American Civil Liberties Union Foundation, Inc. and Subsidiary

Consolidated Financial Statements

Years Ended March 31, 2023 and 2022

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Contents

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Independent Auditor's Report

Audit Committee
American Civil Liberties Union Foundation, Inc.
New York, New York

Opinion

We have audited the consolidated financial statements of American Civil Liberties Union Foundation, Inc. and its subsidiary (collectively, the Foundation), which comprise the consolidated statement of financial position as of March 31, 2023, the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of March 31, 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The financial statements of the Foundation for the year ended March 31, 2022 were audited by another auditor, who expressed an unmodified opinion on those statements on October 3, 2022.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position and consolidating statement of activities are 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 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 our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

BDO USA, P.C.

October 3, 2023

American Civil Liberties Union Foundation, Inc. and Subsidiary

Consolidated Statements of Financial Position

March 31,	**2023**	2022
Assets		
Cash and cash equivalents	**$ 122,723,768**	$ 143,608,870
Pledges, bequests, and contributions receivable, net	**48,044,523**	61,254,434
Investments, at fair value	**588,767,709**	590,619,973
Other assets	**1,046,478**	1,485,562
Due from affiliates	**781,915**	1,095,240
Beneficial interest in trusts	**-**	1,336,698
Right-of-use assets, operating leases	**2,371,126**	-
Property and equipment, net of accumulated depreciation and amortization	**21,894,639**	25,411,741
Total Assets	**$ 785,630,158**	$ 824,812,518
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	**$ 7,735,737**	$ 6,441,165
Grants payable	**3,824,383**	3,866,567
Funds received in advance	**-**	2,000,000
Due to the American Civil Liberties Union, Inc:		
Accrued pension liability	**-**	803,047
Allocated share of pension liability	**1,434,224**	6,933,760
Due to the American Civil Liberties Union, Inc., others	**27,472,673**	38,550,737
Due to affiliates	**35,720,280**	36,213,917
Liabilities under split-interest agreements	**19,733,541**	20,422,939
Bill of Rights Trust held for affiliates	**47,166,017**	50,816,350
Lease liabilities, operating leases	**2,440,198**	-
Total Liabilities	**145,527,053**	166,048,482
Commitments and Contingencies		
Net Assets		
Net assets without donor restrictions:		
Board-designated	**248,179,224**	259,816,579
Undesignated	**126,333,308**	150,995,027
Net Assets Without Donor Restrictions	**374,512,532**	410,811,606
Net assets with donor restrictions	**265,590,573**	247,952,430
Total Net Assets	**640,103,105**	658,764,036
Total Liabilities and Net Assets	**$ 785,630,158**	$ 824,812,518

See accompanying notes to consolidated financial statements.

American Civil Liberties Union Foundation, Inc. and Subsidiary

Consolidated Statements of Activities

Year ended March 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Support and Revenue			
Support:			
Grants, bequests, and contributions	$ 106,209,620	$ 77,987,835	$ 184,197,455
Donated legal services	39,375,260	-	39,375,260
Total Support	145,584,880	77,987,835	223,572,715
Revenue:			
Rental income	808,442	-	808,442
Merchandise and book sales	772,776	-	772,776
Other income	2,113,104	-	2,113,104
Total Revenue	3,694,322	-	3,694,322
Net assets released from restrictions	51,979,714	(51,979,714)	-
Total Operating Support and Revenue	201,258,916	26,008,121	227,267,037
Operating Expenses			
Program services:			
Legislative	3,111,576	-	3,111,576
Legal	113,835,681	-	113,835,681
Public education	19,899,907	-	19,899,907
Civil liberties policy formulation	1,358,241	-	1,358,241
Affiliate support	55,363,802	-	55,363,802
Total Program Services	193,569,207	-	193,569,207
Supporting services:			
Management and general	12,746,050	-	12,746,050
Fundraising	19,684,099	-	19,684,099
Total Supporting Services	32,430,149	-	32,430,149
Total Operating Expenses	225,999,356	-	225,999,356
Change in Net Assets, before non-operating activities	(24,740,440)	26,008,121	1,267,681
Other Changes in Net Assets from Non-Operating Activities			
Legal award, net	5,073,338	-	5,073,338
Net investment loss	(19,166,736)	(8,655,914)	(27,822,650)
Changes in value of split-interest agreements	-	285,936	285,936
Other components of postretirement benefit cost	2,534,764	-	2,534,764
Total Other Changes in Net Assets from Non-Operating Activities	(11,558,634)	(8,369,978)	(19,928,612)
Change in Net Assets	(36,299,074)	17,638,143	(18,660,931)
Net Assets, beginning of year	410,811,606	247,952,430	658,764,036
Net Assets, end of year	$ 374,512,532	$ 265,590,573	$ 640,103,105

See accompanying notes to consolidated financial statements.

American Civil Liberties Union Foundation, Inc. and Subsidiary

Consolidated Statements of Activities

Year ended March 31, 2022

		Without Donor Restrictions		With Donor Restrictions		Total
Operating Support and Revenue						
Support:						
Grants, bequests, and contributions	$	132,582,892	$	81,099,307	$	213,682,199
Donated legal services		25,253,603		-		25,253,603
Total Support		157,836,495		81,099,307		238,935,802
Revenue:						
Rental income		1,092,684		-		1,092,684
Merchandise and book sales		827,203		-		827,203
Other income		1,239,815		-		1,239,815
Total Revenue		3,159,702		-		3,159,702
Net assets released from restrictions		51,821,154		(51,821,154)		-
Total Operating Support and Revenue		212,817,351		29,278,153		242,095,504
Operating Expenses						
Program services:						
Legislative		2,887,869		-		2,887,869
Legal		88,583,414		-		88,583,414
Public education		14,144,639		-		14,144,639
Civil liberties policy formulation		1,148,131		-		1,148,131
Affiliate support		62,408,477		-		62,408,477
Total Program Services		169,172,530		-		169,172,530
Supporting services:						
Management and general		10,568,293		-		10,568,293
Fundraising		15,790,315		-		15,790,315
Total Supporting Services		26,358,608		-		26,358,608
Total Operating Expenses		195,531,138		-		195,531,138
Change in Net Assets, before non-operating activities		17,286,213		29,278,153		46,564,366
Other Changes in Net Assets from Non-Operating Activities						
Legal award, net		2,459,308		-		2,459,308
Net investment income		7,681,347		11,975,785		19,657,132
Changes in value of split-interest agreements		-		(212,381)		(212,381)
Other components of postretirement benefit cost		3,481,510		-		3,481,510
Total Other Changes in Net Assets from Non-Operating Activities		13,622,165		11,763,404		25,385,569
Change in Net Assets		30,908,378		41,041,557		71,949,935
Net Assets, beginning of year		379,903,228		206,910,873		586,814,101
Net Assets, end of year	$	410,811,606	$	247,952,430	$	658,764,036

See accompanying notes to consolidated financial statements.

American Civil Liberties Union Foundation, Inc. and Subsidiary

Consolidated Statements of Functional Expenses

Year ended March 31, 2023

	Program Services						Supporting Services			
	Legislative	Legal	Public Education	Civil Liberties Policy Formulation	Affiliate Support	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses
Salaries	$ 981,829	$ 29,999,043	$ 7,118,484	$ 651,204	$ 7,249,096	$ 45,999,656	$ 5,429,918	$ 8,447,643	$ 13,877,561	$ 59,877,217
Employee benefits	249,497	7,865,224	1,997,791	240,951	2,618,157	12,971,620	2,611,668	2,417,549	5,029,217	18,000,837
Rent and occupancy	18,361	1,874,510	211,107	933	322,740	2,427,651	9,612	402,718	412,330	2,839,981
Books	1,917	401,230	25,387	104	(25,006)	403,632	2,863	105,449	108,312	511,944
Building depreciation	-	2,265,469	382,603	-	318,836	2,966,908	-	765,206	765,206	3,732,114
Depreciation and amortization	-	35,715	30,309	-	4,487	70,511	-	285,763	285,763	356,274
Equipment rental and maintenance	426,285	1,444,122	735,273	94,697	616,319	3,316,696	695,252	695,252	1,390,504	4,707,200
Grants to affiliates	55,700	10,981,938	-	-	4,957,308	15,994,946	-	-	-	15,994,946
Shared portion of contributions	239,736	10,139,168	-	-	21,336,505	31,715,409	-	-	-	31,715,409
Shared portion of bequest	94,686	1,705,478	-	-	8,427,076	10,227,240	-	-	-	10,227,240
Meetings/conferences	14,874	182,065	1,294,105	1,190	977,919	2,470,153	32,380	58,385	90,765	2,560,918
Legal fees	37	75,048	9,289	57,674	349,359	491,407	749,759	59,159	808,918	1,300,325
Donated legal services		39,375,260				39,375,260			-	39,375,260
Accounting fees	-	-	-	-	-	-	147,373	-	147,373	147,373
Other professional services	717,068	2,503,645	5,251,798	203,072	1,753,771	10,429,354	2,182,901	1,448,323	3,631,224	14,060,578
Postage and supplies	3,477	18,574	848,738	1,065	22,739	894,593	9,660	1,182,286	1,191,946	2,086,539
Publishing, printing, and outreach	530	59,770	1,126,852	56	6,671	1,193,879	43,646	604,138	647,784	1,841,663
Special affiliate subsidies	60,490	604,900	-	-	5,383,610	6,049,000	-	-	-	6,049,000
Telephone	43,970	288,834	62,571	6,503	67,577	469,455	31,322	75,824	107,146	576,601
Telemarketing	-	-	9,707	-	-	9,707	-	87,360	87,360	97,067
Travel	17,084	774,965	61,811	24,127	178,517	1,056,504	88,977	127,393	216,370	1,272,874
Other grants and awards	697	17,072	-	-	62,052	79,821	-	-	-	79,821
Provision for doubtful allowances	-	-	252,626	-	-	252,626	-	2,273,632	2,273,632	2,526,258
Other expenses	185,338	3,223,651	481,456	76,665	736,069	4,703,179	710,719	648,019	1,358,738	6,061,917
Total Expenses, per statement of activities	3,111,576	113,835,681	19,899,907	1,358,241	55,363,802	193,569,207	12,746,050	19,684,099	32,430,149	225,999,356
Net Periodic Cost Other Than Service Cost	(11,083)	(404,537)	(70,756)	(4,819)	(196,767)	(687,962)	(45,216)	(69,953)	(115,169)	(803,131)
Total Expenses	$ 3,100,493	$ 113,431,144	$ 19,829,151	$ 1,353,422	$ 55,167,035	$ 192,881,245	$ 12,700,834	$ 19,614,146	$ 32,314,980	$ 225,196,225

