

**ACLU OF ARIZONA AND
ACLU FOUNDATION OF ARIZONA**

**CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

**FISCAL YEARS ENDED MARCH 31, 2011
AND 2010**

September 8, 2011

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**ACLU OF ARIZONA AND
ACLU FOUNDATION OF ARIZONA
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Rural Water
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Arizona

Independent Auditor's Report

Board of Directors

ACLU of Arizona and ACLU Foundation of Arizona

We have audited the accompanying consolidated statements of financial position of the ACLU of Arizona and ACLU Foundation of Arizona (the Organization) as of March 31, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these 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 consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of ACLU of Arizona and ACLU Foundation of Arizona as of March 31, 2011 and 2010, and the changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements of the ACLU of Arizona and the ACLU Foundation of Arizona as a whole. The Consolidating Schedules and the Schedules of Functional Expenses are presented for purposes of additional analysis and are not a required part of the 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 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 financial statements or to the 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.

Lumbard & Associates, PLLC

Phoenix, Arizona
September 8, 2011

FINANCIAL STATEMENTS

**ACLU OF ARIZONA AND ACLU FOUNDATION OF ARIZONA
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2011 AND 2010**

<u>ASSETS</u>	<u>2011</u>	<u>2010 (Restated)</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 624,004	\$ 397,954
Investments	46,013	331,488
Receivable from American Civil Liberties Union, Inc. and ACLU Foundation, Inc.	124,286	100,542
Pledges receivable - current portion	700	12,387
Other accounts receivable	3,340	-
Prepaid expenses	<u>23,536</u>	<u>12,609</u>
TOTAL CURRENT ASSETS	<u>821,879</u>	<u>854,980</u>
PROPERTY AND EQUIPMENT		
Furniture and equipment	<u>77,275</u>	<u>40,235</u>
TOTAL PROPERTY AND EQUIPMENT	<u>77,275</u>	<u>40,235</u>
Less: Accumulated depreciation	<u>(25,662)</u>	<u>(26,510)</u>
NET PROPERTY AND EQUIPMENT	<u>51,613</u>	<u>13,725</u>
OTHER ASSETS		
Pledges receivable (non-current)	-	40,000
Less: Discount on pledges receivable (non-current)	<u>-</u>	<u>(6,879)</u>
TOTAL OTHER ASSETS	<u>-</u>	<u>33,121</u>
TOTAL ASSETS	<u>\$ 873,492</u>	<u>\$ 901,826</u>

Read the accompanying notes to the financial statements.

**ACLU OF ARIZONA AND ACLU FOUNDATION OF ARIZONA
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)
MARCH 31, 2011 AND 2010**

<u>LIABILITIES</u>	<u>2011</u>	<u>2010 (Restated)</u>
CURRENT LIABILITIES		
Accounts payable	\$ 7,325	\$ 6,801
Accrued payroll and related costs	19,827	18,791
Capital lease - current portion	2,498	1,934
TOTAL CURRENT LIABILITIES	<u>29,650</u>	<u>27,526</u>
LONG-TERM LIABILITIES		
Capital lease	2,342	4,840
TOTAL LONG-TERM LIABILITIES	<u>2,342</u>	<u>4,840</u>
TOTAL LIABILITIES	<u>31,992</u>	<u>32,366</u>
 <u>NET ASSETS</u>		
Unrestricted, undesignated	794,261	718,646
Temporarily restricted	37,287	141,963
Permanently restricted	9,952	8,851
TOTAL NET ASSETS	<u>841,500</u>	<u>869,460</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 873,492</u>	<u>\$ 901,826</u>

Read the accompanying notes to the financial statements.

ACLU OF ARIZONA AND ACLU FOUNDATION OF ARIZONA
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED MARCH 31, 2011 AND 2010

SUPPORT AND OTHER REVENUES	2011			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
PUBLIC SUPPORT				
Donations	\$ 394,420	\$ 700	\$ -	\$ 395,120
Bequests	21,315	-	-	21,315
Special event revenue	391	-	-	391
Legal services donated	1,159,939	-	-	1,159,939
Other in-kind donations	2,820	-	-	2,820
TOTAL PUBLIC SUPPORT	1,578,885	700	-	1,579,585
OTHER REVENUES				
Grant revenue	370,108	25,000	-	395,108
Shared membership fees	156,209	-	-	156,209
Legal fees awarded	20,562	-	-	20,562
Investment income, net	3,614	-	1,101	4,715
TOTAL OTHER REVENUES	550,493	25,000	1,101	576,594
NET ASSETS RELEASED FROM RESTRICTIONS	130,376	(130,376)	-	-
TOTAL SUPPORT AND OTHER REVENUES	2,259,754	(104,676)	1,101	2,156,179
EXPENSES				
Program services	1,728,630	-	-	1,728,630
Management and general	329,769	-	-	329,769
Fundraising and development	125,740	-	-	125,740
TOTAL EXPENSES	2,184,139	-	-	2,184,139
CHANGE IN NET ASSETS	75,615	(104,676)	1,101	(27,960)
NET ASSETS, Beginning of year	718,646	141,963	8,851	869,460
NET ASSETS, End of year	\$ 794,261	\$ 37,287	\$ 9,952	\$ 841,500

Read the accompanying notes to the financial statements.

