059)</u>	\$ <u>814,287</u>
Net assets - With donor restriction	\$ <u>216,617</u>	\$ <u>233,059</u>	\$ <u>449,676</u>
Net assets released from restriction	\$ <u>200,955</u>	\$ <u>247,059</u>	\$ <u>448,014</u>
Contributions - Without donor restriction	\$ <u>772,222</u>	\$ <u>(615,000)</u>	\$ <u>157,222</u>
Contributions - With donor restriction	\$ <u>228,735</u>	\$ <u>615,000</u>	\$ <u>843,735</u>



SUPPLEMENTARY INFORMATION

AMERICAN CIVIL LIBERTIES UNION OF MONTANA AND AFFILIATE  
 COMBINING SCHEDULE OF FINANCIAL POSITION  
 March 31, 2019

	ACLU of MT Union	ACLU of MT Foundation	Elimination Entry	Combined Balances
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 77,472	\$ 214,373	\$ -	\$ 291,845
Accounts receivable	-	1,226	-	1,226
Rent receivable	-	4,295	-	4,295
Due from ACLU of MT Union	-	8,053	(8,053)	-
Due from National	21,765	290,691	-	312,456
Pledges receivable, current portion	-	197,500	-	197,500
Grants receivable	-	102,500	-	102,500
Prepaid expenses	-	14,840	-	14,840
Total current assets	<u>99,237</u>	<u>833,478</u>	<u>(8,053)</u>	<u>924,662</u>
<b>INVESTMENTS</b>	<u>-</u>	<u>1,373,693</u>	<u>-</u>	<u>1,373,693</u>
<b>PLEDGES RECEIVABLE, net of discount and current portion</b>	<u>-</u>	<u>354,501</u>	<u>-</u>	<u>354,501</u>
<b>PROPERTY AND EQUIPMENT</b>				
Office furniture and equipment	-	144,997	-	144,997
Software	-	3,000	-	3,000
	-	147,997	-	147,997
Less accumulated depreciation	-	(98,315)	-	(98,315)
Total property and equipment	<u>-</u>	<u>49,682</u>	<u>-</u>	<u>49,682</u>
Total assets	<u>\$ 99,237</u>	<u>\$ 2,611,354</u>	<u>\$ (8,053)</u>	<u>\$ 2,702,538</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 7,000	\$ 37,913	\$ -	\$ 44,913
Due to National	37	97,298	-	97,335
Due to ACLU of MT Foundation	8,053	-	(8,053)	-
Accrued payroll liabilities	-	25,021	-	25,021
Accrued salaries	-	36,399	-	36,399
Accrued compensated absences	-	41,654	-	41,654
Capital lease, current portion	-	-	-	-
Total current liabilities	<u>15,090</u>	<u>238,285</u>	<u>(8,053)</u>	<u>245,322</u>
Total liabilities	<u>15,090</u>	<u>238,285</u>	<u>(8,053)</u>	<u>245,322</u>
<b>NET ASSETS</b>				
Without donor restrictions - undesignated	84,147	1,709,773	-	1,793,920
Without donor restrictions - designated	-	347,728	-	347,728
With donor restrictions	-	315,568	-	315,568
Total net assets	<u>84,147</u>	<u>2,373,069</u>	<u>-</u>	<u>2,457,216</u>
Total liabilities and net assets	<u>\$ 99,237</u>	<u>\$ 2,611,354</u>	<u>\$ (8,053)</u>	<u>\$ 2,702,538</u>

See Independent Auditor's Report.

AMERICAN CIVIL LIBERTIES UNION OF MONTANA AND AFFILIATE  
 COMBINING SCHEDULE OF FINANCIAL POSITION  
 March 31, 2018

	ACLU of MT Union	ACLU of MT Foundation	Elimination Entry	Combined Balances
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 65,818	\$ 225,868	\$ -	\$ 291,686
Accounts receivable	-	23,631	-	23,631
Due from ACLU of MT Union	-	2,850	(2,850)	-
Due from National, net	2,087	103,445	-	105,532
Pledges receivable, current portion	-	185,000	-	185,000
Grants receivable	-	5,000	-	5,000
Prepaid expenses	-	14,040	-	14,040
Total current assets	<u>67,905</u>	<u>559,834</u>	<u>(2,850)</u>	<u>624,889</u>
INVESTMENTS	<u>-</u>	<u>1,370,773</u>	<u>-</u>	<u>1,370,773</u>
PLEDGES RECEIVABLE, net of discount and current portion	<u>-</u>	<u>418,979</u>	<u>-</u>	<u>418,979</u>
<b>PROPERTY AND EQUIPMENT</b>				
Office furniture and equipment	-	104,483	-	104,483
Software	-	3,000	-	3,000
	<u>-</u>	<u>107,483</u>	<u>-</u>	<u>107,483</u>
Less accumulated depreciation	<u>-</u>	<u>(93,639)</u>	<u>-</u>	<u>(93,639)</u>
Total property and equipment	<u>-</u>	<u>13,844</u>	<u>-</u>	<u>13,844</u>
Total assets	<u>\$ 67,905</u>	<u>\$ 2,363,430</u>	<u>\$ (2,850)</u>	<u>\$ 2,428,485</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ -	\$ 9,787	\$ -	\$ 9,787
Due to ACLU of MT Foundation	2,850	-	(2,850)	-
Fiscal agent liability	-	11,538	-	11,538
Accrued payroll liabilities	-	19,221	-	19,221
Accrued salaries	-	27,181	-	27,181
Accrued compensated absences	-	30,823	-	30,823
Capital lease, current portion	-	1,135	-	1,135
Total current liabilities	<u>2,850</u>	<u>99,685</u>	<u>(2,850)</u>	<u>99,685</u>
Total liabilities	<u>2,850</u>	<u>99,685</u>	<u>(2,850)</u>	<u>99,685</u>
<b>NET ASSETS</b>				
Without donor restrictions - undesignated	65,055	1,610,731	-	1,675,786
Without donor restrictions - designated	-	408,617	-	408,617
With donor restrictions	<u>-</u>	<u>244,397</u>	<u>-</u>	<u>244,397</u>
Total net assets	<u>65,055</u>	<u>2,263,745</u>	<u>-</u>	<u>2,328,800</u>
Total liabilities and net assets	<u>\$ 67,905</u>	<u>\$ 2,363,430</u>	<u>\$ (2,850)</u>	<u>\$ 2,428,485</u>