See accompanying notes to consolidated financial statements.

American Civil Liberties Union Foundation, Inc. and Subsidiary

Consolidated Statements of Functional Expenses

Year ended March 31, 2022

	Program Services						Supporting Services			
	Legislative	Legal	Public Education	Civil Liberties Policy Formulation	Affiliate Support	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses
Salaries	$ 1,094,604	$ 24,224,922	$ 5,185,495	$ 593,276	$ 6,414,834	$ 37,513,131	$ 4,899,174	$ 7,670,150	$ 12,569,324	$ 50,082,455
Employee benefits	287,168	6,710,747	1,254,471	221,974	2,408,581	10,882,941	2,412,695	2,157,999	4,570,694	15,453,635
Rent and occupancy	21,042	2,099,222	307,724	1,021	364,907	2,793,916	12,031	582,329	594,360	3,388,276
Books	2,245	310,188	25,647	350	6,914	345,344	4,228	109,604	113,832	459,176
Building depreciation	-	952,505	159,383	-	132,796	1,244,684	-	318,776	318,776	1,563,460
Depreciation and amortization	-	289,033	94,829	-	53,030	436,892	-	502,988	502,988	939,880
Equipment rental and maintenance	348,215	1,193,371	469,583	77,925	725,945	2,815,039	562,378	801,354	1,363,732	4,178,771
Grants to affiliates	109,975	9,444,021	-	-	9,774,516	19,328,512	-	-	-	19,328,512
Shared portion of contributions	342,583	10,746,988	-	-	30,489,951	41,579,522	-	-	-	41,579,522
Shared portion of bequest	38,390	873,339	-	-	3,416,658	4,328,387	-	-	-	4,328,387
Meetings/conferences	4,267	61,854	10,340	2,376	205,188	284,025	19,759	75,560	95,319	379,344
Legal fees	1	1,531,407	60,663	10,924	125,652	1,728,647	141,997	158,656	300,653	2,029,300
Donated legal services	-	25,253,603	-	-	-	25,253,603	-	-	-	25,253,603
Accounting fees	-	-	-	-	-	-	255,191	-	255,191	255,191
Other professional services	329,515	1,863,311	4,367,927	175,888	1,143,304	7,879,945	1,716,939	758,573	2,475,512	10,355,457
Postage and supplies	11,765	28,991	457,011	659	10,634	509,060	6,632	1,226,852	1,233,484	1,742,544
Publishing, printing, and outreach	621	19,213	1,177,943	-	3,408	1,201,185	36,429	567,132	603,561	1,804,746
Special affiliate subsidies	67,930	679,300	-	-	6,045,770	6,793,000	-	-	-	6,793,000
Telephone	73,536	273,079	80,824	10,997	86,251	524,687	54,429	82,363	136,792	661,479
Telemarketing	-	-	17,597	-	-	17,597	-	158,370	158,370	175,967
Travel	26,195	324,220	52,650	5,225	39,847	448,137	21,543	33,136	54,679	502,816
Other grants and awards	-	150,000	4,833	-	-	154,833	537	-	537	155,370
Other expenses	129,817	1,554,100	417,719	47,516	960,291	3,109,443	424,331	586,473	1,010,804	4,120,247
Total Expenses, per statement of activities	2,887,869	88,583,414	14,144,639	1,148,131	62,408,477	169,172,530	10,568,293	15,790,315	26,358,608	195,531,138
Net Periodic Cost Other Than Service Cost	(14,611)	(447,204)	(71,375)	(5,825)	(315,116)	(854,131)	(53,309)	(79,766)	(133,075)	(987,206)
Total Expenses	$ 2,873,258	$ 88,136,210	$ 14,073,264	$ 1,142,306	$ 62,093,361	$ 168,318,399	$ 10,514,984	$ 15,710,549	$ 26,225,533	$ 194,543,932

See accompanying notes to consolidated financial statements.

American Civil Liberties Union Foundation, Inc. and Subsidiary

Consolidated Statements of Cash Flows

Year ended March 31,		**2023**		2022
Cash Flows from Operating Activities				
Change in net assets	$	**(18,660,931)**	$	71,949,935
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:				
Depreciation and amortization		**4,088,388**		2,503,340
Discount on pledges receivable		**(509,725)**		440,190
Provisions for doubtful allowances		**2,526,258**		-
Non-cash lease expense		**1,649,265**		-
Changes in value of split-interest agreements		**1,297,592**		212,381
Net realized and unrealized losses (gains) on investments, net, of adjustments for affiliate holdings		**36,497,452**		(23,613,575)
Donated investments		**(9,607,161)**		(12,701,563)
Changes in benefit obligations other than net periodic benefit cost		**(1,731,633)**		(2,494,304)
Cash received on contributions restricted for endowment		**(11,118,573)**		(728,564)
Contributions subject to split-interest agreements		**-**		(1,101,424)
Changes in operating assets and liabilities:				
Increase in due to (from) affiliates		**(180,312)**		(13,047,764)
Decrease (increase) in pledges, bequests, and contributions receivable		**11,193,378**		(18,677,754)
Decrease (increase) in other assets		**439,084**		(453,948)
Increase (decrease) in accounts payable and accrued expenses		**1,294,572**		(2,560,032)
Decrease (increase) in grants payable		**(42,184)**		3,866,567
Decrease (increase) in funds received in advance		**(2,000,000)**		2,000,000
Decrease in due to American Civil Liberties Union, Inc., accrued pension liability		**(4,570,950)**		(653,864)
Decrease (increase) in due to American Civil Liberties Union, Inc., other		**(11,078,064)**		20,784,299
Decrease (increase) in Bill of Rights Trust held for affiliates, net of unrealized		**(3,650,333)**		7,881,250
Principal reduction in lease operating lease liability		**(1,580,193)**		-
Net Cash (Used in) Provided by Operating Activities		**(5,744,070)**		33,605,170
Cash Flows from Investing Activities				
Proceeds from sale of investments		**226,792,449**		288,279,666
Purchase of investments		**(251,830,476)**		(310,378,448)
Purchase of property and equipment		**(571,286)**		(3,304,496)
Net Cash Used in Investing Activities		**(25,609,313)**		(25,403,278)
Cash Flows from Financing Activities				
Cash received on contributions restricted for endowment		**11,118,573**		728,564
Contributions subject to split-interest agreements		**2,637,476**		1,101,424
Payments on split-interest agreements		**(2,345,450)**		(2,186,411)
(Payment) purchase of new annuities		**(942,318)**		2,964,482
Net Cash Provided by Financing Activities		**10,468,281**		2,608,059
Net Change in Cash and Cash Equivalents		**(20,885,102)**		10,809,951
Cash and Cash Equivalents, beginning of year		**143,608,870**		132,798,919
Cash and Cash Equivalents, end of year	$	**122,723,768**	$	143,608,870
Investment in Right-of-Use Assets - Operating Leases Through Operating Lease Liabilities	$	**4,020,391**	$	-
Supplemental Disclosures of Cash Flow Information				
Donated legal services	$	**39,375,260**	$	25,253,603
Change in Investments for Bill of Rights Trust Held for Affiliates	$	**(3,198,611)**	$	1,409,398

See accompanying notes to consolidated financial statements.

1. Organization

The American Civil Liberties Union Foundation, Inc. (the ACLU Foundation) was established as a nonprofit corporation to preserve and promote individual civil rights and civil liberties as guaranteed by the United States Constitution and the nation's civil rights laws.