2010 (Restated)

Unrestricted	Temporarily Restricted	Permanently Restricted	Total
\$ 225,446	\$ 53,008	\$ -	\$ 278,454
85,095	-	-	85,095
2,600	-	-	2,600
198,191	-	-	198,191
-	-	-	-
511,332	53,008	-	564,340
124,897	75,425	-	200,322
160,883	-	-	160,883
36,868	-	-	36,868
11,167	-	1,842	13,009
333,815	75,425	1,842	411,082
92,505	(92,505)	-	-
937,652	35,928	1,842	975,422
609,222	-	-	609,222
127,991	-	-	127,991
132,178	-	-	132,178
869,391	-	-	869,391
68,261	35,928	1,842	106,031
650,385	106,035	7,009	763,429
\$ 718,646	\$ 141,963	\$ 8,851	\$ 869,460

**ACLU OF ARIZONA AND ACLU FOUNDATION OF ARIZONA
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2011 AND 2010**

	2011	2010 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ (27,960)	\$ 106,031
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	9,161	3,954
(Increase)/decrease in assets:		
Receivable from American Civil Liberties Union Foundation, Inc.	(23,744)	(65,203)
Pledges receivable, net of discount	44,808	(11,594)
Other receivable	(3,340)	1,500
Prepaid expenses	(10,927)	(2,981)
Increase/(decrease) in liabilities:		
Accounts payable	524	6,215
Accrued payroll and taxes	1,036	(18,603)
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	(10,442)	19,319
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from investment activities	285,475	4,413
Purchase of equipment	(47,049)	(3,330)
NET CASH PROVIDED BY INVESTING ACTIVITIES	238,426	1,083
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on capital lease obligations	(1,934)	(1,497)
NET CASH USED BY FINANCING ACTIVITIES	(1,934)	(1,497)
Net increase in cash and cash equivalents	226,050	18,905
Cash and cash equivalents at beginning of year	397,954	379,049
Cash and cash equivalents at end of year	\$ 624,004	\$ 397,954

Read the accompanying notes to the financial statements.

**ACLU OF ARIZONA AND
ACLU FOUNDATION OF ARIZONA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2011 AND 2010**

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

The ACLU of Arizona (the "Organization") is comprised of two separate corporate entities, the ACLU of Arizona, (the "Union") and the ACLU Foundation of Arizona, (the "Foundation")

The ACLU of Arizona is a not-for-profit membership organization which was incorporated in 1968 as a 501(c)4 organization. The Union's purpose is to maintain and protect civil liberties in Arizona through legislative advocacy and public education. The Union lobbies at the local and state levels, working to influence public policies that threaten individual rights. The Union also is responsible for engaging and informing members on how to safeguard personal freedoms and build political power.

The Board of Directors of the Union authorizes the creation of volunteer-run chapters who serve as the eyes and ears of the ACLU around the state. There are currently three active chapters in Arizona.

The ACLU Foundation of Arizona is a not-for-profit corporation organized to maintain and protect civil liberties in Arizona through public education and litigation. The Foundation was incorporated in 1971 as a 501(c)3 organization. The Foundation defends constitutional guarantees outlined in the Bill of Rights, and works to extend rights to segments of the population that have traditionally been denied their rights, including Native Americans and other people of color; lesbians, gay men, bisexual and transgendered people; women; mental-health patients; prisoners; people with disabilities; and the poor.

The Union and the Foundation share equipment, office space, personnel and operating costs. The Union and the Foundation reimburse each other to support their respective share of operations.

The Financial Accounting Standards Board (FASB) sets U.S. generally accepted accounting principles (GAAP) to ensure consistent reporting. References to GAAP are to the FASB Accounting Standards Codification (FASB ASC).

A summary of the Union's and Foundation's more significant accounting policies follows.

Basis of Consolidation

ACLU of Arizona and ACLU Foundation of Arizona have adopted the provisions of FASB ASC 958-810, *Not-for-Profit Entities – Consolidation*, which requires consolidated financial statements for certain related entities. Accordingly, the financial statements include the consolidated transactions and balances of the Union and Foundation and have been prepared in accordance with the accrual basis of accounting. Significant transactions and balances between the Union and the Foundation have been eliminated.

