

AMERICAN CIVIL LIBERTIES UNION
OF NEW JERSEY
AMERICAN CIVIL LIBERTIES UNION
- NJ FOUNDATION
CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2020 AND 2019

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
American Civil Liberties Union of New Jersey
American Civil Liberties Union - NJ Foundation
Newark, New Jersey

Report on the Financial Statements

I have audited the accompanying consolidated statements of the American Civil Liberties Union of New Jersey and the American Civil Liberties Union - NJ Foundation (collectively referenced as the ACLU) which comprise the consolidated statements of financial position as of March 31, 2020 and 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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, I 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 financial statements.

I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of the American Civil Liberties Union of New Jersey and the American Civil Liberties Union - NJ Foundation as of March 31, 2020 and 2019, and the consolidated changes in its net assets and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

My audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of additional analysis rather than to present the financial position and changes in net assets of the individual entities, and is not a required part of the consolidated 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 consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Janus M. Wood, CPA

January 27, 2021
Hillsborough, NJ

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2020 AND 2019

	2020			2019		
	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	Total	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	Total
Assets						
Cash & cash equivalents	\$ 1,652,957	\$ 118,554	\$ 1,771,511	\$ 1,863,289	\$ 363,835	\$ 2,227,124
Investment securities						
Operating	2,042,408	1,525,053	3,567,461	2,103,390	1,525,053	3,628,443
Designated reserve	2,000,000	-	2,000,000	2,000,000	-	2,000,000
	<u>4,042,408</u>	<u>1,525,053</u>	<u>5,567,461</u>	<u>4,103,390</u>	<u>1,525,053</u>	<u>5,628,443</u>
Accounts receivable	1,550,457	-	1,550,457	904,892	-	904,892
Pledges receivable	-	1,366,046	1,366,046	-	1,652,206	1,652,206
Total financial assets	<u>7,245,822</u>	<u>3,009,653</u>	<u>10,255,475</u>	<u>6,871,571</u>	<u>3,541,094</u>	<u>10,412,665</u>
Prepaid expenses	65,915	-	65,915	34,146	-	34,146
Total current assets	<u>7,311,737</u>	<u>3,009,653</u>	<u>10,321,390</u>	<u>6,905,717</u>	<u>3,541,094</u>	<u>10,446,811</u>
Property & equipment	249,412	-	249,412	510,544	-	510,544
Less accumulated depreciation	106,669	-	106,669	301,608	-	301,608
	<u>142,743</u>	<u>-</u>	<u>142,743</u>	<u>208,936</u>	<u>-</u>	<u>208,936</u>
	<u>\$ 7,454,480</u>	<u>\$ 3,009,653</u>	<u>\$ 10,464,133</u>	<u>\$ 7,114,653</u>	<u>\$ 3,541,094</u>	<u>\$ 10,655,747</u>
Liabilities & Net Assets						
Liabilities						
Accounts payable & accrued expenses	\$ 38,618	\$ -	\$ 38,618	\$ 29,543	\$ -	\$ 29,543
Fees received in advance	-	-	-	25,000	-	25,000
	<u>38,618</u>	<u>-</u>	<u>38,618</u>	<u>54,543</u>	<u>-</u>	<u>54,543</u>
Net assets						
Without donor restrictions						
Undesignated	5,415,862	-	5,415,862	5,060,110	-	5,060,110
Board-designated	2,000,000	-	2,000,000	2,000,000	-	2,000,000
	<u>7,415,862</u>	<u>-</u>	<u>7,415,862</u>	<u>7,060,110</u>	<u>-</u>	<u>7,060,110</u>
With donor restrictions	-	3,009,653	3,009,653	-	3,541,094	3,541,094
	<u>7,415,862</u>	<u>3,009,653</u>	<u>10,425,515</u>	<u>7,060,110</u>	<u>3,541,094</u>	<u>10,601,204</u>
	<u>\$ 7,454,480</u>	<u>\$ 3,009,653</u>	<u>\$ 10,464,133</u>	<u>\$ 7,114,653</u>	<u>\$ 3,541,094</u>	<u>\$ 10,655,747</u>

See accompanying notes to consolidated financial statements.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED MARCH 31, 2020 AND 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support & Revenue						
Public Support						
Dues	\$ 1,413,661	\$ -	\$ 1,413,661	\$ 1,425,720	\$ -	\$ 1,425,720
Contributions	1,333,959	91,000	1,424,959	1,637,095	117,550	1,754,645
Grants	33,333	159,000	192,333	-	661,396	661,396
Bequests	564,459	-	564,459	-	25,053	25,053
Special events						
Gross income	78,161	-	78,161	42,446	-	42,446
Direct expenses	(17,650)	-	(17,650)	(16,053)	-	(16,053)
	<u>60,511</u>	<u>-</u>	<u>60,511</u>	<u>26,393</u>	<u>-</u>	<u>26,393</u>
	3,405,923	250,000	3,655,923	3,089,208	803,999	3,893,207
Revenue						
Legal case awards	48,198	-	48,198	97,940	-	97,940
Interest & dividends	138,827	-	138,827	166,337	-	166,337
Other income	9,203	-	9,203	5,817	-	5,817
	<u>196,228</u>	<u>-</u>	<u>196,228</u>	<u>270,094</u>	<u>-</u>	<u>270,094</u>
Net assets released from restrictions	781,441	(781,441)	-	624,669	(624,669)	-
Total support & revenue	<u>4,383,592</u>	<u>(531,441)</u>	<u>3,852,151</u>	<u>3,983,971</u>	<u>179,330</u>	<u>4,163,301</u>
Expenses						
Functional expenses						
Program services	2,383,064	-	2,383,064	2,001,871	-	2,001,871
Management & general	736,332	-	736,332	524,103	-	524,103
Fund raising	350,882	-	350,882	267,471	-	267,471
Total expenses	<u>3,470,278</u>	<u>-</u>	<u>3,470,278</u>	<u>2,793,445</u>	<u>-</u>	<u>2,793,445</u>
Increase (decrease) in net assets before investment securities valuation	913,314	(531,441)	381,873	1,190,526	179,330	1,369,856
Valuation loss on investment securities	(557,562)	-	(557,562)	(36,815)	-	(36,815)
Increase (decrease) in net assets	355,752	(531,441)	(175,689)	1,153,711	179,330	1,333,041
Net assets						
Beginning of year	<u>7,060,110</u>	<u>3,541,094</u>	<u>10,601,204</u>	<u>5,906,399</u>	<u>3,361,764</u>	<u>9,268,163</u>
End of year	<u>\$ 7,415,862</u>	<u>\$ 3,009,653</u>	<u>\$ 10,425,515</u>	<u>\$ 7,060,110</u>	<u>\$ 3,541,094</u>	<u>\$ 10,601,204</u>

See accompanying notes to consolidated financial statements.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY &
AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED MARCH 31, 2020 AND 2019

	2020				2019			
	Program Services	Management & General	Fund Raising	Total	Program Services	Management & General	Fund Raising	Total
Personnel								
Salaries	\$ 1,249,503	\$ 456,930	\$ 212,632	\$ 1,919,065	\$ 1,032,784	\$ 331,065	\$ 164,616	\$ 1,528,465
Payroll taxes	100,972	36,925	17,183	155,080	83,722	26,838	13,344	123,904
Pension	117,685	43,037	20,027	180,749	104,721	33,569	16,692	154,982
Health insurance	145,323	53,143	24,730	223,196	134,029	42,964	21,363	198,356
Other insurance	4,151	1,518	707	6,376	4,990	1,600	795	7,385
Malpractice insurance	11,464	-	-	11,464	10,624	-	-	10,624
Travel	38,355	14,027	6,527	58,909	28,788	9,228	4,588	42,604
	<u>1,667,453</u>	<u>605,580</u>	<u>281,806</u>	<u>2,554,839</u>	<u>1,399,658</u>	<u>445,264</u>	<u>221,398</u>	<u>2,066,320</u>
Program services								
Litigation	31,823	-	-	31,823	18,677	-	-	18,677
Lobbying	41,370	-	-	41,370	2,923	-	-	2,923
Newsletter	96,694	-	-	96,694	52,696	-	-	52,696
Meetings & conferences	18,056	-	-	18,056	35,207	-	-	35,207
Public education	170,110	-	-	170,110	246,768	-	-	246,768
	<u>358,053</u>	<u>-</u>	<u>-</u>	<u>358,053</u>	<u>356,271</u>	<u>-</u>	<u>-</u>	<u>356,271</u>
Occupancy								
Rent	85,767	31,364	14,595	131,726	64,800	20,772	10,328	95,900
Utilities	25,963	9,495	4,417	39,875	24,951	7,998	3,977	36,926
Moving	22,499	8,228	3,829	34,556	-	-	-	-
Insurance	3,442	1,258	585	5,285	1,852	594	295	2,741
	<u>137,671</u>	<u>50,345</u>	<u>23,426</u>	<u>211,442</u>	<u>91,603</u>	<u>29,364</u>	<u>14,600</u>	<u>135,567</u>
Office & other								
Professional fees	25,488	9,321	4,337	39,146	33,905	10,868	5,405	50,178
Telecommunications	28,503	10,423	4,851	43,777	18,042	5,784	2,876	26,702
Equipment maintenance & rental	21,704	7,937	3,694	33,335	16,188	5,189	2,580	23,957
Equipment purchase	3,120	1,141	531	4,792	4,846	1,554	772	7,172
Publications & subscriptions	13,319	4,870	2,267	20,456	14,240	4,565	2,270	21,075
Postage	4,984	1,821	848	7,653	3,932	1,261	627	5,820
Stationery & supplies	6,924	2,532	1,178	10,634	19,833	6,357	3,161	29,351
Donor data management	-	-	8,230	8,230	-	-	6,872	6,872
Miscellaneous	6,932	2,534	1,180	10,646	6,302	2,020	1,005	9,327
Loss on disposal of fixed asset	69,501	25,415	11,827	106,743	-	-	-	-
	<u>180,475</u>	<u>65,994</u>	<u>38,943</u>	<u>285,412</u>	<u>117,288</u>	<u>37,598</u>	<u>25,568</u>	<u>180,454</u>
Depreciation	<u>39,412</u>	<u>14,413</u>	<u>6,707</u>	<u>60,532</u>	<u>37,051</u>	<u>11,877</u>	<u>5,905</u>	<u>54,833</u>
Total functional expenses	<u>\$ 2,383,064</u>	<u>\$ 736,332</u>	<u>\$ 350,882</u>	<u>\$ 3,470,278</u>	<u>\$ 2,001,871</u>	<u>\$ 524,103</u>	<u>\$ 267,471</u>	<u>\$ 2,793,445</u>

See accompanying notes to consolidated financial statements.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
 AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
 CONSOLIDATED STATEMENTS OF CASH FLOWS
 YEARS ENDED MARCH 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities		
(Decrease) increase in net assets	\$ (175,689)	\$ 1,333,041
Adjustments to reconcile (decrease) increase in net assets to cash (used in) provided by operating activities:		
Depreciation	60,532	54,833
(Gain) loss on investment securities	557,562	36,815
Change in discount on pledges receivable	36,160	(40,442)
Loss on disposal of fixed assets	106,743	-
(Increase) decrease in:		
Accounts receivable	(645,565)	(282,857)
Prepaid expenses	(31,769)	(1,920)
Increase (decrease) in:		
Accounts payable & accrued expenses	9,075	(8,227)
Fees received in advance	(25,000)	24,550
Cash (used in) provided by operating activities	<u>(107,951)</u>	<u>1,115,793</u>
Cash flows from investing activities		
Acquisition of investment securities	(569,767)	(860,108)
Proceeds from sales of investments	73,187	600,001
Acquisition of property and equipment	(101,082)	(76,449)
Cash used in investing activities	<u>(597,662)</u>	<u>(336,556)</u>
Cash flows from financing activities		
Collections on pledges receivable	<u>250,000</u>	<u>250,000</u>
Cash provided by financing activities	250,000	250,000
(Decrease) increase in cash & cash equivalents	(455,613)	1,029,237
Cash & cash equivalents		
Beginning of year	<u>2,227,124</u>	<u>1,197,887</u>
End of year	<u>\$ 1,771,511</u>	<u>\$ 2,227,124</u>

See accompanying notes to consolidated financial statements.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2020 AND 2019

(1) **Summary of Significant Accounting Policies**

Nature of activities

The American Civil Liberties Union of New Jersey and the American Civil Liberties Union - NJ Foundation (collectively referenced as the ACLU) are two not-for-profit organizations whose mission is to protect and promote civil liberty principles in the State of New Jersey. The executive committee of the American Civil Liberties Union of New Jersey serves as the board of directors for the American Civil Liberties Union - NJ Foundation.

The American Civil Liberties Union of New Jersey is a tax-exempt organization under Section 501(c)(4) of the Internal Revenue Code. The American Civil Liberties Union - NJ Foundation is a tax-exempt public charity under Section 501(c)(3) of the Internal Revenue Code. Accordingly, the mission and activities of each organization are separate and distinct in order to comply with related laws and tax requirements.

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial statement presentation

The ACLU reports its statements of financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Contributions and foundation grants

Contributions and foundation grants received are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor-imposed conditions.

Unconditional promises to give are recorded as pledge contributions and contributions receivable in the period the promise is received. Payments received in subsequent periods, such as payments on multi-year gifts, are recorded as decreases in the corresponding pledges receivable balance. Pledges receivable due in more than one year are recorded at the present value of their net realizable value, using applicable risk-adjusted interest rates at the date of pledge. Allowances for doubtful pledges are provided by management based on past experience with individual donors.

Pledges received with multi-year payment schedules are recorded as with donor restrictions net assets, i.e. pledges with time-imposed restrictions. Payments received in subsequent periods are reflected as a release of the time-imposed restriction.

Certain contributions, pledges and bequests are subject to a revenue sharing agreement with the national organization. The ACLU records its actual or estimated share of income.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2020 AND 2019

Investment securities

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value with gains and losses included in the statement of activities.

Donated services

Legal services are donated by numerous attorneys as an integral part of the ACLU's services. The estimated value of these professional services is undetermined.

Functional expenses

Expenses are charged to programs, management & general, or fund raising based on direct expenses incurred. Any expenses not directly chargeable are allocated to programs based on applicable rates determined by management.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash & cash equivalents

For purposes of the statement of cash flows, cash and cash equivalents include demand deposits in financial institutions, highly liquid money market investments, and time deposits or debt instruments with initial maturities of 90 days or less.

Property & equipment

Acquisitions of office furniture and equipment with estimated useful lives in excess of one year are capitalized and depreciated over the estimated useful life of each asset using the straight line method.

Income taxes

The American Civil Liberties Union of New Jersey is a tax-exempt organization under Section 501(c)(4) of the Internal Revenue Code. The American Civil Liberties Union - New Jersey Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Therefore, there is no provision for income taxes. All applicable returns for the exempt organization are filed in a timely manner. The ACLU is liable for payment of payroll taxes as an employer; all such amounts are paid in a timely manner as required by state and federal regulations.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2020 AND 2019

Fair value of financial instruments

Financial instruments are carried at fair value which is defined as 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. Fair value is determined using three levels of inputs:

- Level 1 Valuations based on quoted prices in active markets for identical assets.
- Level 2 Valuations based on one or more quoted price for investments that are not exchange-traded but for which all significant inputs are observable.
- Level 3 Valuations based on inputs that are unobservable and significant to the overall fair value measurements.

The following valuation techniques are used for assets measured at fair value:

Mutual funds - Investments in mutual funds are measured at fair value using quoted market prices and are classified as Level 1.

ACLU Pooled Fund - The ACLU has an ownership share interest in the investment pool which is revalued on a monthly basis to market. Withdrawals are made based on the ownership interest shares times the per share market value of the pool at every valuation date and are not subject to any significant withdrawal limitations. The investment is classified as Level 2.

Concentrations of credit and market risk

Financial instruments that potentially expose the ACLU to concentrations of credit and market risk consist primarily of cash and investments. Cash is maintained at high-quality financial institutions, and credit exposure is limited to any one institution. The ACLU has not experienced any losses on its cash or cash equivalents. The ACLU's investment securities do not represent significant concentrations of market risk.

Accounting for uncertainty in income taxes

The ACLU's accounting policy is to provide liabilities for uncertain tax positions when a liability is probable and estimable. Management is not aware of any violation of tax status or exposure to uncertain tax positions that could require accrual or which could affect its liquidity or future cash flows. The ACLU's exempt organization filings for the years ended March 31, 2017 through 2020 are subject to examination by the Internal Revenue Service and the State of New Jersey. Further, the Internal Revenue Service may examine the ACLU's financial activities for income and unrelated business tax for those years.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
 AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 YEARS ENDED MARCH 31, 2020 AND 2019

New accounting pronouncements

During the year ended March 31, 2020, the ACLU adopted Financial Accounting Standards Board (FASB) Update No. 2018-08, *Not-for-Profit Entities (Topic 958) Clarifying the Scope of the Accounting Guidance for Contributions Received and Contributions Made*. Under this guidance, foundation grants are treated as contributions unless conditional in nature. The Update was adopted on a modified prospective basis. The adoption resulted in no change to grant income recognition.

The FASB issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, in February 2016. Under this guidance lessees are required to record most leases on their balance sheets but recognize expenses in the income statement. All entities will classify leases to determine how to recognize lease-related revenue and expense. In applying this guidance, entities must also determine whether an arrangement contains a lease or service agreement. Disclosures are required by lessees and lessors to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The amendments in this Update are effective for fiscal years beginning after December 15, 2021. Management is evaluating the impact of this updated guidance on its financial statements.

(2) **Investment Securities**

As of March 31, 2020 and 2019 investment securities consist of the following:

	<u>Cost</u>	<u>Fair Value</u>
March 31, 2020		
ACLU Pooled Fund	\$1,509,211	\$1,579,211
Mutual funds	<u>3,964,628</u>	<u>3,988,250</u>
	<u>\$5,473,839</u>	<u>\$5,567,461</u>
March 31, 2019		
ACLU Pooled Fund	\$1,582,397	\$1,804,682
Mutual funds	<u>3,407,743</u>	<u>3,823,761</u>
	<u>\$4,990,140</u>	<u>\$5,628,443</u>

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
 AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 YEARS ENDED MARCH 31, 2020 AND 2019

(3) **Pledges Receivable**

As of March 31, 2020 and 2019, long term pledges receivable are comprised of the following:

	<u>2020</u>	<u>2019</u>
Gross pledges receivable	\$1,500,000	\$1,750,000
Less discount to present value	<u>133,954</u>	<u>97,794</u>
	<u>\$1,366,046</u>	<u>\$1,652,206</u>

As of March 31, 2020, anticipated future payments on pledges receivable are as follows for the years ending March 31:

2021	\$	250,000
2022		250,000
2023		250,000
2024		250,000
2025		250,000
Thereafter		<u>250,000</u>
		<u>\$1,500,000</u>

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
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 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 YEARS ENDED MARCH 31, 2020 AND 2019

(4) Pension

Defined Benefit Plan

The ACLU-NJ participates in a defined benefit pension plan sponsored by the American Civil Liberties Union - National which covers substantially all employees who were employed through March 31, 2009. Eligible participants continue in the defined benefit plan through date of separation or retirement. Annual consolidated contributions made to the plan totaled \$108,601 and \$103,014 for the years ended March 31, 2020 and 2019, respectively, representing less than 5% of total Plan contributions each year. The required contributions determined by the American Civil Liberties Union - National approximate the expense computed in accordance with generally accepted accounting principles. Plan information is as follows:

Name of Plan: The American Civil Liberties Union Retirement Plan
 Employer ID: 13-4921750
 Plan Number: 001

	March 31,	
	<u>2020</u>	<u>2019</u>
Total Plan assets	\$131,164,282	\$126,225,694
Accumulated benefit obligation	<u>185,596,793</u>	<u>163,020,696</u>
Funded status	<u>\$(54,432,511)</u>	<u>\$(36,795,002)</u>
Funded %	70%	77%

As of March 31, 2020, no funding improvement or rehabilitation plan, as defined by the Employee Retirement Income Security Act of 1974, has been implemented or is pending. There were no employer surcharges paid on the plan for the years ended March 31, 2020 and 2019. The American Civil Liberties Union - National expects to contribute \$6,300,000 to the Plan for the fiscal year ending March 31, 2021.

Defined Contribution Plan

The ACLU-NJ participates in a defined contribution pension plan sponsored by the American Civil Liberties Union - National which covers substantially all employees who become employed on or after April 1, 2009. Participants may contribute to the plan under a salary deferral arrangement; the ACLU-NJ matches those deferrals at a rate of 100% for the first 1% of pay and 50% of the next 5% of pay. Additionally, the ACLU-NJ contributes 2% of compensation for all participants. ACLU-NJ contributions are fully vested after participants attain 2 years of service. For the years ended March 31, 2020 and 2019, consolidated contributions to the plan totaled \$72,148 and \$51,968 respectively.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
 AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
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 YEARS ENDED MARCH 31, 2020 AND 2019

(5) **Operating Lease Commitments**

The ACLU leases office space in Newark, NJ. The following is a schedule for future lease commitments as of March 31, 2020:

Year ending March 31,

2021	\$ 315,000
2022	315,000
2023	315,000
2024	315,000
2025	315,000
Thereafter	<u>1,443,750</u>
	<u>\$3,018,750</u>

Rental Expense for office space totaled \$131,726 and \$95,900 for the years ended March 31, 2020 and 2019, respectively.

(6) **Fair Value of Financial Instruments**

The ACLU's assets recorded at fair value have been categorized based upon a fair value hierarchy as described in Note 1. The table below presents the balances of assets measured on a recurring basis as of March 31, 2020 and 2019.

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
<u>2020</u>			
Mutual funds	\$3,988,250	\$ -	\$3,988,250
ACLU Pooled Fund	-	<u>1,579,211</u>	<u>1,579,211</u>
	<u>\$3,988,250</u>	<u>\$1,579,211</u>	<u>\$5,567,461</u>
 <u>2019</u>			
Mutual funds	\$3,823,761	\$ -	\$3,823,761
ACLU Pooled Fund	-	<u>1,804,682</u>	<u>1,804,682</u>
	<u>\$3,823,761</u>	<u>\$1,804,682</u>	<u>\$5,628,443</u>

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YEARS ENDED MARCH 31, 2020 AND 2019

(7) Net Assets

Designated

As of March 31, 2020 and 2019, the Board of Trustees designated \$2,000,000 of nonoperating funds to be used each year for (1) ensuring the stability of the ACLU's mission, programs, employment and ongoing operations; and (2) funding future strategic initiatives including, but not limited to, capital expenditures, development of new or existing programs, and emergency responses in support of the mission.

With Donor Restrictions

The nature of net assets with donor restrictions, subject to expenditure for specified purpose or by the passage of time, is as follows as of March 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Specified purpose		
Transparency and community engagement	\$ -	\$ 125,000
Immigration policy	48,554	197,169
Immigration litigation	-	41,666
Pretrial justice and jail reform	<u>70,000</u>	<u>-</u>
	118,554	363,835
Subject to the passage of time		
Long term pledges receivable	1,366,046	1,652,206
In perpetuity		
Endowment (Note 8)	<u>1,525,053</u>	<u>1,525,053</u>
	<u>\$3,009,653</u>	<u>\$3,541,094</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose and by collection of long term pledges receivable (passage of time). Those releases are as follows for the years ended March 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Specified purpose		
Pretrial justice & bail reform	\$ -	\$ 45,000
Civil asset forfeiture reform	-	70,000
Public interest fellow	20,000	47,500
Constitutional defense	-	200,000
Immigration policy	212,615	19,277
Immigration litigation	41,666	33,334
Criminal justice reform	10,000	-
Voting rights	1,000	-
Transparency & community engagement	125,000	-
Racial justice	<u>85,000</u>	<u>-</u>
	495,281	415,111
Subject to the passage of time		
Collection of long term pledges, net of accretion	<u>286,160</u>	<u>209,558</u>
	<u>\$781,441</u>	<u>\$624,669</u>

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(8) **Endowment**

Through a bequest from the Estate of Kenneth Dunne, the ACLU established the Kenneth Dunne Memorial Fund. The bequest is held as a permanent endowment fund. The endowment is invested in the Pooled Fund of the ACLU - National and is not commingled with other investments. Investment earnings may be expended to any of the following areas: (a) the rights of legal and unauthorized immigrants; (b) discrimination on the basis of race, color, national origin or religion; (c) the separation of government and religion; (d) national security; (e) free speech; (f) voting rights. Any unexpended investment earnings are reinvested. As these areas are closely aligned with the mission of the ACLU, accumulated earnings are classified as without donor restriction.

The board of trustees of the ACLU has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) to require standard care that is reasonable and prudent over its endowed funds. The original value of the contributions is maintained in perpetuity. In the event of a market decline, a plan is effectuated to restore the original value through reduced distributions. Accumulated earnings are classified as unrestricted net assets.

Endowment net assets and related activity are as follows as of March 31, 2020 and 2019 and for the years then ended:

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Balance, March 31, 2018	\$ 207,694	\$1,500,000	\$1,707,694
Contributions	-	25,053	25,053
Investment earnings	39,270	-	39,270
Distributions	<u>(66,127)</u>	<u>-</u>	<u>(66,127)</u>
Balance, March 31, 2019	180,837	1,525,053	1,705,890
Investment loss	(143,948)	-	(143,948)
Distributions	<u>(69,179)</u>	<u>-</u>	<u>(69,179)</u>
Balance March 31, 2020	<u>\$ (32,290)</u>	<u>\$1,525,053</u>	<u>\$1,492,763</u>

(9) **Insured Deposits**

As of March 31, 2020 and 2019, cash exceeding federally insured limits in one depository institution totaled \$499,716 and \$1,061,648 respectively. Management does not consider the solvency of the financial institution a concern as of March 31, 2020.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
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 YEARS ENDED MARCH 31, 2020 AND 2019

(10) **Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position, are comprised of the following as of March 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 1,771,511	\$ 2,227,124
Investment securities	5,567,461	5,628,443
Accounts receivable	1,550,457	904,892
Pledges receivable	<u>1,366,046</u>	<u>1,652,206</u>
Financial assets	10,255,475	10,412,665
Less:		
Board designation	2,000,000	2,000,000
Net assets with donor restrictions	<u>3,009,653</u>	<u>3,541,094</u>
Financial assets available for general expenditures	<u>\$ 5,245,822</u>	<u>\$ 4,871,571</u>

(11) **Subsequent Events**

Coronavirus

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic which has spread throughout the United States. On March 21, 2020, the governor of New Jersey declared a health emergency and issued an order to close all nonessential businesses and activities into July 2020. Social distancing and individual isolation have been encouraged. The ACLU has continued uninterrupted operations through the pandemic with staff members functioning from their homes. In-person special events have been postponed or cancelled through the date of these financial statements. This health emergency could impact donors' ability to make donations. The overall impact on the ACLU's operations, earnings, cash flows and financial position cannot be reasonably estimated as of the date of these financial statements.

Investment securities

The ACLU's investment portfolio has incurred market fluctuations as a result of the COVID-19 pandemic.

Management evaluation

The ACLU has evaluated the need for adjustments resulting from subsequent events through January 27, 2021, the date the financial statements were available to be issued. Based upon this evaluation, no adjustments or additional disclosures were required to the financial statements as of March 31, 2020.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
 AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
 CONSOLIDATING STATEMENT OF FINANCIAL POSITION
 MARCH 31, 2020

	2020								
	ACLU - NJ			ACLU - NJ Foundation			Consolidated		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Assets									
Cash & cash equivalents	\$ 1,172,427	\$ 70,000	\$ 1,242,427	\$ 480,530	\$ 48,554	\$ 529,084	\$ 1,652,957	\$ 118,554	\$ 1,771,511
Investment securities									
Operating	2,870,031	-	2,870,031	(827,623)	1,525,053	697,430	2,042,408	1,525,053	3,567,461
Designated reserve	500,000	-	500,000	1,500,000	-	1,500,000	2,000,000	-	2,000,000
	<u>3,370,031</u>	<u>-</u>	<u>3,370,031</u>	<u>672,377</u>	<u>1,525,053</u>	<u>2,197,430</u>	<u>4,042,408</u>	<u>1,525,053</u>	<u>5,567,461</u>
Accounts receivable	554,953	-	554,953	995,504	-	995,504	1,550,457	-	1,550,457
Pledges receivable	-	-	-	-	1,366,046	1,366,046	-	1,366,046	1,366,046
Inter-company funds	(113,994)	-	(113,994)	113,994	-	113,994	-	-	-
Total financial assets	<u>4,983,417</u>	<u>70,000</u>	<u>5,053,417</u>	<u>2,262,405</u>	<u>2,939,653</u>	<u>5,202,058</u>	<u>7,245,822</u>	<u>3,009,653</u>	<u>10,255,475</u>
Prepaid expenses	44,113	-	44,113	21,802	-	21,802	65,915	-	65,915
Total current assets	<u>5,027,530</u>	<u>70,000</u>	<u>5,097,530</u>	<u>2,284,207</u>	<u>2,939,653</u>	<u>5,223,860</u>	<u>7,311,737</u>	<u>3,009,653</u>	<u>10,321,390</u>
Property & equipment	90,177	-	90,177	159,235	-	159,235	249,412	-	249,412
Less accumulated depreciation	19,958	-	19,958	86,711	-	86,711	106,669	-	106,669
	<u>70,219</u>	<u>-</u>	<u>70,219</u>	<u>72,524</u>	<u>-</u>	<u>72,524</u>	<u>142,743</u>	<u>-</u>	<u>142,743</u>
	<u>\$ 5,097,749</u>	<u>\$ 70,000</u>	<u>\$ 5,167,749</u>	<u>\$ 2,356,731</u>	<u>\$ 2,939,653</u>	<u>\$ 5,296,384</u>	<u>\$ 7,454,480</u>	<u>\$ 3,009,653</u>	<u>\$ 10,464,133</u>
Liabilities & Net Assets									
Liabilities									
Accounts payable & accrued expenses	\$ -	\$ -	\$ -	\$ 38,618	\$ -	\$ 38,618	\$ 38,618	\$ -	\$ 38,618
Net assets									
Without donor restrictions									
Undesignated	4,597,749	-	4,597,749	818,113	-	818,113	5,415,862	-	5,415,862
Board-designated	500,000	-	500,000	1,500,000	-	1,500,000	2,000,000	-	2,000,000
	<u>5,097,749</u>	<u>-</u>	<u>5,097,749</u>	<u>2,318,113</u>	<u>-</u>	<u>2,318,113</u>	<u>7,415,862</u>	<u>-</u>	<u>7,415,862</u>
With donor restrictions	-	70,000	70,000	-	2,939,653	2,939,653	-	3,009,653	3,009,653
	<u>5,097,749</u>	<u>70,000</u>	<u>5,167,749</u>	<u>2,318,113</u>	<u>2,939,653</u>	<u>5,257,766</u>	<u>7,415,862</u>	<u>3,009,653</u>	<u>10,425,515</u>
	<u>\$ 5,097,749</u>	<u>\$ 70,000</u>	<u>\$ 5,167,749</u>	<u>\$ 2,356,731</u>	<u>\$ 2,939,653</u>	<u>\$ 5,296,384</u>	<u>\$ 7,454,480</u>	<u>\$ 3,009,653</u>	<u>\$ 10,464,133</u>

See independent auditor's report.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
 AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
 CONSOLIDATING STATEMENT OF FINANCIAL POSITION
 MARCH 31, 2019

	2019						
	ACLU - NJ		ACLU - NJ Foundation			Consolidated	
	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Assets							
Cash & cash equivalents	\$ 845,976	\$ 1,017,313	\$ 363,835	\$ 1,381,148	\$ 1,863,289	\$ 363,835	\$ 2,227,124
Investment securities							
Operating	2,668,061	(564,671)	1,525,053	960,382	2,103,390	1,525,053	3,628,443
Designated reserve	500,000	1,500,000	-	1,500,000	2,000,000	-	2,000,000
	3,168,061	935,329	1,525,053	2,460,382	4,103,390	1,525,053	5,628,443
Accounts receivable	192,990	711,902	-	711,902	904,892	-	904,892
Pledges receivable	-	-	1,652,206	1,652,206	-	1,652,206	1,652,206
Inter-company funds	18,260	(18,260)	-	(18,260)	-	-	-
Total financial assets	4,225,287	2,646,284	3,541,094	6,187,378	6,871,571	3,541,094	10,412,665
Prepaid expenses	14,681	19,465	-	19,465	34,146	-	34,146
Total current assets	4,239,968	2,665,749	3,541,094	6,206,843	6,905,717	3,541,094	10,446,811
Property & equipment	89,922	420,622	-	420,622	510,544	-	510,544
Less accumulated depreciation	64,814	236,794	-	236,794	301,608	-	301,608
	25,108	183,828	-	183,828	208,936	-	208,936
	\$ 4,265,076	\$ 2,849,577	\$ 3,541,094	\$ 6,390,671	\$ 7,114,653	\$ 3,541,094	\$ 10,655,747
Liabilities & Net Assets							
Liabilities							
Accounts payable & accrued expenses	\$ -	\$ 29,543	\$ -	\$ 29,543	\$ 29,543	\$ -	\$ 29,543
Fees received in advance	-	25,000	-	25,000	25,000	-	25,000
	-	54,543	-	54,543	54,543	-	54,543
Net assets							
Without donor restrictions							
Undesignated	3,765,076	1,295,034	-	1,295,034	5,060,110	-	5,060,110
Board-designated	500,000	1,500,000	-	1,500,000	2,000,000	-	2,000,000
	4,265,076	2,795,034	-	2,795,034	7,060,110	-	7,060,110
With donor restrictions	-	-	3,541,094	3,541,094	-	3,541,094	3,541,094
	4,265,076	2,795,034	3,541,094	6,336,128	7,060,110	3,541,094	10,601,204
	\$ 4,265,076	\$ 2,849,577	\$ 3,541,094	\$ 6,390,671	\$ 7,114,653	\$ 3,541,094	\$ 10,655,747

See independent auditor's report.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2020

	2020								
	ACLU - NJ			ACLU - NJ Foundation			Consolidated		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support & Revenue									
Public Support									
Dues	\$ 1,413,661	\$ -	\$ 1,413,661	\$ -	\$ -	\$ -	\$ 1,413,661	\$ -	\$ 1,413,661
Contributions	19,480	-	19,480	1,314,479	91,000	1,405,479	1,333,959	91,000	1,424,959
Grants	-	70,000	70,000	33,333	89,000	122,333	33,333	159,000	192,333
Bequests	536,223	-	536,223	28,236	-	28,236	564,459	-	564,459
Special events									
Gross income	-	-	-	78,161	-	78,161	78,161	-	78,161
Direct expenses	-	-	-	(17,650)	-	(17,650)	(17,650)	-	(17,650)
	-	-	-	60,511	-	60,511	60,511	-	60,511
	<u>1,969,364</u>	<u>70,000</u>	<u>2,039,364</u>	<u>1,436,559</u>	<u>180,000</u>	<u>1,616,559</u>	<u>3,405,923</u>	<u>250,000</u>	<u>3,655,923</u>
Revenue									
Legal case awards	-	-	-	48,198	-	48,198	48,198	-	48,198
Interest & dividends	93,689	-	93,689	45,138	-	45,138	138,827	-	138,827
Other income	-	-	-	9,203	-	9,203	9,203	-	9,203
	<u>93,689</u>	<u>-</u>	<u>93,689</u>	<u>102,539</u>	<u>-</u>	<u>102,539</u>	<u>196,228</u>	<u>-</u>	<u>196,228</u>
Net assets released from restrictions	-	-	-	781,441	(781,441)	-	781,441	(781,441)	-
Total support & revenue	<u>2,063,053</u>	<u>70,000</u>	<u>2,133,053</u>	<u>2,320,539</u>	<u>(601,441)</u>	<u>1,719,098</u>	<u>4,383,592</u>	<u>(531,441)</u>	<u>3,852,151</u>
Expenses									
Functional expenses									
Program services	661,887	-	661,887	1,721,177	-	1,721,177	2,383,064	-	2,383,064
Management & general	161,963	-	161,963	574,369	-	574,369	736,332	-	736,332
Fund raising	77,601	-	77,601	273,281	-	273,281	350,882	-	350,882
Total expenses	<u>901,451</u>	<u>-</u>	<u>901,451</u>	<u>2,568,827</u>	<u>-</u>	<u>2,568,827</u>	<u>3,470,278</u>	<u>-</u>	<u>3,470,278</u>
Increase (decrease) in net assets before investment securities valuation	1,161,602	70,000	1,231,602	(248,288)	(601,441)	(849,729)	913,314	(531,441)	381,873
Valuation loss on investment securities	<u>(328,929)</u>	<u>-</u>	<u>(328,929)</u>	<u>(228,633)</u>	<u>-</u>	<u>(228,633)</u>	<u>(557,562)</u>	<u>-</u>	<u>(557,562)</u>
Increase (decrease) in net assets	832,673	70,000	902,673	(476,921)	(601,441)	(1,078,362)	355,752	(531,441)	(175,689)
Net assets									
Beginning of year	<u>4,265,076</u>	<u>-</u>	<u>4,265,076</u>	<u>2,795,034</u>	<u>3,541,094</u>	<u>6,336,128</u>	<u>7,060,110</u>	<u>3,541,094</u>	<u>10,601,204</u>
End of year	<u>\$ 5,097,749</u>	<u>\$ 70,000</u>	<u>\$ 5,167,749</u>	<u>\$ 2,318,113</u>	<u>\$ 2,939,653</u>	<u>\$ 5,257,766</u>	<u>\$ 7,415,862</u>	<u>\$ 3,009,653</u>	<u>\$ 10,425,515</u>

See independent auditor's report.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2019

	2019								
	ACLU - NJ			ACLU - NJ Foundation			Consolidated		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support & Revenue									
Public Support									
Dues	\$ 1,425,720	\$ -	\$ 1,425,720	\$ -	\$ -	\$ -	\$ 1,425,720	\$ -	\$ 1,425,720
Contributions	194,740	-	194,740	1,442,355	117,550	1,559,905	1,637,095	117,550	1,754,645
Grants	-	45,000	45,000	-	616,396	616,396	-	661,396	661,396
Bequests	-	-	-	-	25,053	25,053	-	25,053	25,053
Special events									
Gross income	-	-	-	42,446	-	42,446	42,446	-	42,446
Direct expenses	-	-	-	(16,053)	-	(16,053)	(16,053)	-	(16,053)
	-	-	-	26,393	-	26,393	26,393	-	26,393
	<u>1,620,460</u>	<u>45,000</u>	<u>1,665,460</u>	<u>1,468,748</u>	<u>758,999</u>	<u>2,227,747</u>	<u>3,089,208</u>	<u>803,999</u>	<u>3,893,207</u>
Revenue									
Legal case awards	-	-	-	97,940	-	97,940	97,940	-	97,940
Interest & dividends	72,872	-	72,872	93,465	-	93,465	166,337	-	166,337
Other income	-	-	-	5,817	-	5,817	5,817	-	5,817
	<u>72,872</u>	<u>-</u>	<u>72,872</u>	<u>197,222</u>	<u>-</u>	<u>197,222</u>	<u>270,094</u>	<u>-</u>	<u>270,094</u>
Net assets released from restrictions	94,168	(94,168)	-	530,501	(530,501)	-	624,669	(624,669)	-
Total support & revenue	<u>1,787,500</u>	<u>(49,168)</u>	<u>1,738,332</u>	<u>2,196,471</u>	<u>228,498</u>	<u>2,424,969</u>	<u>3,983,971</u>	<u>179,330</u>	<u>4,163,301</u>
Expenses									
Functional expenses									
Program services	404,389	-	404,389	1,597,482	-	1,597,482	2,001,871	-	2,001,871
Management & general	77,697	-	77,697	446,406	-	446,406	524,103	-	524,103
Fund raising	40,258	-	40,258	227,213	-	227,213	267,471	-	267,471
Total expenses	<u>522,344</u>	<u>-</u>	<u>522,344</u>	<u>2,271,101</u>	<u>-</u>	<u>2,271,101</u>	<u>2,793,445</u>	<u>-</u>	<u>2,793,445</u>
Increase (decrease) in net assets before investment securities valuation	1,265,156	(49,168)	1,215,988	(74,630)	228,498	153,868	1,190,526	179,330	1,369,856
Valuation gain (loss) on investment securities	43,357	-	43,357	(80,172)	-	(80,172)	(36,815)	-	(36,815)
Increase (decrease) in net assets	1,308,513	(49,168)	1,259,345	(154,802)	228,498	73,696	1,153,711	179,330	1,333,041
Net assets									
Beginning of year	2,956,563	49,168	3,005,731	2,949,836	3,312,596	6,262,432	5,906,399	3,361,764	9,268,163
End of year	<u>\$ 4,265,076</u>	<u>\$ -</u>	<u>\$ 4,265,076</u>	<u>\$ 2,795,034</u>	<u>\$ 3,541,094</u>	<u>\$ 6,336,128</u>	<u>\$ 7,060,110</u>	<u>\$ 3,541,094</u>	<u>\$ 10,601,204</u>

See independent auditor's report.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY &
 AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
 CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
 YEAR ENDED MARCH 31, 2020

	ACLU - NJ				ACLU - NJ Foundation				Consolidated Total
	Program Services	Management & General	Fund Raising	Total	Program Services	Management & General	Fund Raising	Total	
Personnel									
Salaries	\$ 267,765	\$ 97,919	\$ 45,566	\$ 411,250	\$ 981,738	\$ 359,011	\$ 167,066	\$ 1,507,815	\$ 1,919,065
Payroll taxes	20,484	7,491	3,486	31,461	80,488	29,434	13,697	123,619	155,080
Pension	16,808	6,147	2,860	25,815	100,877	36,890	17,167	154,934	180,749
Health insurance	41,391	15,136	7,044	63,571	103,932	38,007	17,686	159,625	223,196
Other insurance	663	242	113	1,018	3,488	1,276	594	5,358	6,376
Malpractice insurance	5,732	-	-	5,732	5,732	-	-	5,732	11,464
Travel	7,338	2,684	1,249	11,271	31,017	11,343	5,278	47,638	58,909
	<u>360,181</u>	<u>129,619</u>	<u>60,318</u>	<u>550,118</u>	<u>1,307,272</u>	<u>475,961</u>	<u>221,488</u>	<u>2,004,721</u>	<u>2,554,839</u>
Program services									
Litigation	132	-	-	132	31,691	-	-	31,691	31,823
Lobbying	41,370	-	-	41,370	-	-	-	-	41,370
Newsletter	47,947	-	-	47,947	48,747	-	-	48,747	96,694
Meetings & conferences	6,649	-	-	6,649	11,407	-	-	11,407	18,056
Public education	117,159	-	-	117,159	52,951	-	-	52,951	170,110
	<u>213,257</u>	<u>-</u>	<u>-</u>	<u>213,257</u>	<u>144,796</u>	<u>-</u>	<u>-</u>	<u>144,796</u>	<u>358,053</u>
Occupancy									
Rent	28,072	10,266	4,777	43,115	57,695	21,098	9,818	88,611	131,726
Utilities	8,112	2,967	1,379	12,458	17,851	6,528	3,038	27,417	39,875
Moving	2,734	1,000	465	4,199	19,765	7,228	3,364	30,357	34,556
Insurance	799	292	135	1,226	2,643	966	450	4,059	5,285
	<u>39,717</u>	<u>14,525</u>	<u>6,756</u>	<u>60,998</u>	<u>97,954</u>	<u>35,820</u>	<u>16,670</u>	<u>150,444</u>	<u>211,442</u>
Office & other									
Professional fees	11,218	4,102	1,909	17,229	14,270	5,219	2,428	21,917	39,146
Telecommunications	5,688	2,080	968	8,736	22,815	8,343	3,883	35,041	43,777
Equipment maintenance & rental	4,941	1,807	841	7,589	16,763	6,130	2,853	25,746	33,335
Equipment purchase	3,120	1,141	531	4,792	-	-	-	-	4,792
Publications & subscriptions	3,646	1,333	621	5,600	9,673	3,537	1,646	14,856	20,456
Postage	1,044	381	178	1,603	3,940	1,440	670	6,050	7,653
Stationery & supplies	1,532	560	261	2,353	5,392	1,972	917	8,281	10,634
Donor data management	-	-	2,232	2,232	-	-	5,998	5,998	8,230
Miscellaneous	2,577	942	439	3,958	4,355	1,592	741	6,688	10,646
Loss on disposal of fixed assets	6,318	2,310	1,075	9,703	63,183	23,105	10,752	97,040	106,743
	<u>40,084</u>	<u>14,656</u>	<u>9,055</u>	<u>63,795</u>	<u>140,391</u>	<u>51,338</u>	<u>29,888</u>	<u>221,617</u>	<u>285,412</u>
Depreciation	<u>8,648</u>	<u>3,163</u>	<u>1,472</u>	<u>13,283</u>	<u>30,764</u>	<u>11,250</u>	<u>5,235</u>	<u>47,249</u>	<u>60,532</u>
Total functional expenses	\$ <u>661,887</u>	\$ <u>161,963</u>	\$ <u>77,601</u>	\$ <u>901,451</u>	\$ <u>1,721,177</u>	\$ <u>574,369</u>	\$ <u>273,281</u>	\$ <u>2,568,827</u>	\$ <u>3,470,278</u>