The ACLU Foundation is affiliated with the American Civil Liberties Union, Inc. (the Union), an organization that is exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code (IRC).

The ACLU Foundation and the Union are collectively referred to as the ACLU.

Both the ACLU Foundation and the Union are affiliated with 50 nonprofit, tax-exempt organizations in every state in the United States, the District of Columbia, and Puerto Rico. All affiliates include reference to the American Civil Liberties Union or some variation thereof in their names (the affiliates). The affiliates also operate through related Section 501(c)(3) and Section 501(c)(4) organizations. The affiliates share the same overall mission and purpose as the ACLU, but their programs focus more on local or regional issues, while the ACLU's program activities are focused on overarching civil liberties issues and initiatives. Although the ACLU plays no direct role in the governance of and, except in very limited instances, does not share employees with, the affiliates, the organizations jointly fundraise and work together on certain programs and the ACLU, through either the Union or the ACLU Foundation, as appropriate, at its sole discretion provides targeted financial and other support to the affiliates.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP).

Principles of Consolidation

The accompanying consolidated financial statements include the accounts and activities of the ACLU Foundation and its subsidiary, 915 15th Street, LLC (the LLC) (collectively referred to as the Foundation). The LLC is a single-member limited liability company of which the ACLU Foundation is the sole member. All significant inter-organizational accounts and transactions have been eliminated in consolidation.

The accounts and activities of the Union and the affiliates are not included in these consolidated financial statements.

Use of Estimates

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

Cash and Cash Equivalents

The Foundation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash and cash equivalents held temporarily in the investment portfolio are included in investments.

Investments and Related Income, Gains, and Losses

Investments are reported at fair value in the consolidated statements of financial position. The consolidated statements of activities include net investment income consisting of interest and dividend income and realized and unrealized gains and losses. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Realized gains and losses on sale of investments are calculated on the basis of specific identification of the securities sold. Purchases and sales of securities are recognized on a trade-date basis.

Donated securities are recorded at their estimated fair values, as determined by the Foundation's management on the dates of donation. The Foundation's policy is to sell donated securities immediately, and accordingly, for purposes of the consolidated statements of cash flows, donated securities and the proceeds generated from their sale are included within operating activities.

For the years ended March 31, 2023 and 2022, net investment income, gains, and losses is reported net of direct investment expenses of $2,246,352 and $2,240,777, respectively.

Fair Value Measurements

Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements*, establishes a three-level valuation hierarchy of fair-value measurements. These valuation techniques are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair value hierarchy:

Level 1 – This level consists of inputs that reflect unadjusted quoted market prices in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date. The types of investments in Level 1 generally include listed equities, mutual funds, and exchange-traded funds.

Level 2 - This level consists of inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly, including inputs in markets that are not considered to be active. Investments in this category generally include corporate debt, U.S. government debt, and less liquid securities such as securities traded on certain foreign exchanges. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.

Level 3 - This level consists of inputs that are unobservable for the asset or liability and that include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimates. Investments in this category generally include equity and debt positions in private companies.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

Fair Value of Financial Instruments

The following methods and assumptions were used in estimating the fair values of significant financial instruments:

Cash and Cash Equivalents - The carrying amount approximates fair value because the instruments are liquid in nature and have short-term maturities.

Investments - The fair value is determined as described in Note 5.

Concentration of Market and Credit Risk

The Foundation’s financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash and cash equivalents and investments.

Exposure to credit risk is reduced by the placement of such funds in high-credit quality financial institutions and financial instruments. At March 31, 2023 and 2022, the majority of the Foundation’s money market accounts were in funds that invest in short-term direct government obligations, such as U.S. Treasury Bills, that are backed by the full faith and credit of the U.S. government.

Investments in general are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of the Foundation's investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

In order to control market risk, the Foundation has an investment committee that reviews and updates investment policy statements for the organization’s various investment portfolios, oversees its investment portfolio, and engages the services of investment advisors and managers to invest and manage the assets within the guidelines of the respective investment policy statements and perform ongoing due diligence and reporting. The Foundation monitors the market risk of its investment portfolio through ongoing review of asset allocation formulas and analysis of investment values, as reported by investment custodians and managers.

The clearing and depository operations for the Foundation’s portfolio of investments held in managed accounts are provided principally by three financial institutions that held approximately 83% and 92% of the total portfolio at March 31, 2023 and 2022, respectively.

Property and Equipment

Property and equipment (consisting of office buildings, furniture, fixtures, office equipment, and software) are carried at cost, less accumulated depreciation or amortization.

Minor costs or repairs and maintenance are expensed as incurred. Depreciation and amortization are provided for using the straight-line method over the estimated useful lives of the respective assets. Land is not depreciated. Amortization of leasehold improvements is provided using the straight-line method over the estimated useful lives of the improvements or the remaining lives of the leases, whichever is shorter.

Impairment of Long-Lived Assets

Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. There were no triggering events during fiscal years 2023 or 2022 requiring management to test for impairment that would require any adjustments to property and equipment. However, it is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

Accrued Vacation

Accrued vacation represents the Foundation's obligation for the cost of unused employee vacation time that would be payable in the event that all employees leave the Foundation. As of March 31, 2023 and 2022, the accrued vacation obligation was approximately $3,439,000 and $2,957,000, respectively, and is reported as part of accounts payable and accrued expenses in the consolidated statements of financial position.

Grants Payable

Unconditional grants and awards are recognized as expenses in the consolidated financial statements at the time of approval. Unconditional grants and awards approved, but not yet paid are recognized as grants payable at each year end. As of March 31, 2023 and 2022, grants payable amounted to approximately $3,824,000 and $3,867,000, respectively.

Funds Received in Advance

The Foundation received funding related to a specific contract prior to the Foundation satisfying the conditions stipulated in the agreement, which included providing the related services as required by the contract. Revenue for this agreement is recognized as the related conditions are satisfied. As of March 31, 2023, the conditions were fully satisfied and the revenue was recognized, resulting in no funds received in advance at year end. As of March 31, 2022, funds received in advance were $2,000,000.

Leases

The Foundation determines if an arrangement is a lease or a service contract at inception. Where an arrangement is a lease, the Foundation determines if it is an operating lease or a finance lease. The Foundation currently does not have any finance leases. Subsequently, if the arrangement is modified, the Foundation reevaluates the classification. At lease commencement, the Foundation records a right-of-use (ROU) asset and a corresponding lease liability. ROU assets represent the Foundation's right to control the use of the leased asset during the lease and are recognized in an amount equal to the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. Lease liabilities represent the present value of the future lease payments over the expected lease term, which includes options to extend or terminate the lease when it is reasonably certain those options will be exercised. The present value of the lease liability is determined using the risk-free discount rate at lease inception for operating leases. Operating lease expense for lease payments is recognized on a straight-line basis over the lease term. Leases with a term of 12 months or less are considered short-term leases and are accounted for as rent expense on a straight-line basis over the lease term.

Lease payments related to periods subject to renewal options are excluded from the amounts used to determine the present value of the remaining lease payments unless the Foundation is reasonably certain to exercise the option to extend the lease. The Foundation has made an accounting policy election not to separate lease components from non-lease components in contracts when determining its lease payments for all of its asset classes, as permitted by GAAP. As such, the Foundation accounts for the applicable non-lease components together with the related lease components when determining the ROU assets and liabilities.

Net Assets

The Foundation reports information regarding its financial position and activities in two classes of net assets: without donor restrictions and with donor restrictions.

Net Assets Without Donor Restrictions – These assets represent those resources for which there are no restrictions by donors as to their use and are, therefore, available for current operations. Accordingly, the board of directors has allocated a portion of these funds to serve as board-designated endowments, the earnings from which will be applied to future support of the Foundation.

Net Assets with Donor Restrictions – These assets represent those resources that are subject to donor-imposed restrictions, such as specific purposes and/or a specific period of time. Also included within net assets with donor restrictions are donor restrictions that are perpetual in nature and subject to the requirements of New York's Prudent Management of Institutional Funds Act (NYPMIFA). These donors have stipulated that those resources be maintained in perpetuity, with the resultant income and net capital appreciation arising from the underlying assets to be used in satisfaction of the wishes of those donors.

When a donor restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, or funds are appropriated through an action of the board of directors, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the consolidated statements of activities as net assets released from restrictions.

Endowment Funds

The Foundation's endowment is subject to the provision of the NYPMIFA. The Foundation classifies as donor-restricted endowment funds (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not held in perpetuity is classified as net assets with donor restrictions until appropriate for expenditure.

Revenue Recognition

Grants, Bequests, Contributions, and Related Receivables

The Foundation reports contributions as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Unconditional promises to give are recorded as pledges and contributions receivable in the period the promise is received. Payments received in subsequent periods on unconditional promises to give, such as payments on multi-year gifts, are not recognized as revenue; rather, these are recorded as decreases in the corresponding pledges receivable balance. Pledges and contributions receivable due within one year are recorded at their net realizable value. Pledges and contributions receivable due in more than one year are recorded at the present value of their net realizable value, using applicable risk-adjusted interest rates to discount the amounts. Allowances for doubtful pledges and contributions receivable are provided by management based on the Foundation's experience with the donors and their ability to pay.

Conditional promises to give are those with measurable performance or other barriers and right of return or release. Conditional promises to give are recognized when the donor's conditions have been met by requisite actions of the Foundation's management or necessary events have taken place.

Contributions of cash and other assets are reported as with donor restrictions 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, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Contributions that are to be maintained in perpetuity are recorded as with donor restrictions support.

The Foundation is a beneficiary under various wills and trust agreements, the total realizable amounts of which are not determinable at present. The Foundation's share of such bequests is recorded when the amounts and timing of the distributions can be estimated with reasonable certainty and the probate court declares the will valid. For the years ended March 31, 2023 and 2022, bequest contributions amounted to $26,737,914 and $27,751,385, respectively.

Approximately 11% and 22% of the total grants, bequests, and contributions revenue of approximately $184,198,000 and $213,682,000 was provided by one and four donors for the years ended March 31, 2023 and 2022, respectively. In addition, approximately 31% and 46% of the gross pledges, bequests, and contributions receivable of approximately $51,760,000 and $62,988,000 were due from two donors at March 31, 2023 and 2022, respectively.

Certain grants, bequests, and contributions revenue are subject to revenue-sharing agreements with affiliates. The Foundation's sharing rules specify the circumstances under which revenue shall be shared and the methodology for determining the specific portion of various categories of revenue that will be shared among the Foundation and the affiliates. Shared revenues are reported at gross amounts and the affiliates' share of the revenues are included as affiliate support expense in the consolidated statements of activities. The Foundation reports the affiliates' share of revenues as expenses when cash is received from the donor.

Contributions of Non-Financial Assets

The Foundation received contributions of non-financial assets and recognized within the consolidated statement of activities as follows:

Year ended March 31,	**2023**	2022
Donated legal services*:		
Program – Racial Justice Project	$ **413,562**	$ 114,938
Program – National Prison Project	**2,413,810**	3,902,180
Program – Criminal Law Reform Project	**3,249,886**	4,427,280
Program – Capital Punishment Project	**541,827**	-
Program – Women Rights Project	**1,301,211**	3,233,676
Program – Freedom of Religion and Belief	**755,399**	-
Program – Disability Rights Project	**1,685,598**	1,952,692
Program – Reproductive Freedom Project	**5,178,978**	382,344
Program - LGBT	**7,948,136**	-
Program – Voting Rights Project	**8,947,521**	7,904,436
Program – Speech Privacy and Technology	**930,161**	519,097
Program – Human Rights Project	**265,377**	388,291
Program – Immigration Rights Project	**4,519,718**	1,091,650
Program – National Security Project	**1,119,633**	1,337,019
Program – Liberty	**50,997**	-
Program – Democracy	**53,446**	-
Total	$ **39,375,260**	$ 25,253,603

* Donated legal services are valued at the estimated fair value based on current hourly rates by type of services used by the law firm that provide similar legal services.

The Foundation recognizes contributions of non-financial assets at their estimated fair value at the date of donation. The Foundation recognizes contributions of services received if the services received create or enhance nonfinancial assets or if the services require specialized skills and would typically need to be purchased if not provided by donation.

Contributed nonfinancial assets did not have donor-imposed restrictions for the years ended March 31, 2023 and 2022.

A number of individuals have made contributions of their time to serve on the Foundation's board. The value of their contributed time is not reflected in the consolidated financial statements inasmuch as those services would not typically be purchased had they not been provided by donation.

Functional Expenses

The costs of providing various program and supporting services of the Foundation have been summarized on a functional basis in the accompanying consolidated financial statements. Each department within the Foundation is allocated to its programmatic or supporting services based on a total analysis of their respective full time equivalents and a determination of what functions they perform. Certain departments, such as legal, are determined to be 100% programmatic and are reflected, therefore, under legal programs. Other departments, such as executive or administrative/finance are largely supportive in nature and reflected largely under management and general. Each year, the functional allocations are reviewed and modified based on initiatives and organizational changes to best reflect the activities within the Foundation for a specified year.

Measure of Operations

The Foundation includes, in its definition of operations, all revenues and expenses that are an integral part of its programs and supporting activities. Net investment income, including net realized and unrealized gains and losses, is reported as part of non-operating activities, as are: (i) legal awards; (ii) changes in value of split-interest agreements; and (iii) other components of postretirement benefit cost.

Legal Awards

Pursuant to the Civil Rights Attorneys Fee Awards Act of 1976 and similar laws, legal fees and expenses may be awarded in certain legal actions. The amounts of these awards are the result of court determinations and/or negotiations between the parties to the matters. Management anticipates that the Foundation will be the recipient of legal awards of a substantial amount but is unable to determine the amounts receivable with any degree of accuracy. Accordingly, the Foundation's accounting policy is to accrue an award only when, in management's judgment, the amount appears relatively certain of collection.

Income Taxes

The ACLU Foundation is exempt from income taxes under Section 501(c)(3) of the U.S. IRC and is subject to taxes on unrelated business income, as applicable. The LLC is treated as a disregarded (tax) entity.

The ACLU Foundation files tax and information returns with the Internal Revenue Service (IRS) and with various states.

Management evaluated the Foundation's tax positions and concluded that the organization had taken no uncertain tax positions that require additional adjustment or disclosure to the accompanying consolidated financial statements. Generally, the Foundation is no longer subject to income tax examinations by U.S. federal, state, or local tax authorities for tax years before 2020, which is the standard statute of limitations look-back period.

Evaluation of Subsequent Events

The Foundation evaluates events occurring after the date of the consolidated financial statements to consider whether or not the impact of such events needs to be reflected and/or disclosed in the consolidated financial statements. Such evaluation is performed through the date the consolidated financial statements are issued, which is October 3, 2023. There were no significant subsequent events requiring adjustment to the consolidated financial statements or disclosures.

Reclassification

Certain information in the prior-year's consolidated financial statements has been reclassified to conform to the current-year's consolidated financial-statement presentation.

Adoption of Issued Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) 2016-02, *Leases (Topic 842)*. This ASU requires a lessee to record, for all leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset for the lease term and a liability to make lease payments. For leases with a lease term of 12 months or less, a practical expedient is available whereby a lessee may elect, by class of underlying asset, not to recognize a ROU asset or lease liability. A lessee making this accounting policy election will recognize lease expense over the term of the lease, generally in a straight-line pattern.

The Foundation adopted this ASU on a modified retrospective basis transition approach using the effective date method, which was April 1, 2022. Under this transition method, the Foundation applied the new requirements to only those leases that existed as of April 1, 2022, rather than at the earliest comparative period presented in the consolidated financial statements. Prior periods will be presented under the existing lease guidance. Upon transition, the Foundation applied the package of practical expedients permitted under the ASC 842 transition guidance. The Foundation also elected to apply practical expedients allowing it to: i) not reassess whether any expired or existing contracts previously assessed as not containing leases are, or contain, leases; ii) not reassess the lease classification for any expired or existing leases; and iii) not reassess initial direct costs for any existing leases. Additionally, the Foundation did not elect the hindsight practical expedient to determine the applicable term for leases within the Foundation's lease population. As a result of the adoption of ASC 842, the Foundation recorded right-of-use assets and lease liabilities of $3,923,414 and $4,020,391. See Note 10 for additional information.

The Foundation’s lessor accounting has remained similar, and the existing leases continue to be classified as operating leases.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU improves the transparency of contributed nonfinancial assets through enhancements to presentation and disclosures. The ASU requires that a nonprofit present contributed nonfinancial assets as a separate line item in the statement of activities apart from contributions of cash or other financial assets. Information that shows contributed nonfinancial assets disaggregated by category is required to be disclosed. In addition, the ASU requires that for each type of contributed nonfinancial assets, the following be disclosed: i) a policy (if any) on liquidating rather than using the contributed nonfinancial assets; ii) qualitative considerations on whether the contributed nonfinancial assets were liquidated or used during the reporting period and, if used, a description of how the asset was employed; iii) any donor-imposed restrictions related to contributed nonfinancial assets; iv) valuation methods and inputs utilized to determine a fair value measure at initial recognition; and v) the principal or most advantageous market utilized to calculate fair value if it is a market in which the organization is restricted by the donor from selling or utilizing the contributed nonfinancial assets.

The Foundation adopted this ASU for the year ended March 31, 2023. Accordingly, the consolidated statements of activities present contributed nonfinancial assets as a separate line item. In addition, the notes to the consolidated financial statements include disclosures identifying the types of assets contributed and the valuation methodology used.

Accounting Pronouncements Issued but Not Yet Adopted

Financial Instruments - Credit Losses

In June 2016, the FASB issued ASU 2016-03, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended. The new credit loss standard changes the impairment model for most financial assets and certain other instruments. For trade and other receivables, contract assets recognized as a result of applying FASB ASC 606, loans, and certain other instruments, entities will be required to use a new forward-looking "expected-loss" model that generally will result in earlier recognition of credit losses than under today's incurred-loss model. ASU 2016-03 is effective for fiscal years beginning after December 15, 2022. The Foundation is currently evaluating the impact of the adoption of 2016-03 on its consolidated financial statements.

3. Related Party Transactions

Amounts due from and to affiliates represent receivables and payables related to affiliate support and revenue sharing. Amounts due to affiliates include the portion of contributions that are shared in accordance with the Foundation's sharing rules and payments related to certain affiliate subsidy programs. During the years ended March 31, 2023 and 2022, the Foundation had expenses to affiliates for grants to affiliates, the shared portion of contributions and bequests, and the special affiliate subsidies of approximately $63,987,000 and $72,029,000, respectively.

During the years ended March 31, 2023 and 2022, the Foundation received approximately $390,000 and $377,000, respectively, from the New York Civil Liberties Union, Inc. and the New York Civil Liberties Union Foundation, Inc. in payments for the use of space occupied at the Foundation's offices at 125 Broad Street. These payments include charges for cleaning and other customary services.

As of March 31, 2023, expected future receipts from the New York Civil Liberties Union, Inc. and the New York Civil Liberties Union Foundation, Inc. for the use of space occupied was as follows:

Year ending March 31,	
2024	$ 390,264
2025	390,264
2026	390,264
	$ 1,170,792

Certain expenses, predominantly salaries and employee benefits, are shared between the Union and the Foundation. Expenses paid by the Union and allocated to the Foundation and recognized in the accompanying consolidated financial statements amounted to $34,120,127 and $25,234,647 during the years ended March 31, 2023 and 2022, respectively.

4. Pledges, Bequests, and Contributions Receivable

Pledges, bequests, and contributions receivable that are expected to be collected after one year have been discounted to net present value at rates ranging from 3.04% to 4.06% and are reflected in the consolidated financial statements at their net realizable value.

Pledges, bequests, and contributions receivable are comprised of the following:

March 31,		**2023**		2022
Receivable due within one year or less	**$**	**34,461,667**	$	31,894,165
Receivable due in more than one year to five years		**17,298,409**		31,093,674
		51,760,076		62,987,839
Less: discount to present value		**(1,223,680)**		(1,733,405)
Less: allowance for uncollectible accounts		**(2,491,873)**		-
	$	**48,044,523**	$	61,254,434

Approximately $15,566,000 and $12,543,000 of pledges, bequests, and contributions receivable as of March 31, 2023 and 2022, respectively, are the affiliates' share of these revenues, which are based on the Foundation's revenue-sharing rules. These amounts will be recognized as expenses by the Foundation upon the receipt of cash from donors.

For the years ended March 31, 2023 and 2022, the Foundation received approximately $1,050,000 and $800,000, respectively, in new conditional contributions. For the years ended March 31, 2023 and 2022, the Foundation recognized approximately $4,350,000 and $125,000, respectively, in revenue from conditional contributions as barriers were met. At March 31, 2023, there were no conditional contributions that did not meet the barriers to be recognized as revenue. At March 31, 2022, there was approximately $3,300,000 in conditional contributions that did not meet the barriers to be recognized as revenue.

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5. Investments and Fair Value Measurements

The following tables present the Foundation's investments that are measured at fair value on a recurring basis.

March 31, 2023

	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
Money Market Funds	$ 15,352,419	$ -	$ -	$ 15,352,419
Equities	111,817,853	-	-	111,817,853
Corporate Bonds, (by S&P rating)			-	
AAA—A-	-	641,471	-	641,471
BBB—B-	-	-	-	-
Total Corporate Bonds	-	641,471	-	641,471
U.S. Treasury Notes, Agency And Related	-	27,978,141	-	27,978,141
Mutual Funds				
Large-cap U.S. equity	10,189,167	-	-	10,189,167
Small-/mid-cap U.S. equity	2,924,643	-	-	2,924,643
International equity	8,647,285	-	-	8,647,285
Short-term bond	13,612,580	-	-	13,612,580
Intermediate-term bond	8,111,974	-	-	8,111,974
High-yield bond	785,917	-	-	785,917
International fixed income	1,931,467	-	-	1,931,467
Other bond	1,856,094	-	-	1,856,094
International real estate	1,881,376	-	-	1,881,376
U.S. real estate	3,787,005	-	-	3,787,005
Total Mutual Funds	53,727,508	-	-	53,727,508
Exchange-Traded Funds				
Short-term, long-term, and intermediate-term bonds	28,151,000	-	-	28,151,000
Real estate and hard assets (commodities)	15,254,509	-	-	15,254,509
Total Exchange-Traded Funds	43,405,509	-	-	43,405,509
Total	$ 224,303,289	$ 28,619,612	$ -	252,922,901
Private Equity Funds - Multi-Strategy[(1)]				113,514,074
Proprietary Equity Funds - Multi-Strategy[(1)]				222,330,734
Total Investments				$ 588,767,709

March 31, 2022

	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
Money Market Funds	$ 12,028,201	$ -	$ -	$ 12,028,201
Equities	123,705,395	-	-	123,705,395
Corporate Bonds, (by S&P rating)				
AAA—A-	-	202,326	-	202,326
BBB—B-	-	870,312	-	870,312
Total Corporate Bonds	-	1,072,638	-	1,072,638
U.S. Treasury Notes, Agency And Related	-	23,661,329	-	23,661,329
Mutual Funds				
Large-cap U.S. equity	2,978,101	-	-	2,978,101
Small-/mid-cap U.S. equity	322,850	-	-	322,850
International equity	1,567,960	-	-	1,567,960
Short-term bond	10,525,111	-	-	10,525,111
Intermediate-term bond	3,886,934	-	-	3,886,934
High-yield bond	214,506	-	-	214,506
International fixed income	1,548,311	-	-	1,548,311
Other bond	799,953	-	-	799,953
Total Mutual Funds	21,843,726	-	-	21,843,726
Exchange-Traded Funds				
Large-cap U.S. equity	1,819,658	-	-	1,819,658
Small-/mid-cap U.S. equity	1,975,657	-	-	1,975,657
International equity	1,653,693	-	-	1,653,693
Short-term, long-term, and intermediate-term bonds	25,667,383	-	-	25,667,383
Real estate and hard assets (commodities)	15,235,436	-	-	15,235,436
Total Exchange-Traded Funds	46,351,827	-	-	46,351,827
	$ 203,929,149	$ 24,733,967	$ -	228,663,116
Common Trust Funds[1]				
Large-cap U.S. equity				6,118,656
Small-/mid-cap U.S. equity				2,395,060
International equity				5,588,811
Intermediate-term bond				1,410,609
High-yield and others bonds				2,654,823
Real estate and hard assets (commodities)				2,206,905
Total Common Trust Funds				20,374,864
Private Equity Funds - Multi-Strategy[1]				108,481,460
Proprietary Equity Funds - Multi-Strategy[1]				233,100,533
Total Investments				590,619,973
Beneficial Interest in Trust	-	-	1,336,698	1,336,698
Total				$ 591,956,671

[1] In accordance with the fair value measurements topic, certain investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

Below are the valuation techniques used by the Foundation to measure different financial instruments at fair value and the level within the fair value hierarchy in which the financial instrument is categorized.

Equities, money market funds, and exchange-traded funds listed on a national securities exchange or reported on the NASDAQ global market are stated at the last reported sales or trade price on the day of valuation. These financial instruments are classified as Level 1 in the fair value hierarchy.

Investments in mutual funds are stated at fair value based on the last quoted evaluation price or NAV. To the extent these securities are actively traded, and valuation adjustments are not applied, they are classified as Level 1 in the fair value hierarchy.

U.S. government debt and corporate bonds are valued based on the last reported bid price provided by broker-dealers and are reported as Level 2 in the fair value hierarchy.

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

The Foundation assesses the fair value hierarchy levels of the investments at each measurement date, and transfers between levels are recognized on the actual date of the event or change in circumstances that caused the transfer. There were no significant transfers among Levels 1, 2, and 3 during fiscal years 2023 or 2022.

The Foundation has the ability to redeem its investments in common trust funds on a daily or monthly basis. The objectives of the investments in common trust funds are to approximate as closely as practicable or to provide total investment returns that are in excess of the performance of the following benchmarks over time with certain risk parameters:

Investment	Benchmark
Large-cap U.S. equity	S&P 500 Index
Small-/mid-cap U.S. equity	Russell 2000 Index, S&P Mid-Cap 400 Index
International equity	MSCI EAFE Index, MSCI Emerging Markets, JP Morgan CEMBI Broad Diversified Index
Intermediate-term bond	Barclays U.S. Aggregate Bond Index, Barclays U.S. Intermediate Bond Index
High-yield and other bonds	Barclays U.S. Treasury Inflation Protected Securities Index, Barclays Corporate High-Yield 2% Issuer Cap Index, Bloomberg Global High Yield Index, S&P/LSTA Leverage Loan Index
Real estate and hard assets (commodities)	Dow Jones U.S. Select REIT Index, Dow Jones-UBS Commodity Total Return Index

During fiscal year 2023, all investments in common trust funds were redeemed.

The Foundation did not have the ability to redeem the investments in private equity funds and proprietary equity funds on March 31, 2023, or in the near term, which is defined as 90 days or less from March 31, 2023. The investment objective of the private equity funds and proprietary equity funds is to generate consistent capital appreciation over the long term, with relatively low volatility and a low correlation with traditional equity and fixed-income markets.

The following table summarizes the investment strategies and liquidity provision of investments in the private equity, common trust, and proprietary equity funds valued at NAV as provided by the fund managers:

March 31, 2023

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period	Remaining Lock Up Period
Private equity:					
Sequoia	$ 39,258,638	$ -	Annual	NA	NA*
SRA III	27,149,108	5,116,506	None	NA	NA
SRA IV	31,701,243	4,544,833	None	NA	NA
SRA V	15,405,085	32,650,630	None	NA	NA
Multi-strategy	200,648,832	-	Monthly	7 business days	None
Multi-strategy	21,681,902	-	Monthly	15 business days	None
	$ 335,844,808	$ 42,311,969			

* While 5% can be drawn down annually, the full amount cannot be transferred until donor stipulations have been met.

March 31, 2022

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period	Remaining Lock Up Period
Private equity:					
Sequoia	$ 44,831,657	$ -	Annual	NA	NA*
SRA III	27,401,095	6,342,982	None	NA	NA
SRA IV	27,438,389	10,740,563	None	NA	NA
SRA V	8,810,319	41,196,285	None	NA	NA
Common trust	20,374,864	-	Daily	NA	NA
Multi-strategy	211,185,191	-	Monthly	7 business days	None
Multi-strategy	21,915,342	-	Monthly	15 business days	None
	$ 361,956,857	$ 58,279,830			

* While 5% can be drawn down annually, the full amount cannot be transferred until donor stipulations have been met.

The investments are held for the following purpose:

March 31,	**2023**	2022
Bill of Rights Trust, inclusive of endowments held in perpetuity of $75,186,082 and $71,490,569 at March 31, 2023 and 2022, respectively (Note 9)	**$ 134,984,894**	$ 131,061,392
Split-interest agreements (Note 7)	**39,151,489**	39,139,728
Other endowment, special projects, program support, and operating reserves	**414,631,326**	420,418,853
	$ 588,767,709	$ 590,619,973

6. Property and Equipment

Property and equipment consist of the following:

March 31,	**2023**	2022	Range of Estimated Useful Life (Years)
Land, office buildings, and office condominium	**$ 61,889,800**	$ 61,395,786	10-50
Furniture, fixtures, and office equipment	**4,793,796**	4,703,311	3-5
Software	**16,332,410**	16,332,410	3-15
	83,016,006	82,431,507	
Less: accumulated depreciation and amortization	**(61,121,367)**	(57,019,766)	
	$ 21,894,639	$ 25,411,741	

7. Split-Interest Agreements

The Foundation receives contributions through its charitable gift annuity program whereby in exchange for gifts of cash or securities, the Foundation promises to pay a fixed annual amount for life to the annuitant.

The difference between the fair value of the assets received and the present value of the future distributions to the annuitant is recognized as contribution revenue.

Upon the death of the annuitant, any balance of the amount in the split-interest account reverts to the Foundation.

The Foundation has received gifts under this program on which it is obligated to make annual annuity payments of $2,345,450 and $2,186,411 in accordance with the agreements as of March 31, 2023 and 2022, respectively.

In addition, the Foundation has 12 unitrust agreements on which the income is paid to the donor for life. Upon the death of the donor, the balance in the trust account shall be distributed to the Foundation for its general purposes.

Assets and liabilities related to the Foundation's split-interest agreements are as follows:

March 31,	**2023**	2022
Assets, investments	**$ 39,151,489**	$ 39,139,728
Liabilities under split-interest agreements	**19,733,541**	20,422,939
	$ 19,417,948	$ 18,716,789

Reserve asset balances at March 31, 2023 and 2022 were held in separate accounts and exceeded the reserve requirements of the New York State Insurance Commission, as well as the reserve requirements of the relevant regulatory bodies in all other states that require a reserve fund and in which the Foundation issues gift annuities. Reserves are included in liabilities under split-interest agreements on the accompanying consolidated statements of financial position.

The present value of obligations under split-interest agreements was calculated using an interest rate of 5% and applicable Annuity Mortality Tables (either 1983A, 2000, or 2012AR).

Beneficial interests in trusts (BITs) are recorded based on the present value of the estimated future receipts from the trusts, using discount rates ranging from 1.32% to 5.34%. These rates approximate the rates of return on the assets held in the trusts and are commensurate with the risks that management associates with the ultimate collection of the trusts. The initial gift and any subsequent adjustments to the non-perpetual BITs' carrying value are recognized as contributions with donor restrictions. With donor restrictions relates to the extended time period over which the gift is expected to be received and may also include purpose restrictions to benefit-specific Foundation programs. During fiscal year 2023, the Foundation became the trustee of the BITs; and accordingly, these assets are reported within the Foundation's investment pool.

Adjustments to reflect revaluations of the present value of estimated future payments and changes in actuarial assumptions are recognized in the consolidated statements of activities as changes in value of split-interest agreements.

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8. Liquidity and Availability of Resources

The Foundation regularly monitors liquidity required to meet its annual operating needs and other contractual commitments. As of the consolidated statement of financial position date, the Foundation holds approximately 15 months of operating expenses in cash, cash equivalents, and liquid investment assets. The following table reflects the Foundation's financial assets available as of the consolidated statement of financial position date for general expenditures over the next 12 months.

March 31,	**2023**	2022
Cash and cash equivalents	**$ 122,723,768**	$ 143,608,870
Pledges, bequest, and contributions receivable, net	**48,044,523**	61,254,434
Other miscellaneous receivables	**668,792**	1,049,054
Investments (excluding private equity investments, private equity unfunded commitments, and BORT held for affiliates)	**425,034,284**	417,873,991
Total Financial Assets Available Within One Year	**596,471,367**	623,786,349
Less: amounts unavailable for general expenditures within one year, due to:		
Restricted by donors with:		
Purpose and time restrictions	**(154,597,968)**	(148,452,994)
Trust accounts	**(4,911,523)**	(4,413,867)
Perpetual in nature	**(96,581,082)**	(92,885,569)
Total Amounts Unavailable for General Expenditures Within One Year	**(256,090,573)**	(245,752,430)
Amounts unavailable to management without board approval:		
Board-designated endowment funds	**(248,179,224)**	(259,816,579)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	**$ 92,201,570**	$ 118,217,340

The Foundation has board-designated funds totaling $248,179,224 and $259,816,579 as of March 31, 2023 and 2022, respectively. Although the Foundation does not intend to spend from its board-designated funds, other than amounts appropriated for general expenditures as part of its annual budget approval and appropriation process, amounts from its board-designated funds could be made available if necessary.

9. The Bill of Rights Trust and Other Endowments

In 1997, the ACLU and its affiliates established the Bill of Rights Trust (BORT). The purpose of the BORT, a portion of which is an endowment fund of the ACLU, is to build an enduring endowment to carry out the work of the ACLU and its affiliates in protecting, preserving, and expanding the civil liberties of all persons in the United States of America. The BORT has 100,000,000 authorized units, which are issued to or among the ACLU and its affiliates based upon their respective interests in the BORT. Unit shares have a unit value based upon the fair value of the net assets of the BORT divided by the total number of unit shares outstanding.

The BORT permits for annual distributions to the ACLU and its affiliates in accordance with the ACLU's approved spending policy, prorated in accordance with the percentage of the fair value of each unit share. For the years ended March 31, 2023 and 2022, the BORT allowed for a potential distribution amount equal to 4% of the average month-end value of total funds over the preceding 36 months through December 31, 2022 and 2021, respectively. Each unit holder, including the ACLU and the participating affiliates, must establish that it has determined the appropriation to be prudent before the distribution is disbursed. In the years ended March 31, 2023 and 2022, the Foundation had a distribution of approximately $1,099,000 and $1,090,000, respectively.

The BORT comprised the following accounts and amounts that are included in the consolidated statements of financial position:

March 31,	**2023**	2022
Assets		
Investments	**$ 134,984,894**	$ 131,061,392
Pledge receivable	**10,000,000**	20,000,000
Other assets	**72,003**	284,751
	$ 145,056,897	$ 151,346,143
Liabilities and Net Assets		
Held for affiliates	**$ 47,166,017**	$ 50,816,350
Net assets with donor restrictions	**22,704,798**	29,039,224
Net assets with donor restrictions - held in perpetuity	**75,186,082**	71,490,569
	$ 145,056,897	$ 151,346,143

The Foundation's endowment consists of numerous funds, established for a variety of purposes and consisting of donor-restricted and board-designated funds.

The Foundation's board of directors has adopted an investment policy for endowment assets that provides continued financial stability for the Foundation and a revenue stream for spending on the Foundation's mission. The Foundation relies on a total return strategy in which investment returns are achieved through capital appreciation (realized and unrealized) and current yield (interest and dividends). The investment goal of the endowment fund is to invest assets in a prudent manner that will balance reasonable annual distributions to the Foundation with long-term growth in the value of the assets of the BORT.

The Foundation has a policy of annually appropriating for expenditure an amount of up to 4% of the average month-end value of total funds over the preceding 36 months through December 31. Accumulated earnings appropriated for expenditure during fiscal year 2023 amounted to approximately $2,627,000.

Due to unfavorable market fluctuations, from time to time, the fair value of assets associated with individual donor-restricted endowment funds may decline below the historic dollar value of the donor's original, restricted contribution, or by the amount required to be retained by state law. As of March 31, 2023, deficiencies existed in eight of the Foundation's donor-restricted endowment funds, which had a combined original contribution value totaling $14,065,500 and a current fair value of $13,730,692, resulting in a deficiency of $334,808. As of March 31, 2022, there were no funds with deficiencies. Under the terms of NYPMIFA, the Foundation has no responsibility to restore such decreases in value.

Endowment net asset composition by type of fund was as follows:

March 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Held in Perpetuity	Total with Donor Restrictions
Donor-restricted funds	$ -	$ 44,428,501	$ 96,581,082	$ 141,009,583
Board-designated funds	248,179,224	-	-	-
Total Endowment Funds	$ 248,179,224	$ 44,428,501	$ 96,581,082	$ 141,009,583

March 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Held in Perpetuity	Total with Donor Restrictions
Donor-restricted funds	$ -	$ 56,335,945	$ 92,885,569	$ 149,221,514
Board-designated funds	259,816,579	-	-	-
Total Endowment Funds	$ 259,816,579	$ 56,335,945	$ 92,885,569	$ 149,221,514

Changes in endowment net assets are as follows:

March 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Held in Perpetuity	Total with Donor Restrictions
Endowment Net Assets, beginning of year	$ 259,816,579	$ 56,335,945	$ 92,885,569	$ 149,221,514
Investment return:				
Interest and dividends, net	3,477,895	221,987	-	221,987
Net realized and unrealized losses on investments	(18,396,293)	(7,902,173)	-	(7,902,173)
Net Investment Loss	(14,918,398)	(7,680,186)	-	(7,680,186)
Other Changes During the Year				
Contributions	14,295,870	-	3,695,513	3,695,513
Appropriation of endowment assets for expenditures	(11,014,827)	(4,227,258)	-	(4,227,258)
Total	3,281,043	(4,227,258)	3,695,513	(531,745)
Endowment Net Assets, end of year	$ 248,179,224	$ 44,428,501	$ 96,581,082	$ 141,009,583

March 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Held in Perpetuity	Total with Donor Restrictions
Endowment Net Assets, beginning of year	$ 250,890,207	$ 46,792,540	$ 72,157,005	$ 118,949,545
Investment return:				
Interest and dividends, net	1,288,980	(168,008)	-	(168,008)
Net realized and unrealized gains on investments	4,091,901	12,059,672	-	12,059,672
Net Investment Return	5,380,881	11,891,664	-	11,891,664
Other Changes During the Year				
Contributions	11,049,464	-	20,728,564	20,728,564
Appropriation of endowment assets for expenditures	(7,503,973)	(2,348,259)	-	(2,348,259)
Total	3,545,491	(2,348,259)	20,728,564	18,380,305
Endowment Net Assets, end of year	$ 259,816,579	$ 56,335,945	$ 92,885,569	$ 149,221,514

10. Leases

The Foundation is obligated under various noncancelable operating lease agreements for office space and equipment expiring at various dates through December 2025.

As of March 31, 2023, ROU assets and lease liabilities were $2,371,126 and $2,440,198, respectively. The weighted-average discount rate used to calculate the present value of future lease payment was 3.58%, and the weighted-average lease term is 2.3 years.

Aggregate remaining maturities or operating lease liabilities as of March 31, 2023, are as follows:

Year ending March 31,	
2024	$ 1,376,682
2025	837,999
2026	309,277
Total Minimum Lease Payments	2,523,958
Less: imputed interest	(83,760)
Present Value of Minimum Lease Payments	$ 2,440,198

Lease expenses consist of the following under ASC 842:

Year ended March 31, 2023		
Operating lease expense	$	1,649,265
Variable lease payments		61,203
Net Lease Expense	$	1,710,468

Other information:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$	1,580,193

As of March 31, 2022, the future minimum lease payments under operating leases were as follows:

Year ending March 31,		
2023	$	683,698
2024		683,698
2025		683,698
2026		227,899
	$	2,278,993

Lease expenses consist of the following under ASC 840:

Year ended March 31, 2022		
Operating lease expense	$	2,304,994
Variable lease payments		13,822
Net Lease Expense	$	2,318,816

Deferred rent, totaling $96,977 as of March 31, 2022, was included in accounts payable and accrued liabilities in the consolidated statements of financial position.

11. Commitments and Contingencies

Litigation and Claims

The Foundation is involved in other legal actions arising in the ordinary course of business. Management is of the opinion that the ultimate outcome of these matters would not have a material adverse impact on the consolidated financial position of the Foundation or the consolidated results of its activities.

Collective Bargaining Agreement

At March 31, 2023 and 2022, approximately 3% and 2%, respectively, of the Foundation’s salaried employees are unionized and are employed under Collective Bargaining Agreements between the ACLU and Local 2110. ACLU’s Collective Bargaining Agreement expired on March 31, 2023. Subsequent to year end, in June 2023, the ACLU signed an agreement for five years, expiring in 2028.

12. Line of Credit

On October 1, 2020, the Foundation entered into a revolving line of credit agreement with JPMorgan Chase Bank for a secured committed line in the amount of $30,000,000, secured by a blanket lien on all assets. The facility could have been drawn and paid down at any time until February 14, 2023, when it matured. The line of credit was not renewed by the Foundation when it matured. The facility had a variable interest rate of LIBOR plus 175 basis points for LIBOR-based loans or prime rate for CB Floating Rate Advance rate-based loans.

The credit facility required that the organization maintain unrestricted cash and investments to funded debt of a least 2.0 to 1.0. The Foundation is not aware of any instances of noncompliance with financial and non-financial covenants.

13. Retirement Plans

The Foundation participates in the American Civil Liberties Union Retirement Plan (the Pension Plan), a retirement plan covering eligible employees of the Union, the Foundation, and their affiliates.

The Pension Plan is a defined benefit plan covering those employees who have at least one year of service or at least 1,000 hours worked per year and are at least 21 years of age. Benefits are based on service to date on an average of career earnings. The Union's policy is to fund pension costs by contributing at least the minimum amount required by the Employee Retirement Income Security Act of 1974 (ERISA). The Union charges the Foundation its share of the net periodic pension costs. For the years ended March 31, 2023 and 2022, the cost incurred by the Foundation in connection with the Pension Plan amounted to $883,204 and $803,047, respectively.

On January 1, 2015, the Pension Plan was amended and restated to include, among other things, a provision for additional contribution due on withdrawal or freezing of benefits by an employer. The liability attributed to the employer or former employer is determined based upon the sum of the present value of the accrued benefits for each of the participants associated with the employer or former employer determined as of the last day of the plan year preceding the date as of which the withdrawal contribution is calculated. Accordingly, as of March 31, 2023 and 2022, the Foundation recognized $1,434,224 and $6,933,760, respectively, of withdrawal contribution liability due to the Union. Disclosures on the funded status and other information on the Pension Plan are included in the consolidated financial statements of the ACLU.

The Union implemented a soft freeze of the Pension Plan, effective March 31, 2009. Employees hired on or after April 1, 2009, enrolled in a new Defined Contribution (DC) 401(k) plan. The new DC plan includes an employer contribution of 2% and an employer match of 100% of the first 1% of the employee's contribution and 50% of the next 5% of an employee's contribution, for a total match of 3.5% and a total employer contribution of 5.5%. The soft freeze applies only to employees hired on or after April 1, 2009, and does not affect current plan participants or employees hired before March 31, 2009, but not yet in the plan. The Foundation contributed $2,705,685 in 2023 and $2,056,835 in 2022.

Eligible Foundation employees may also participate in the ACLU 401(k) plan (the 401(k) Plan), which is a 401(k) salary-reduction plan covering substantially all employees of the Union, the Foundation, and their affiliates, hired on or before March 31, 2009. Under the 401(k) Plan, employees may voluntarily contribute up to 80% of their pre-tax compensation to the 401(k) Plan subject to IRS dollar limits. There is no employer match or other contributions.

Effective April 8, 2011, eligible employees of the Foundation can participate in the unfunded, nonqualified 457(b) plan maintained by the Union.

Effective January 1, 2023, the ACLU Board Retirement Committee approved a resolution to move all participants from the ACLU 401K plan into the ACLU Defined Contribution Plan. This resolution did not have a material effect on the March 31, 2023 consolidated financial statements.