See Independent Auditor's Report.

AMERICAN CIVIL LIBERTIES UNION OF MONTANA AND AFFILIATE  
 COMBINING SCHEDULE OF ACTIVITIES  
 For the Year Ended March 31, 2019

	ACLU of MT Union	ACLU of MT Foundation	Elimination Entry	Combined Balances
<b>SUPPORT AND REVENUE</b>				
GMI National subsidy grant	\$ 38,959	\$ 266,000	\$ -	\$ 304,959
National grants and distributions	28,695	510,811	-	539,506
Attorney fees	-	3,159	-	3,159
Contributions	-	539,651	-	539,651
Unrealized gain on investments, net	(166)	14,364	-	14,198
Dividends and interest	-	30,371	-	30,371
Miscellaneous	-	5,210	-	5,210
Total revenues, gains and other support	<u>67,488</u>	<u>1,369,566</u>	<u>-</u>	<u>1,437,054</u>
<b>EXPENSES</b>				
Legal program	-	246,328	-	246,328
Communications/public education	-	150,980	-	150,980
Advocacy	-	110,738	-	110,738
Lobbying	10,624	97,913	-	108,537
General programs	<u>37,772</u>	<u>378,999</u>	<u>-</u>	<u>416,771</u>
Total program	48,396	984,958	-	1,033,354
Administrative and general	-	158,485	-	158,485
Fundraising	<u>-</u>	<u>116,799</u>	<u>-</u>	<u>116,799</u>
Total expenses	<u>48,396</u>	<u>1,260,242</u>	<u>-</u>	<u>1,308,638</u>
Change in net assets	19,092	109,324	-	128,416
Net assets at beginning of year	<u>65,055</u>	<u>2,263,745</u>	<u>-</u>	<u>2,328,800</u>
Net assets at end of year	<u>\$ 84,147</u>	<u>\$ 2,373,069</u>	<u>\$ -</u>	<u>\$ 2,457,216</u>

See Independent Auditor's Report.

AMERICAN CIVIL LIBERTIES UNION OF MONTANA AND AFFILIATE  
 COMBINING SCHEDULE OF ACTIVITIES  
 For the Year Ended March 31, 2018

	ACLU of MT Union	ACLU of MT Foundation	Elimination Entry	Combined Balances
<b>SUPPORT AND REVENUE</b>				
GMI National subsidy grant	\$ 35,210	\$ 275,003	\$ -	\$ 310,213
Strategic Affiliate Initiative	-	523,740	-	523,740
National grants and distributions	-	189,232	-	189,232
Attorney fees	-	14,981	-	14,981
Contributions	-	1,000,957	-	1,000,957
Unrealized gain on investments, net	(97)	16,569	-	16,472
Dividends and interest	-	13,844	-	13,844
Miscellaneous	(265)	7,772	-	7,507
Total revenues, gains and other support	<u>34,848</u>	<u>2,042,098</u>	<u>-</u>	<u>2,076,946</u>
<b>EXPENSES</b>				
Legal program	-	251,204	-	251,204
Communications/public education	-	126,439	-	126,439
Advocacy	-	137,813	-	137,813
Lobbying	-	10,968	-	10,968
General programs	<u>36,804</u>	<u>201,864</u>	<u>-</u>	<u>238,668</u>
Total program	36,804	728,288	-	765,092
Administrative and general	-	94,108	-	94,108
Fundraising	<u>-</u>	<u>152,909</u>	<u>-</u>	<u>152,909</u>
Total expenses	<u>36,804</u>	<u>975,305</u>	<u>-</u>	<u>1,012,109</u>
Change in net assets	(1,956)	1,066,793	-	1,064,837
Net assets at beginning of year, as restated	<u>67,011</u>	<u>1,196,952</u>	<u>-</u>	<u>1,263,963</u>
Net assets at end of year	<u>\$ 65,055</u>	<u>\$ 2,263,745</u>	<u>\$ -</u>	<u>\$ 2,328,800</u>

See Independent Auditor's Report.



CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

[www.azworld.com](http://www.azworld.com)

MEMBER: AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS