

AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
MARCH 31, 2016 AND MARCH 31, 2015

AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1 – 2
Financial Statements:	
Combined Statements of Financial Position.....	3
Combined Statements of Activities.....	4
Combined Statements of Cash Flows.....	5
Notes to Combined Financial Statements.....	6 – 12
Supplementary Schedules	
Combined Schedules of Functional Expenses.....	13 – 14
Schedules of Revenue and Support and Expenses.....	15 – 16



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
American Civil Liberties Union of Tennessee Foundation, Inc. and
American Civil Liberties Union of Tennessee, Inc.
Nashville, Tennessee

We have audited the accompanying combined financial statements of American Civil Liberties Union of Tennessee Foundation, Inc., and American Civil Liberties Union of Tennessee, Inc., which comprise the combined statements of financial position as of March 31, 2016, and March 31, 2015, and the related combined statements of activities, and cash flows, for the years 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 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

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 American Civil Liberties Union of Tennessee Foundation, Inc. and American Civil Liberties Union of Tennessee, Inc., as of March 31, 2016 and March 31, 2015, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combined schedules of functional expenses on pages 13 – 14 and the schedules of revenues and support and expenses on pages 15 – 16, 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 financial statements. The information has been subjected to the auditing procedures applied in the audit 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 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.

CPA Consulting Group, PLLC

Nashville, Tennessee
January 5, 2017

AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
COMBINED STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2016 AND 2015

ASSETS

	<u>2016</u>	<u>2015</u>
CURRENT ASSETS		
Cash	\$ 786,889	\$ 672,555
Investments	197,165	205,297
Due from National ACLU	20,378	20,115
Prepaid expenses	<u>2,226</u>	<u>-</u>
Total current assets	<u>1,006,658</u>	<u>897,967</u>
EQUIPMENT AND LEASEHOLD IMPROVEMENTS, NET	<u>17,811</u>	<u>20,839</u>
OTHER ASSETS		
Security deposits	4,555	4,555
Investment in Bill of Rights Trust	<u>195,412</u>	<u>206,870</u>
Total other assets	<u>199,967</u>	<u>211,425</u>
Total assets	<u><u>\$ 1,224,436</u></u>	<u><u>\$ 1,130,231</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 15,710	\$ 6,443
Accrued pension liability	38,206	35,547
Deferred rent	<u>3,448</u>	<u>8,143</u>
Total current liabilities	<u>57,364</u>	<u>50,133</u>
NET ASSETS		
Unrestricted		
Operating	844,692	849,828
Board designated - Bill of Rights Trust	195,412	206,870
Temporarily restricted net assets	<u>126,968</u>	<u>23,400</u>
Total net assets	<u>1,167,072</u>	<u>1,080,098</u>
Total liabilities and net assets	<u><u>\$ 1,224,436</u></u>	<u><u>\$ 1,130,231</u></u>

See accompanying notes to financial statements and independent auditor's report.

AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
COMBINED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED MARCH 31, 2016 AND 2015

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT						
Shared revenue	\$ 250,000	\$ -	\$ 250,000	\$ 250,140	\$ -	\$ 250,140
Contributions	158,274	106,968	265,242	165,021	20,000	185,021
Grants	150,946	-	150,946	231,334	-	231,334
Event revenue	73,144	-	73,144	67,144	-	67,144
Other income	9,184	-	9,184	37,243	-	37,243
Investment return	(16,926)	-	(16,926)	23,570	-	23,570
Attorney fees	41,854	-	41,854	1,000	-	1,000
Net assets released from restriction	3,400	(3,400)	-	9,191	(9,191)	-
Total revenue and support	<u>669,876</u>	<u>103,568</u>	<u>773,444</u>	<u>784,643</u>	<u>10,809</u>	<u>795,452</u>
EXPENSES						
Program services	511,378	-	511,378	582,265	-	582,265
General and administrative	87,530	-	87,530	94,810	-	94,810
Fundraising	87,562	-	87,562	116,005	-	116,005
Total expenses	<u>686,470</u>	<u>-</u>	<u>686,470</u>	<u>793,080</u>	<u>-</u>	<u>793,080</u>
CHANGES IN NET ASSETS	(16,594)	103,568	86,974	(8,437)	10,809	2,372
NET ASSETS, BEGINNING OF YEAR	<u>1,056,698</u>	<u>23,400</u>	<u>1,080,098</u>	<u>1,065,135</u>	<u>12,591</u>	<u>1,077,726</u>
NET ASSETS, END OF YEAR	<u>\$ 1,040,104</u>	<u>\$ 126,968</u>	<u>\$ 1,167,072</u>	<u>\$ 1,056,698</u>	<u>\$ 23,400</u>	<u>\$ 1,080,098</u>

See accompanying notes to financial statements and independent auditor's report.

**AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 86,974	\$ 2,372
Adjustments to reconcile increase (decrease) in net assets to net cash flows provided (used) by operating activities:		
Depreciation	4,329	6,819
Realized and unrealized gains on investments	7,482	(1,255)
Change in carrying value of beneficial interest in trust	11,458	(10,384)
(Increase) decrease in operating assets:		
Prepaid expenses	(2,226)	-
Due from National ACLU	(263)	13,349
Increase (decrease) in operating liabilities:		
Accounts payable	9,266	2,111
Accrued pension liability	2,659	3,224
Deferred rent	(4,232)	(2,647)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>115,447</u>	<u>13,589</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(81,300)	(134,333)
Proceeds from sale of investments	81,590	124,939
Purchase of equipment	(1,403)	(1,579)
NET CASH USED BY INVESTING ACTIVITIES	<u>(1,113)</u>	<u>(10,973)</u>
NET INCREASE (DECREASE) IN CASH	114,334	2,616
BEGINNING CASH	<u>672,555</u>	<u>669,939</u>
ENDING CASH	<u>\$ 786,889</u>	<u>\$ 672,555</u>

See accompanying notes to financial statements and independent auditor's report.

**AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2016 AND 2015**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

The American Civil Liberties Union of Tennessee Foundation, Inc. (a nonprofit organization) and The American Civil Liberties Union of Tennessee, Inc. (a nonprofit organization) are incorporated under the laws of the state of Tennessee. Their missions are to protect and expand individual liberties through public education and provide legal assistance to aggrieved persons in litigation for the purpose of providing Bill of Rights protection.

Basis of Accounting

The combined financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Revenue is recognized when earned and expenses are recorded when incurred.

Basis of Presentation

The Combined Financial Statements include American Civil Liberties Union of Tennessee Foundation, Inc. and American Civil Liberties Union of Tennessee, Inc. (collectively, the "Organization"). The accompanying combined financial statements are presented in accordance with FASB ASC 958-205, Not-for-Profit Entities - Presentation of Financial Statements. Under FASB ASC 958-205, the Organization is required to report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently. Generally, the donors of these assets permit the organization to use all or part of the income earned on related investments for general or specific purposes.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence or nature of any donor restrictions.

Cash

For purposes of the combined statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2016 AND 2015**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equipment and leasehold improvements

Equipment and leasehold improvements are recorded at cost at the date of purchase or fair value at the date of donation. Depreciation is taken on a straight-line basis over the estimated useful life of the assets. Expenditures that substantially increase the useful lives of existing equipment and leasehold improvement items are capitalized, while expenditures for maintenance, repairs, and minor improvements are expensed as paid. Management periodically reviews the values assigned to long-lived assets to determine if any impairments exist that are other than temporary. Depreciation expense for the years ended March 31, 2016 and 2015, was \$4,329 and \$6,819, respectively.

Compensated Absences

Employees of the Organization are entitled to paid vacation time, depending on job classification, length of service, and other factors. The Organization's policy is to recognize the time cost of compensated absences when actually paid to employees. The Organization cannot reasonably estimate accrued compensated absences at March 31, 2016 and 2015.

Bill of Rights Trust

The Bill of Rights Trust represents the Organization's unit holdings in the National Endowment held by the National Foundation, which is a separate organization holding a common investment pool in which the Organization and other affiliated foundations may participate. The National Endowment's underlying investments are primarily mutual funds, exchange-traded funds, structured notes, hedge funds, and money market savings accounts, all of which are publicly traded.

Investment income includes interest and distribution of investments which are recorded when earned or declared. Realized gains and losses on investment transactions are recorded based on the average cost method.

Investments

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

**AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2016 AND 2015**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Support and Expenses

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions.

Income Taxes

The American Civil Liberties Union of Tennessee Foundation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

The American Civil Liberties Union of Tennessee is a not-for-profit organization that is exempt from income taxes under Section 501(c)(4) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

The Organization's Forms 990, Returns of Organizations Exempt from Income Tax for the years ending March 31, 2016, 2015, and 2014 are subject to examination by the IRS, generally for three years after filing.

Management has evaluated the Organization's tax positions and concluded that the Organization has taken no uncertain tax positions that require additional adjustment or disclosure to the accompanying combined financial statements.

Functional Allocation of Expenses

The costs of providing the programs and support services have been summarized on a functional basis in the statements of activities and schedules of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Major Revenue Sources

The Organization's primary source of revenue is base renewable income (shared revenues).

AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2016 AND 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates

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

Contributed Services and Supplies

Certain individuals, including members of the board of directors, donate substantial time to the operations of the Organization. Revenues and expenses related to these services are not reflected in the combined financial statements. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Subsequent Events

Management has evaluated subsequent events through January 5, 2017, the date the combined financial statements were available to be issued.

NOTE B – FAIR VALUE MEASUREMENT

FASB ASC 820-10, *Fair Value Measurements*, defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income, or cost approach, as specified by FASB ASC 820-10, are used to measure fair value. The fair value hierarchy prioritizes valuation techniques used to measure fair value into three broad levels:

Level 1 investments - Valuation based on unadjusted quoted prices within active markets for identical assets accessible by the Organization (e.g., prices derived from New York Stock Exchange, NASDAQ or Chicago Board of Trade).

Level 2 investments - Valuation based on quoted market prices for similar assets within active or inactive markets or information other than quoted market prices observable through market data for substantially the full term of the asset. The Organization did not hold any Level 2 assets at March 31, 2016 or 2015.

**AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2016 AND 2015**

NOTE B – FAIR VALUE MEASUREMENT (CONTINUED)

Level 3 investments - Valuation based on inputs other than quoted market prices that reflect assumptions about the asset that market participants would use when performing the valuation based on the best information available in the circumstances.

The fair value of the Organization's investments at March 31, 2016, is as follows:

	<u>Level 1</u>	<u>Level 3</u>
Mutual Funds	\$ 197,165	\$ -
Bill of Rights Trust	<u>-</u>	<u>195,412</u>
Total	<u>\$ 197,165</u>	<u>\$ 195,412</u>

The fair value of the Organization's investments at March 31, 2015, is as follows:

	<u>Level 1</u>	<u>Level 3</u>
Mutual Funds	\$ 205,297	\$ -
Bill of Rights Trust	<u>-</u>	<u>206,870</u>
Total	<u>\$ 205,297</u>	<u>\$ 206,870</u>

Assets measured at fair value on a recurring basis using significant unobservable inputs:

	<u>Bill of Rights Trust</u>	
	<u>March 31, 2016</u>	<u>March 31, 2015</u>
Beginning	\$ 206,870	\$ 196,486
Purchases	-	-
Gains (losses)	<u>(11,458)</u>	<u>10,384</u>
Ending	<u>\$ 195,412</u>	<u>\$ 206,870</u>

The Bill of Rights Trust ("Trust") is a non-endowment restricted voluntary investment holding. The value of the Trust is based on the value of the underlying assets held. Those assets are valued using fair value measurements. The total value of the Trust is reported to the Organization at a net asset value.

**AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2016 AND 2015**

NOTE C – RETIREMENT PLANS

A defined benefit pension plan is provided by the National ACLU for employees hired before March 31, 2009. Contributions are actuarially determined each year by an independent consulting actuary enrolled with the IRS, and satisfy all minimum funding requirements established by the IRS and other governmental agencies. There is no cost to the employees for this benefit. Pension expense reported by the Organization for the years ended March 31, 2016 and 2015, was \$38,206 and \$35,547 respectively.

A 401(k) plan is also provided by the National ACLU for employees hired before March 31, 2009. Employees may choose to contribute up to 80% of their pay up to IRS legal limits and are always 100% vested in the contributions they choose to defer. There is no employer matching to this plan.

A new 401(k) plan was established for all employees hired on or after April 1, 2009, who are not covered under any other qualified profit sharing or pension plan to which the employer contributes. This plan provides for an automatic contribution. Employees are automatically enrolled to defer 3% of pay with an increase of 1% per year up to 10% of pay unless they choose to defer a different percentage or elect not to participate in the plan. The Organization will match 100% of employee contributions up to 1% of pay and 50% of employee contributions up to the next 5% of pay. The Organization may also make an additional contribution equal to 2% of pay for each pay period. Employer contributions become 100% vested after two years of service. There were no additional contributions by the Organization for the years ended March 31, 2016 and 2015. Employer 401(k) contribution expense reported by the Organization for the year ended March 31, 2016 and 2015, was \$8,595 and \$9,633 respectively.

NOTE D – EQUIPMENT AND LEASEHOLD IMPROVEMENTS

Equipment and leasehold improvements consisted of the following at March 31:

	2016	2015
Leasehold improvements	\$ 21,051	\$ 21,050
Office equipment and furniture	43,681	49,589
Less accumulated depreciation	<u>(46,921)</u>	<u>(49,800)</u>
Total fixed assets	<u>\$ 17,811</u>	<u>\$ 20,839</u>

NOTE E – RELATED PARTY TRANSACTIONS

The Organization is an affiliate of the American Civil Liberties Union national organization, with principal offices in New York, New York. Under the affiliation agreement, the local and national organizations are each required to share certain types of contribution revenue with each other. During the years ended March 31, 2016 and 2015, there was \$250,000 and \$250,140, respectively in shared contributions from the ACLU national organization.

**AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2016 AND 2015**

NOTE F – LEASE COMMITMENTS

The lease requires monthly payments of \$5,147 through October 31, 2014, and \$5,315 through October 31, 2015. The lease includes an increase of 3.2% per lease year, which occurs annually on November 1st. The lease expired on October 31, 2016, with one five-year option to renew. The lease was subsequently renewed for five years and matures on October 31, 2021.

Future minimum lease obligations are as follows:

For the years ending March 31,	
2017	\$ 67,364
2018	70,328
2019	72,437
2020	74,607
2021	76,836
2022	<u>45,592</u>
Total	<u>\$ 407,164</u>

NOTE G – CONCENTRATION OF CREDIT RISK

The Organization maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. Accounts are guaranteed by the FDIC up to \$250,000. At March 31, 2016, The Organization had \$344,072 in excess of FDIC insured limits. The Organization has not experienced any losses in such accounts.

The Organization received grant income from one funding source during the years ending March 31, 2016 and March 31, 2015, that comprised 54% and 52% of total contributions and grants respectively.

NOTE H – TEMPORARILY RESTRICTED GRANTS

The Organization received various restricted contributions intended for the Criminal Justice Reform Project totaling \$126,968. At March 31, 2016, these funds were temporarily restricted.

SUPPLEMENTARY SCHEDULES

**AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
COMBINED SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2016**

	PROGRAM SERVICES				SUPPORTING SERVICES			
	Legal	Public Education	Legislative	Total Program Service	Management and General	Fundraising	Total Supporting Services	Total Expenses
Board meetings	\$ -	\$ -	\$ -	\$ -	\$ 964	\$ -	\$ 964	\$ 964
Credit card fees	-	-	-	-	-	1,638	1,638	1,638
Depreciation	-	-	-	-	4,329	-	4,329	4,329
Event expenses	-	-	-	-	-	25,658	25,658	25,658
Fundraising	-	-	-	-	-	2,832	2,832	2,832
Health insurance	12,462	16,023	2,322	30,807	3,819	3,560	7,379	38,186
Investment fees	-	-	-	-	2,759	-	2,759	2,759
IT services	-	-	-	-	288	-	288	288
Litigation	706	-	-	706	-	-	-	706
Lobbying	-	-	4,213	4,213	-	-	-	4,213
Membership recruitment	-	-	-	-	380	-	380	380
Miscellaneous	-	-	-	-	2,162	-	2,162	2,162
National shared database	-	-	1,618	1,618	539	5,798	6,337	7,955
Office insurance	60	78	507	645	73	17	90	735
Payroll processing	848	1,090	411	2,349	288	242	530	2,879
Payroll taxes	8,457	10,874	3,152	22,483	2,766	2,417	5,183	27,666
Pension	13,278	17,073	8,621	38,972	4,724	3,794	8,518	47,490
Postage	669	860	78	1,607	199	190	389	1,996
Printing	701	901	246	1,848	227	200	427	2,275
Professional development	4,872	6,263	-	11,135	1,392	1,392	2,784	13,919
Program support	1,594	2,049	-	3,643	496	455	951	4,594
Professional services	-	-	-	-	16,884	-	16,884	16,884
Public education	-	23,946	2,524	26,470	-	-	-	26,470
Rent	18,939	24,350	6,744	50,033	6,161	5,412	11,573	61,606
Repairs and maintenance	1,584	2,036	555	4,175	514	452	966	5,141
Salaries	111,652	143,553	39,909	295,114	36,335	31,900	68,235	363,349
Supplies	1,888	2,428	1,119	5,435	663	539	1,202	6,637
Telephone	3,032	3,899	1,064	7,995	984	866	1,850	9,845
Travel	-	-	1	1	326	-	326	327
Workers' compensation	701	902	526	2,129	258	200	458	2,587
Total	\$ 181,443	\$ 256,325	\$ 73,610	\$ 511,378	\$ 87,530	\$ 87,562	\$ 175,092	\$ 686,470

See independent auditor's report.

**AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
COMBINED SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2015**

	PROGRAM SERVICES				SUPPORTING SERVICES			
	Legal	Public Education	Legislative	Total Program Service	Management and General	Fundraising	Total Supporting Services	Total Expenses
Board meetings	\$ -	\$ -	\$ 188	\$ 188	\$ 230	\$ -	\$ 230	\$ 418
Credit card fees	-	-	-	-	-	1,704	1,704	1,704
Depreciation	-	-	-	-	6,819	-	6,819	6,819
Event expenses	-	-	-	-	-	18,801	18,801	18,801
Fundraising	-	-	-	-	-	6,032	6,032	6,032
Health insurance	10,903	11,255	2,110	24,268	5,275	5,628	10,903	35,171
Investment fees	1,126	1,126	-	2,252	125	125	250	2,502
IT services	-	-	691	691	77	-	77	768
Litigation	111	-	-	111	-	-	-	111
Lobbying	-	-	49,672	49,672	5,519	-	5,519	55,191
Membership recruitment	-	-	-	-	-	280	280	280
Miscellaneous	2,396	163	-	2,559	38	18	56	2,615
National shared database	-	-	1,878	1,878	1,878	3,756	5,634	7,512
Office insurance	829	828	764	2,421	177	92	269	2,690
Payroll processing	1,149	1,149	283	2,581	159	128	287	2,868
Payroll taxes	8,590	9,775	2,962	21,327	3,259	5,036	8,295	29,622
Pension	7,735	23,159	7,323	38,217	4,074	3,477	7,551	45,768
Postage	541	541	122	1,204	74	60	134	1,338
Printing	937	937	212	2,086	192	104	296	2,382
Professional development	3,564	3,564	-	7,128	396	396	792	7,920
Program support	4,113	3,498	-	7,611	52	52	104	7,715
Professional services	-	-	-	-	18,259	-	18,259	18,259
Public education	358	55,959	-	56,317	40	40	80	56,397
Rent	25,013	25,013	6,224	56,250	3,471	2,779	6,250	62,500
Repairs and maintenance	2,128	2,128	526	4,782	295	236	531	5,313
Salaries	108,908	132,246	38,896	280,050	42,785	66,123	108,908	388,958
Supplies	2,183	2,183	337	4,703	280	243	523	5,226
Telephone	6,361	6,361	1,573	14,295	881	707	1,588	15,883
Travel	-	-	30	30	268	-	268	298
Workers' compensation	521	608	515	1,644	187	188	375	2,019
Total	\$ 187,466	\$ 280,493	\$ 114,306	\$ 582,265	\$ 94,810	\$ 116,005	\$ 210,815	\$ 793,080