See independent auditor's report.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY &
 AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
 CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
 YEAR ENDED MARCH 31, 2019

	ACLU - NJ				ACLU - NJ Foundation				2019 Consolidated Total
	Program Services	Management & General	Fund Raising	Total	Program Services	Management & General	Fund Raising	Total	
Personnel									
Salaries	\$ 146,990	\$ 47,118	\$ 23,429	\$ 217,537	\$ 885,794	\$ 283,947	\$ 141,187	\$ 1,310,928	\$ 1,528,465
Payroll taxes	11,245	3,605	1,792	16,642	72,477	23,233	11,552	107,262	123,904
Pension	11,272	3,613	1,797	16,682	93,449	29,956	14,895	138,300	154,982
Health insurance	24,057	7,712	3,834	35,603	109,972	35,252	17,529	162,753	198,356
Other insurance	1,250	401	199	1,850	3,740	1,199	596	5,535	7,385
Malpractice insurance	5,312	-	-	5,312	5,312	-	-	5,312	10,624
Travel	4,796	1,537	764	7,097	23,992	7,691	3,824	35,507	42,604
	<u>204,922</u>	<u>63,986</u>	<u>31,815</u>	<u>300,723</u>	<u>1,194,736</u>	<u>381,278</u>	<u>189,583</u>	<u>1,765,597</u>	<u>2,066,320</u>
Program services									
Chapter costs	218	-	-	218	18,459	-	-	18,459	18,677
Litigation	2,923	-	-	2,923	-	-	-	-	2,923
Newsletter	7,830	-	-	7,830	44,866	-	-	44,866	52,696
Meetings & conferences	6,493	-	-	6,493	28,714	-	-	28,714	35,207
Public education	139,233	-	-	139,233	107,535	-	-	107,535	246,768
	<u>156,697</u>	<u>-</u>	<u>-</u>	<u>156,697</u>	<u>199,574</u>	<u>-</u>	<u>-</u>	<u>199,574</u>	<u>356,271</u>
Occupancy									
Rent	9,720	3,116	1,549	14,385	55,080	17,656	8,779	81,515	95,900
Utilities	3,743	1,200	597	5,540	21,208	6,798	3,380	31,386	36,926
Insurance	278	89	44	411	1,574	505	251	2,330	2,741
	<u>13,741</u>	<u>4,405</u>	<u>2,190</u>	<u>20,336</u>	<u>77,862</u>	<u>24,959</u>	<u>12,410</u>	<u>115,231</u>	<u>135,567</u>
Office & other									
Professional fees	12,563	4,027	2,003	18,593	21,342	6,841	3,402	31,585	50,178
Telecommunications	2,146	688	342	3,176	15,896	5,096	2,534	23,526	26,702
Equipment maintenance & rental	2,116	678	337	3,131	14,072	4,511	2,243	20,826	23,957
Equipment purchase	396	127	63	586	4,450	1,427	709	6,586	7,172
Publications & subscriptions	3,372	1,081	538	4,991	10,868	3,484	1,732	16,084	21,075
Postage	519	167	83	769	3,413	1,094	544	5,051	5,820
Stationery & supplies	2,486	797	396	3,679	17,347	5,560	2,765	25,672	29,351
Donor data management	-	-	1,525	1,625	-	-	5,247	5,247	6,872
Miscellaneous	671	215	107	993	5,631	1,805	898	8,334	9,327
	<u>24,269</u>	<u>7,780</u>	<u>5,494</u>	<u>37,543</u>	<u>93,019</u>	<u>29,818</u>	<u>20,074</u>	<u>142,911</u>	<u>180,454</u>
Depreciation	<u>4,760</u>	<u>1,526</u>	<u>759</u>	<u>7,045</u>	<u>32,291</u>	<u>10,351</u>	<u>5,146</u>	<u>47,788</u>	<u>54,833</u>
Total functional expenses	<u>\$ 404,389</u>	<u>\$ 77,697</u>	<u>\$ 40,258</u>	<u>\$ 522,344</u>	<u>\$ 1,597,482</u>	<u>\$ 446,406</u>	<u>\$ 227,213</u>	<u>\$ 2,271,101</u>	<u>\$ 2,793,445</u>

See independent auditor's report.

AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY
 AMERICAN CIVIL LIBERTIES UNION - NJ FOUNDATION
 CONSOLIDATING STATEMENTS OF CASH FLOWS
 YEARS ENDED MARCH 31, 2020 AND 2019

	2019			
	ACLU - NJ	ACLU - NJ	ACLU - NJ	Consolidated
	Foundation	Foundation	Foundation	Consolidated
Cash flows from operating activities				
Increase (decrease) in net assets	\$ 902,673	\$ (1,078,362)	\$ 1,259,345	\$ 1,333,041
Adjustments to reconcile increase (decrease) in net assets to cash provided by (used in) operating activities:				
Depreciation	13,283	47,249	7,045	54,833
(Gain) loss on investment securities	328,929	228,633	(43,357)	36,815
Change in discount on pledges receivable	-	36,160	(832)	(40,442)
Loss on disposal of fixed assets	9,703	97,040	-	-
(Increase) decrease in:				
Accounts receivable	(361,963)	(283,602)	(186,312)	(282,857)
Inter-company funds	132,254	(132,254)	(56,786)	-
Prepaid expenses	(29,432)	(2,337)	(518)	(1,920)
Increase (decrease) in:				
Accounts payable & accrued expenses	-	9,075	-	(8,227)
Fees received in advance	-	(25,000)	-	24,550
	<u>995,447</u>	<u>(1,103,398)</u>	<u>978,585</u>	<u>1,115,793</u>
Cash flows from investing activities				
Acquisition of investment securities	(530,899)	(38,868)	(748,039)	(860,108)
Proceeds from sales of investments	-	73,187	-	600,001
Acquisition of property and equipment	(68,097)	(32,985)	(11,547)	(76,449)
	<u>(598,996)</u>	<u>1,334</u>	<u>(759,586)</u>	<u>(336,556)</u>
Cash flows from financing activities				
Collections on pledges receivable	-	250,000	50,000	250,000
Increase (decrease) in cash & cash equivalents	396,451	(852,064)	268,999	1,029,237
Cash & cash equivalents				
Beginning of year	<u>845,976</u>	<u>1,381,148</u>	<u>576,977</u>	<u>1,197,887</u>
End of year	<u>\$ 1,242,427</u>	<u>\$ 529,084</u>	<u>\$ 845,976</u>	<u>\$ 2,227,124</u>

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