14. Net Assets

Net assets comprise of the following:

March 31,	**2023**	2022
Without donor restrictions:		
Undesignated	**$ 126,333,308**	$ 150,995,027
Board-designated:		
Litigation Fund	**34,080,838**	32,684,390
Annuity Fund and Annuity Reserve	**15,983,646**	16,303,257
Organizational Fund	**38,121,226**	36,863,089
Jacobs Affiliate Development Fund	**11,702,540**	12,541,055
Dividend Distribution Fund	**143,948,508**	156,394,654
John Adams Fund	**4,342,466**	5,030,134
Total Board-Designated	**248,179,224**	259,816,579
Total Without Donor Restrictions	**374,512,532**	410,811,606
With donor restrictions:		
Bill of Rights Trust and other endowments	**44,428,501**	56,335,945
Trusts	**4,911,523**	4,413,867
Other time and purpose restrictions	**119,669,467**	94,317,049
Bill of Rights Trust - unconditional promise to give - held in perpetuity	**10,000,000**	20,000,000
Bill of Rights Trust and other endowments - held in perpetuity	**86,581,082**	72,885,569
Total with Donor Restrictions	**265,590,573**	247,952,430
	$ 640,103,105	$ 658,764,036

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15. Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying restricted purposes or by the occurrence of other events specified by donors as follows:

Year ended March 31,	**2023**	2022
Special projects:		
Voting Rights	**$ 7,062,509**	$ 8,029,750
Capital Punishment	**1,000,000**	1,195,852
National Prison	**1,216,125**	2,420,795
Disability Rights	**8,337**	522,837
Criminal Law Reform and Smart Justice	**1,289,446**	2,966,287
Immigrants' Rights	**7,820,113**	8,505,679
Reproductive Freedom	**5,274,178**	3,383,901
Women's Rights	**1,279,914**	1,845,517
National Security	**400,000**	450,000
LGBT	**6,335,238**	5,584,431
Racial Justice	**5,484,465**	4,065,013
Southern Collective	**3,072,537**	2,641,001
Advocacy Institute	**1,381,614**	-
Other special projects	**3,923,056**	1,481,422
Total Special Projects	**45,547,532**	43,092,485
Bill of Rights Trust and other endowments	**4,227,258**	2,348,259
Time-restricted gifts	**2,204,924**	6,380,410
Total Released from Restrictions	**$ 51,979,714**	$ 51,821,154

Supplementary Information

American Civil Liberties Union Foundation, Inc. and Subsidiary

Consolidating Statement of Financial Position

March 31, 2023

	American Civil Liberties Union, Foundation, Inc.	915 15th Street, LLC	Eliminations	Consolidated
Assets				
Cash and cash equivalents	$ 122,700,880	$ 22,888	$ -	$ 122,723,768
Pledges, bequests, and contributions receivable, net	48,044,523	-	-	48,044,523
Investments	588,767,709	-	-	588,767,709
Other assets	1,046,478	-	-	1,046,478
Due from affiliates	781,915	-	-	781,915
Due to the ACLU Foundation from the LLC	10,298,904	-	(10,298,904)	-
Investment in the LLC	(3,496,369)	-	3,496,369	-
Beneficial interest in trusts		-	-	-
Right-of-use of assets, operating leases	2,371,126	-	-	2,371,126
Property and equipment, net of accumulated depreciation and amortization	15,015,839	6,878,800	-	21,894,639
Total Assets	$ 785,531,005	$ 6,901,688	$ (6,802,535)	$ 785,630,158
Liabilities and Net Assets				
Liabilities				
Accounts payable and accrued expenses	$ 7,636,584	$ 99,153	$ -	$ 7,735,737
Grants payable	3,824,383	-	-	3,824,383
Due to the ACLU Foundation	-	10,298,904	(10,298,904)	-
Due to the American Civil Liberties Union, Inc.:				
Allocated share of pension liability	1,434,224	-	-	1,434,224
Due to the American Civil Liberties Union, Inc., others	27,472,673	-		27,472,673
Due to affiliates	35,720,280	-	-	35,720,280
Liabilities under split-interest agreements	19,733,541	-	-	19,733,541
Bill of Rights Trust held for affiliates	47,166,017	-	-	47,166,017
Lease liabilities, operating leases	2,440,198	-	-	2,440,198
Total Liabilities	145,427,900	10,398,057	(10,298,904)	145,527,053
Commitments and Contingencies				
Net Assets				
Net assets without donor restrictions:				
Board-designated	248,179,224	-	-	248,179,224
Undesignated	126,333,308	(3,496,369)	3,496,369	126,333,308
Net Assets Without Donor Restrictions	374,512,532	(3,496,369)	3,496,369	374,512,532
Net Assets with Donor Restrictions	265,590,573	-	-	265,590,573
Total Net Assets	640,103,105	(3,496,369)	3,496,369	640,103,105
Total Liabilities and Net Assets	$ 785,531,005	$ 6,901,688	$ (6,802,535)	$ 785,630,158

American Civil Liberties Union Foundation, Inc. and Subsidiary

Consolidating Statement of Activities

Year ended March 31, 2023

	American Civil Liberties Union Foundation, Inc.			915 15th Street, LLC		Consolidated		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Eliminations	Without Donor Restrictions	With Donor Restrictions	Total
Operating Support and Revenue								
Support:								
Grants, bequests, and contributions	$ 106,209,620	$ 77,987,835	$ 184,197,455	$ -	$ -	$ 106,209,620	$ 77,987,835	$ 184,197,455
Donated legal services	39,375,260	-	39,375,260	-	-	39,375,260	-	39,375,260
Total Support	145,584,880	77,987,835	223,572,715	-	-	145,584,880	77,987,835	223,572,715
Revenue:								
Rental income	421,123	-	421,123	765,949	(378,630)	808,442	-	808,442
Merchandise and book sales	772,776	-	772,776	-	-	772,776	-	772,776
Other income	1,933,339	-	1,933,339	179,765	-	2,113,104	-	2,113,104
Total Revenue	3,127,238	-	3,127,238	945,714	(378,630)	3,694,322	-	3,694,322
Net assets released from restrictions	51,979,714	(51,979,714)	-	-	-	51,979,714	(51,979,714)	-
Total Operating Support and Revenue	200,691,832	26,008,121	226,699,953	945,714	(378,630)	201,258,916	26,008,121	227,267,037
Operating Expenses								
Program services:								
Legislative	3,114,058	-	3,114,058	-	(2,482)	3,111,576	-	3,111,576
Legal	114,089,030	-	114,089,030	-	(253,349)	113,835,681	-	113,835,681
Public education	19,928,438	-	19,928,438	-	(28,531)	19,899,907	-	19,899,907
Civil liberties policy formulation	1,358,352	-	1,358,352	-	(111)	1,358,241	-	1,358,241
Affiliate support	55,402,228	-	55,402,228	-	(38,426)	55,363,802	-	55,363,802
Total Program Services	193,892,106	-	193,892,106	-	(322,899)	193,569,207	-	193,569,207
Supporting services:								
Management and general	11,214,780	-	11,214,780	1,532,571	(1,301)	12,746,050	-	12,746,050
Fundraising	19,738,529	-	19,738,529	-	(54,430)	19,684,099	-	19,684,099
Total Supporting Services	30,953,309	-	30,953,309	1,532,571	(55,731)	32,430,149	-	32,430,149
Total Operating Expenses	224,845,415	-	224,845,415	1,532,571	(378,630)	225,999,356	-	225,999,356
Change in Net Assets, before non-operating activities	(24,153,583)	26,008,121	1,854,538	(586,857)	-	(24,740,440)	26,008,121	1,267,681
Other Changes in Net Assets from Non-Operating Activities								
Legal award, net	5,073,338	-	5,073,338	-	-	5,073,338	-	5,073,338
Net investment loss	(19,166,736)	(8,655,914)	(27,822,650)	-	-	(19,166,736)	(8,655,914)	(27,822,650)
Changes in value of split-interest agreements	-	285,936	285,936	-	-	-	285,936	285,936
Net loss on investment in the LLC	(586,857)	-	(586,857)	-	586,857	-	-	-
Other components of postretirement benefit cost	2,534,764	-	2,534,764	-	-	2,534,764	-	2,534,764
Total Other Changes in Net Assets from Non-Operating Activities	(12,145,491)	(8,369,978)	(20,515,469)	-	586,857	(11,558,634)	(8,369,978)	(19,928,612)
Change in Net Assets	(36,299,074)	17,638,143	(18,660,931)	(586,857)	586,857	(36,299,074)	17,638,143	(18,660,931)
Net Assets, beginning of year	410,811,606	247,952,430	658,764,036	(2,909,514)	2,909,514	410,811,606	247,952,430	658,764,036
Net Assets, end of year	$ 374,512,532	$ 265,590,573	$ 640,103,105	$ (3,496,371)	$ 3,496,371	$ 374,512,532	$ 265,590,573	$ 640,103,105