**ACLU OF ARIZONA AND
ACLU FOUNDATION OF ARIZONA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2011 AND 2010**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

The accompanying general purpose financial statements of the Organization have been prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables, and other assets and liabilities. Revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Basis of Presentation

The accompanying 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 its 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 Union or Foundation 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. Only the Foundation had permanently restricted net assets during the fiscal years presented here.

Cash and Cash Equivalents - For purpose of the statements of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered cash equivalents. Cash held in financial institutions in interest-bearing accounts are insured up to a maximum limit of \$250,000 by the Federal Deposit Insurance Corporation (FDIC), and cash held in non-interest-bearing accounts in financial institutions currently have unlimited coverage by the FDIC.

Investments - Investments are recorded at fair market value as determined by quoted market prices. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in the change of net assets in the accompanying statements of activities.

Pledges Receivable - Pledges receivable are unconditional promises to give with collection for time periods from one to five years. Pledges receivable are reported at their outstanding principal balance, discounted to present value, net of allowance for doubtful accounts as of March 31, 2011 and 2010, based on the Foundation's evaluation of collectability which is reviewed on a case-by-case basis. Amounts deemed to be uncollectible are charged to bad debt expense upon approval by management. Subsequent collection of these receivables is recorded by the Foundation as revenue.

**ACLU OF ARIZONA AND
ACLU FOUNDATION OF ARIZONA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2011 AND 2010**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment - Land, buildings, equipment and furniture with a cost of \$1,000 or more and an estimated life of more than one year are capitalized. Property and equipment are stated at cost or, if acquired through donation, at fair value on the date of acquisition. Expenditures for routine repairs and maintenance are charged to operations as incurred. Expenditures which substantially extend the useful life of an asset are capitalized. Depreciation is calculated on the straight-line method over the following useful lives:

Furniture	7 years
Equipment	5 years
Software	3 years

Donated Services - Donated services are recognized as contributions in accordance with FASB ASC 958-605, *Not-for-Profit Entities – Revenue Recognition*, at their estimated fair value if the services (a) create or enhance the Organization's non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased. The contributed services are reflected as unrestricted revenues with an equal and offsetting amount in unrestricted expenses in the statements of activities resulting in no net impact on the changes in net assets during the year.

The Foundation handles litigation cases by using the services of cooperating attorneys who donate their services to the Foundation and its clients. These services are reported in the financial statements as described above.

Additionally, a substantial number of unpaid volunteers have contributed significant amounts of time to develop the programs of the Union and the Foundation. For example, there are three active chapters within the state that are completely volunteer-run. Chapter members organize public education events to advocate on a wide range of public policies that impact civil liberties issues. The value of this time is not reflected in the financial statements because it does not meet the requirements of FASB ASC 958-605 for recognition.

Major Revenue Sources - The Union's major sources of revenue are base renewable income (shared membership fees) and bequests. The Foundation's major sources of revenue are donated legal services, contributions, legal fee awards and grants from the National ACLU Foundation.

Concentration of Credit Risk - The Organization places its cash with established financial institutions. At times, cash may be in excess of FDIC insurance limits.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of certain contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**ACLU OF ARIZONA AND
ACLU FOUNDATION OF ARIZONA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2011 AND 2010**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status - The Union and the Foundation are exempt from Federal and Arizona income taxes. The Union is exempt under Section 501(c)4 of the Internal Revenue Code, as amended, and the Foundation is exempt under Section 501(c)3 of the Internal Revenue Code, as amended. Neither the Union nor the Foundation accrued any income or excise tax because they did not have any unrelated business or net investment income activities subject to those taxes.

Expense Allocation – Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

NOTE 2 - CASH AND CASH EQUIVALENTS

With the exception of petty cash for the Foundation of \$50, the Union and Foundation maintain their cash with three different financial institutions. The carrying amounts of deposits and the bank balances for the Union and the Foundation for the fiscal years ended March 31, 2011 and 2010 were as follows:

Union:	<u>2011</u>	<u>2010</u>
Carrying amount	\$ 351,191	\$ 244,402
Bank balance	352,182	245,986
Foundation:		
Carrying amount	272,763	153,502
Bank balance	316,189	156,885

As of March 31, 2011 and 2010, bank balances for both the Union and the Foundation were within the amounts covered by the FDIC and were not at risk.

NOTE 3 - INVESTMENTS

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:

**ACLU OF ARIZONA AND
ACLU FOUNDATION OF ARIZONA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2011 AND 2010**

NOTE 3 – INVESTMENTS (CONTINUED)

- *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). The Union and the Foundation have no such investments.
- *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.
- *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 Union and the Foundation have no such investments.

As of March 31, 2011 and 2010, all investments for the Union and the Foundation consisted of level 2 investments in the form of certificates of deposit and a trust held by the American Civil Liberties Union Foundation, Inc. (National ACLUF). Net investment income for the year ended March 31, 2011 of \$4,715 is composed of interest income of \$4,165, with \$550 in realized and unrealized investment income. Net investment income for the year ended March 31, 2010 of \$13,009 is composed of interest income of \$12,062 and a net unrealized gain on investments of \$947.

NOTE 4 - PLEDGES RECEIVABLE

The Union did not report any pledges receivable at March 31, 2011 or 2010. The Foundation reported the following pledges receivable at March 31, 2011 and 2010:

Foundation:	2011	2010
Pledges receivable	\$ 700	\$ 52,387
Less: Discount to present value	-	(6,879)
Net pledges receivable	\$ 700	\$ 45,508

The management of the Organization considers the receivables to be 100 percent collectible; therefore, no allowance for doubtful accounts is reported. At March 31, 2010, the Foundation had one 5-year pledge for \$50,000 that was discounted to present value using an 8% discount rate. However, during the year ended March 31, 2011, the donor withdrew his pledge. Therefore, it was removed from the Foundation's books. All other pledges are expected to be collected within one year.

**ACLU OF ARIZONA AND
ACLU FOUNDATION OF ARIZONA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2011 AND 2010**

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment owned by the Union and Foundation as of March 31, 2011 and 2010 are as follows:

Furniture & equipment:	<u>2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>2011</u>
Union	\$ -	\$ 6,950	\$ -	\$ 6,950
Foundation	<u>40,235</u>	<u>40,099</u>	<u>(10,009)</u>	<u>70,325</u>
 Total Cost	 <u>40,235</u>	 <u>47,049</u>	 <u>(10,009)</u>	 <u>77,275</u>
Less: Accumulated depreciation:				
Union	-	(579)	-	(579)
Foundation	<u>(26,510)</u>	<u>(8,582)</u>	<u>10,009</u>	<u>(25,083)</u>
 Total Accumulated Depreciation	 <u>(26,510)</u>	 <u>(9,161)</u>	 <u>10,009</u>	 <u>(25,662)</u>
 Net Property and Equipment	 <u><u>\$ 13,725</u></u>	 <u><u>\$ 37,888</u></u>	 <u><u>\$ -</u></u>	 <u><u>\$ 51,613</u></u>

Depreciation expense for the Union for the years ended March 31, 2011 and 2010 were \$579 and \$0 respectively. Depreciation expense for the Foundation for the years ended March 31, 2011 and 2010 were \$8,582 and \$3,954 respectively.

NOTE 6 – ACCRUED PAYROLL AND RELATED COSTS

The Union and the Foundation carry forward compensated absences for accrued vacation. Per the Organization's personnel policy, no more than 5 days of vacation can be carried over past hire date anniversary. The accrued compensated absences, wages and related costs payable for the years ended March 31, 2011 and 2010 are as follows:

	<u>2011</u>	<u>2010</u>
Compensated absences	\$ 11,140	\$ 5,711
Accrued wages	6,832	4,955
Other related costs	<u>1,855</u>	<u>8,125</u>
 Total accrued payroll & taxes	 <u><u>\$ 19,827</u></u>	 <u><u>\$ 18,791</u></u>

NOTE 7 - CAPITAL LEASE OBLIGATIONS

During the 2008 fiscal year, the Foundation entered into a capital lease agreement for a new copier. The obligation has an implied interest rate of 25.88% payable in monthly installments of \$289, aggregating to \$17,340 through December 2012 and is collateralized by the leased equipment.

**ACLU OF ARIZONA AND
ACLU FOUNDATION OF ARIZONA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2011 AND 2010**

NOTE 7 - CAPITAL LEASE OBLIGATIONS (CONTINUED)

As of March 31, 2011, the total remaining lease payments under the non-cancelable operating lease were as follows:

Year ending March 31,		
2012	\$	3,468
2013		<u>2,601</u>
		6,069
Less: Amount representing interest		<u>1,229</u>
Principal	\$	<u><u>4,840</u></u>

The asset acquired under a capital lease is recorded at \$9,676, and the accumulated depreciation on the asset as of March 31, 2011 and 2010 was \$6,289 and \$4,354 respectively.

NOTE 8 - TEMPORARILY RESTRICTED NET ASSETS

As of March 31, 2011 and 2010, the Union did not have any temporarily restricted net assets.

The Foundation receives non-exchange grants from the American Civil Liberties Union Foundation, Inc. as well as private donations earmarked for specific projects. These projects are tracked as they progress, and any unexpended monies for those earmarked projects are carried forward as temporarily restricted net assets.

As of March 31, 2011 and 2010, the temporarily restricted net assets for the Foundation included:

	<u>2011</u>	<u>2010</u>
Pledges receivable, discounted	\$ 700	\$ 45,508
Private gifts - Student Rights Project	-	4,427
National Detention Watch grant	21,727	58,466
National Women's Jail Project grant	-	12,000
National School to Prison Pipeline grant	4,338	8,119
REAL ID grant	-	1,518
Staff Enhancement Development Director grant	<u>10,522</u>	<u>11,925</u>
Total Temporarily Restricted Net Assets	<u>\$ 37,287</u>	<u>\$ 141,963</u>

**ACLU OF ARIZONA AND
ACLU FOUNDATION OF ARIZONA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2011 AND 2010**

NOTE 9 – PERMANENTLY RESTRICTED NET ASSETS

As of March 31, 2011 and 2010, the Union did not have any permanently restricted net assets.

The Foundation shares in the Bill of Rights Trust pool with other affiliates and the National ACLU Foundation which is classified as permanently restricted. In accordance with the terms of the Trust, the Foundation is permitted to withdraw 4 percent of their balance each year. As of March 31, 2011 and 2010, the Foundation's share of that trust was \$9,952 and \$8,851 respectively.

NOTE 10 - RETIREMENT PLAN

Defined Benefit Plan -The American Civil Liberties Union Retirement Plan is a defined benefit multi-employer plan which covers eligible employees of the national organization of the American Civil Liberties Union, Inc., and the American Civil Liberties Union Foundation, Inc., and state affiliates, which includes the Union and the Foundation. Effective April 1, 2009, this plan was frozen for new participants. All funds of the plan are held by Principal Mutual Life Insurance Company under a benefit index payment plan.

The defined benefit plan includes numerous participating affiliates. It is not practicable for the actuary to compute accumulated and projected benefit obligations for individual affiliates. Accumulated and projected benefit obligations and other required disclosures for the plan covering all participating entities are presented in the National ACLU consolidated financial statements. Contributions to the plan for the years ended March 31, 2011 and 2010, were as follows:

Defined Benefit Plan Contribution:	2011	2010
Union	\$ 459	\$ 2,429
Foundation	3,073	4,136
Total defined benefit plan contribution	\$ 3,532	\$ 6,565

401(k) Plan - On July 1, 2000, the American Civil Liberties Union, Inc. and the American Civil Liberties Union Foundation, Inc., and affiliates, established a 401(k) pension plan for the benefit of regular employees. This plan is available for eligible employees hired before April 1, 2009. Benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate in the 401(k) plan on the first day of the calendar quarter following thirty days of service. Employees may contribute up to the maximum allowed by current legislation.

**ACLU OF ARIZONA AND
ACLU FOUNDATION OF ARIZONA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2011 AND 2010**

NOTE 10 - RETIREMENT PLAN (CONTINUED)

ERISA 404(c) Plan – This plan is available for eligible employees hired after April 1, 2009. Employees that are at least 21 years old and not enrolled in any other ACLU qualified plan are eligible to participate immediately. Plan participants may contribute up to 80% of their pay each year up to a maximum amount permitted per the current tax laws. The Organization contributes 2% of the participant's gross wages, as well as matching the first 1% employee deferral and 50% of the next 5% deferred. Participants are always 100% vested in their employee deferrals. The Plan follows a two year vesting schedule for employer contributions and matches. Contributions to the ERISA 404(c) plan for the Union and Foundation for the years ended March 31, 2011 and 2010, were as follows:

404(c) Plan Contribution:	2011	2010
Union	\$ 1,254	\$ -
Foundation	3,326	482
Total 404(c) contribution	\$ 4,580	\$ 482

NOTE 11 - RELATED PARTY TRANSACTIONS

The Organization shares both membership and tax-deductible donations with the National ACLU and the National ACLU Foundation. The net receivable for the years ended March 31, 2011 and 2010 were as follows:

Due from National:	2011	2010
Union:		
BRI share	\$ 12,399	\$ 14,481
Bequests	1,093	171
Membership dues	(1,145)	-
Total due from National to Union	12,347	14,652
Foundation:		
Revenue sharing	86,939	105,140
Grants	25,000	12,000
Bequests	-	(31,250)
Total due from National to Foundation	111,939	85,890
Total due from National	\$124,286	\$100,542

**ACLU OF ARIZONA AND
ACLU FOUNDATION OF ARIZONA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2011 AND 2010**

NOTE 11 - RELATED PARTY TRANSACTIONS (CONTINUED)

For the years ended March 31, 2011 and 2010, the Foundation incurred \$169,833 and \$153,186 respectively of net expenses on behalf of the Union to pay for operating costs. During the year, the Union transferred cash to the Foundation based on an estimate of shared expenses. At the financial position dates of March 31, 2011 and 2010, there were outstanding related party balances for the shared expenses as follows:

Due to/from related entities:	<u>2011</u>	<u>2010</u>
Union:		
Due (to)/from Foundation	\$ (7,310)	\$ 20,393
Foundation:		
Due (to)/from Union	<u>7,310</u>	<u>(20,393)</u>
 Total due (to)/from related entities	 <u>\$ -</u>	 <u>\$ -</u>

NOTE 12 - COMMITMENTS AND CONTINGENT LIABILITIES

Commitments – The Organization has an agreement to lease office space under an operating lease expiring April 30, 2016. The Union’s and Foundation’s portions of the lease expense for the years ended March 31, 2011 and 2010 were:

Lease expense:	<u>2011</u>	<u>2010</u>
Union	\$ 7,502	\$ 10,912
Foundation	<u>47,425</u>	<u>24,074</u>
 Total lease expense	 <u>\$ 54,927</u>	 <u>\$ 34,986</u>

The total future minimum lease payments are as follows:

Year ending March 31,	
2012	\$ 63,075
2013	64,525
2014	49,844
2015	50,931
2016	52,200
Thereafter	<u>5,800</u>
	<u>\$286,375</u>

**ACLU OF ARIZONA AND
ACLU FOUNDATION OF ARIZONA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2011 AND 2010**

NOTE 12 - COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

Risk Management - The Organization is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Organization carries commercial insurance for all such risks of loss. There were no claims during the audit periods. The insurance coverage is reviewed annually for adequate loss protection. The Organization is insured by Farmer's Insurance Group for potential worker-related accidents, by National Legal Aid and Defender's Association for professional liability, and by the State Compensation Fund of Arizona for Workmen's Compensation.

Litigation- The Union and Foundation are contingently liable for claims and judgments resulting from lawsuits incidental to normal operations. In the opinion of the Organization's management, their insurance coverage is deemed adequate to cover claims relating to normal operations, and decisions that might adversely impact the Organization would not have a material effect on the financial statements. Accordingly, no provision for possible losses is reflected in the financial statements. The Union and Foundation were not involved, as of the close of field work, in any pending or threatened litigation that could materially affect the Organization's financial position and results of operations at March 31, 2011 or 2010.

NOTE 13 - CONCENTRATIONS

For the fiscal years ended March 31, 2011 and 2010, the Union and the Foundation received a large portion of their revenue from the National ACLU and ACLU Foundation including shared revenues and grants. These concentrations were as follows:

	<u>2011</u>	<u>2010</u>
Union	87%	86%
Foundation	24%	32%

NOTE 14 – PRIOR PERIOD RESTATEMENT

The Beginning Net Assets Unrestricted and Permanently Restricted balances do not agree to the prior year financial statements due to the addition of a previously unreported asset. The National ACLU Foundation controls a Bill of Rights Trust (BORT) in which affiliates share ownership. Prior to the fiscal year ended March 31, 2011, management felt that the Foundation's share of the BORT was immaterial to the financial statements and, therefore, did not include their share of the BORT in any prior financial statements. Therefore, a prior period adjustment had to be made. In order to provide complete and accurate comparative statements, the financial statements for the year ended March 31, 2010 have been restated. The corrections are as follows:

**ACLU OF ARIZONA AND
ACLU FOUNDATION OF ARIZONA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2011 AND 2010**

NOTE 14 – PRIOR PERIOD RESTATEMENT (CONTINUED)

	2010
Beginning Net Assets, as previously reported:	
Unrestricted	\$ 649,903
Temporarily restricted	106,035
Permanently restricted	-
Total Beginning Net Assets	755,938
Correction to Investments:	
Article V BORT (unrestricted)	482
Article IV BORT (permanently restricted)	7,009
Beginning Net Assets, as restated:	
Unrestricted	650,385
Temporarily restricted	106,035
Permanently restricted	7,009
Total Beginning Net Assets, as restated	\$ 763,429

NOTE 15 - SUBSEQUENT EVENTS

The Organization has evaluated events through September 8, 2011, which is the date of the audit report, and there are no subsequent events requiring disclosure. However, the Organization would like to report that on July 19, 2011, the Foundation was awarded \$60,318 in legal fees from the settlement of a complaint filed in the United States District Court for the District of Arizona.

SUPPLEMENTARY INFORMATION

**ACLU OF ARIZONA AND ACLU FOUNDATION OF ARIZONA
CONSOLIDATING SCHEDULES OF FINANCIAL POSITION
MARCH 31, 2011 AND 2010**

ASSETS	2011		MEMORANDUM TOTAL ONLY
	ACLU	ACLU FOUNDATION	
CURRENT ASSETS			
Cash and cash equivalents	\$ 351,191	\$ 272,813	\$ 624,004
Investments	35,376	10,637	46,013
Receivable from American Civil Liberties Union, Inc. and ACLU Foundation, Inc.	12,347	111,939	124,286
Due from related entities	-	7,310	7,310
Pledges receivable - current portion	-	700	700
Other accounts receivable	-	3,340	3,340
Prepaid expenses	3,179	20,357	23,536
TOTAL CURRENT ASSETS	402,093	427,096	829,189
PROPERTY AND EQUIPMENT			
Furniture and equipment	6,950	70,325	77,275
TOTAL PROPERTY AND EQUIPMENT	6,950	70,325	77,275
Less: Accumulated depreciation	(579)	(25,083)	(25,662)
NET PROPERTY AND EQUIPMENT	6,371	45,242	51,613
OTHER ASSETS			
Pledges receivable (non-current)	-	-	-
Less: Discount on pledges receivable	-	-	-
TOTAL OTHER ASSETS	-	-	-
TOTAL ASSETS	\$ 408,464	\$ 472,338	\$ 880,802

2011

<u>ELIMINATIONS</u>	<u>CONSOLIDATED TOTAL</u>
\$ -	\$ 624,004
-	46,013
-	124,286
(7,310)	-
-	700
-	3,340
-	23,536
<u>(7,310)</u>	<u>821,879</u>
-	77,275
-	77,275
-	(25,662)
-	51,613
-	-
-	-
-	-
<u>\$ (7,310)</u>	<u>\$ 873,492</u>

**ACLU OF ARIZONA AND ACLU FOUNDATION OF ARIZONA
CONSOLIDATING SCHEDULES OF FINANCIAL POSITION (CONTINUED)
MARCH 31, 2011 AND 2010**

ASSETS	2010 (Restated)		MEMORANDUM TOTAL ONLY
	ACLU	ACLU FOUNDATION	
CURRENT ASSETS			
Cash and cash equivalents	\$ 244,402	\$ 153,552	\$ 397,954
Investments	135,088	196,400	331,488
Receivable from American Civil Liberties Union, Inc. and ACLU Foundation, Inc.	14,652	85,890	100,542
Due from related entities	20,393	-	20,393
Pledges receivable - current portion	-	12,387	12,387
Other accounts receivable	-	-	-
Prepaid expenses	2,890	9,719	12,609
TOTAL CURRENT ASSETS	417,425	457,948	875,373
PROPERTY AND EQUIPMENT			
Furniture and equipment	-	40,235	40,235
TOTAL PROPERTY AND EQUIPMENT	-	40,235	40,235
Less: Accumulated depreciation	-	(26,510)	(26,510)
NET PROPERTY AND EQUIPMENT	-	13,725	13,725
OTHER ASSETS			
Pledges receivable (non-current)	-	40,000	40,000
Less: Discount on pledges receivable	-	(6,879)	(6,879)
TOTAL OTHER ASSETS	-	33,121	33,121
TOTAL ASSETS	\$ 417,425	\$ 504,794	\$ 922,219

2010 (Restated)

<u>ELIMINATIONS</u>	<u>CONSOLIDATED TOTAL</u>
\$ -	\$ 397,954
-	331,488
-	100,542
(20,393)	-
-	12,387
-	-
-	12,609
<u>(20,393)</u>	<u>854,980</u>
-	40,235
-	40,235
-	(26,510)
-	13,725
-	40,000
-	(6,879)
-	33,121
<u>\$ (20,393)</u>	<u>\$ 901,826</u>

**ACLU OF ARIZONA AND ACLU FOUNDATION OF ARIZONA
CONSOLIDATING SCHEDULES OF FINANCIAL POSITION (CONTINUED)
MARCH 31, 2011 AND 2010**