See independent auditor's report.

AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
SCHEDULE OF REVENUE AND SUPPORT AND EXPENSES FOR
AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
FOR THE YEARS ENDED MARCH 31, 2016 AND 2015

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT						
Shared revenue	190,000	\$ -	\$ 190,000	\$ 186,652	\$ -	\$ 186,652
Contributions	243,107	20,000	263,107	162,440	20,000	182,440
Grants	150,946	-	150,946	170,834	-	170,834
Event revenue	73,144	-	73,144	67,144	-	67,144
Other income	9,184	-	9,184	27,495	-	27,495
Investment return	(16,927)	-	(16,927)	23,568	-	23,568
Attorney fees	41,854	-	41,854	1,000	-	1,000
Net assets released from restriction	9,191	(9,191)	-	9,191	(9,191)	-
Total revenue and support	<u>700,499</u>	<u>10,809</u>	<u>711,308</u>	<u>648,324</u>	<u>10,809</u>	<u>659,133</u>
EXPENSES						
Program services	437,768	-	437,768	467,959	-	467,959
General and administrative	72,366	-	72,366	76,424	-	76,424
Fundraising	87,562	-	87,562	115,725	-	115,725
Total expenses	<u>597,696</u>	<u>-</u>	<u>597,696</u>	<u>660,108</u>	<u>-</u>	<u>660,108</u>
CHANGES IN NET ASSETS	<u>\$ 102,803</u>	<u>\$ 10,809</u>	<u>\$ 113,612</u>	<u>\$ (11,784)</u>	<u>\$ 10,809</u>	<u>\$ (975)</u>

See independent auditor's report.

AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE FOUNDATION, INC.
AND AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
SCHEDULE OF REVENUE AND SUPPORT AND EXPENSES FOR
AMERICAN CIVIL LIBERTIES UNION OF TENNESSEE, INC.
FOR THE YEARS ENDED MARCH 31, 2016 AND 2015

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT						
Shared revenue	\$ 60,000	\$ -	\$ 60,000	\$ 63,488	\$ -	\$ 63,488
Contributions	2,134	-	2,134	2,581	-	2,581
Grants	-	-	-	60,500	-	60,500
Other income	-	-	-	9,748	-	9,748
Investment return	2	-	2	2	-	2
Total revenue and support	<u>62,136</u>	<u>-</u>	<u>62,136</u>	<u>136,319</u>	<u>-</u>	<u>136,319</u>
EXPENSES						
Program services	73,610	-	73,610	114,306	-	114,306
General and administrative	15,164	-	15,164	18,386	-	18,386
Fundraising	-	-	-	280	-	280
Total expenses	<u>88,774</u>	<u>-</u>	<u>88,774</u>	<u>132,972</u>	<u>-</u>	<u>132,972</u>
CHANGES IN NET ASSETS	<u>\$ (26,638)</u>	<u>\$ -</u>	<u>\$ (26,638)</u>	<u>\$ 3,347</u>	<u>\$ -</u>	<u>\$ 3,347</u>

See independent auditor's report.