	2011		MEMORANDUM TOTAL ONLY
	ACLU	ACLU FOUNDATION	
<u>LIABILITIES</u>			
CURRENT LIABILITIES			
Accounts payable	\$ 880	\$ 6,445	\$ 7,325
Accrued payroll and related costs	3,948	15,879	19,827
Due to related entities	7,310	-	7,310
Capital lease - current portion	-	2,498	2,498
TOTAL CURRENT LIABILITIES	12,138	24,822	36,960
LONG-TERM LIABILITIES			
Capital lease	-	2,342	2,342
TOTAL LONG-TERM LIABILITIES	-	2,342	2,342
TOTAL LIABILITIES	12,138	27,164	39,302
<u>NET ASSETS</u>			
Unrestricted, undesignated	396,326	397,935	794,261
Temporarily restricted	-	37,287	37,287
Permanently restricted	-	9,952	9,952
TOTAL NET ASSETS	396,326	445,174	841,500
TOTAL LIABILITIES AND NET ASSETS	\$ 408,464	\$ 472,338	\$ 880,802

2011

<u>ELIMINATIONS</u>	<u>CONSOLIDATED TOTAL</u>
-	\$ 7,325
-	19,827
(7,310)	-
-	2,498
<u>(7,310)</u>	<u>29,650</u>
-	2,342
-	2,342
<u>(7,310)</u>	<u>31,992</u>
-	794,261
-	37,287
-	9,952
-	841,500
<u>\$ (7,310)</u>	<u>\$ 873,492</u>

**ACLU OF ARIZONA AND ACLU FOUNDATION OF ARIZONA
CONSOLIDATING SCHEDULES OF FINANCIAL POSITION (CONTINUED)
MARCH 31, 2011 AND 2010**

	2010 (Restated)		MEMORANDUM TOTAL ONLY
	ACLU	ACLU FOUNDATION	
<u>LIABILITIES</u>			
CURRENT LIABILITIES			
Accounts payable	\$ 3,803	\$ 2,998	\$ 6,801
Accrued payroll and related costs	-	18,791	18,791
Due to related entities	-	20,393	20,393
Capital lease - current portion	-	1,934	1,934
TOTAL CURRENT LIABILITIES	3,803	44,116	47,919
LONG-TERM LIABILITIES			
Capital lease	-	4,840	4,840
TOTAL LONG-TERM LIABILITIES	-	4,840	4,840
TOTAL LIABILITIES	3,803	48,956	52,759
<u>NET ASSETS</u>			
Unrestricted, undesignated	413,622	305,024	718,646
Temporarily restricted	-	141,963	141,963
Permanently restricted	-	8,851	8,851
TOTAL NET ASSETS	413,622	455,838	869,460
TOTAL LIABILITIES AND NET ASSETS	\$ 417,425	\$ 504,794	\$ 922,219

2010 (Restated)

<u>ELIMINATIONS</u>	<u>CONSOLIDATED TOTAL</u>
-	\$ 6,801
-	18,791
(20,393)	-
-	1,934
<u>(20,393)</u>	<u>27,526</u>
-	4,840
-	4,840
<u>(20,393)</u>	<u>32,366</u>
-	718,646
-	141,963
-	8,851
-	869,460
<u>\$ (20,393)</u>	<u>\$ 901,826</u>

**ACLU OF ARIZONA AND ACLU FOUNDATION OF ARIZONA
CONSOLIDATING SCHEDULES OF ACTIVITIES
FOR THE YEARS ENDED MARCH 31, 2011 AND 2010**

	2011		MEMORANDUM TOTAL ONLY
	ACLU	ACLU FOUNDATION	
<u>SUPPORT AND OTHER REVENUES</u>			
PUBLIC SUPPORT			
Donations	\$ 200	\$ 394,920	\$ 395,120
Bequests	21,315	-	21,315
Special event revenue	-	391	391
Legal services donated	-	1,159,939	1,159,939
Other in-kind donations	-	2,820	2,820
TOTAL PUBLIC SUPPORT	21,515	1,558,070	1,579,585
OTHER REVENUES			
Grant revenue	-	395,108	395,108
Shared membership fees	156,209	-	156,209
Legal fees awarded	-	20,562	20,562
Investment income, net	2,309	2,406	4,715
TOTAL OTHER REVENUES	158,518	418,076	576,594
TOTAL SUPPORT AND OTHER REVENUES	180,033	1,976,146	2,156,179
<u>EXPENSES</u>			
Program services	115,089	1,613,541	1,728,630
Management and general	60,537	269,232	329,769
Fundraising and development	21,703	104,037	125,740
TOTAL EXPENSES	197,329	1,986,810	2,184,139
CHANGE IN NET ASSETS	(17,296)	(10,664)	(27,960)
NET ASSETS, Beginning of year	413,622	455,838	869,460
NET ASSETS, End of year	\$ 396,326	\$ 445,174	\$ 841,500

2011

<u>ELIMINATIONS</u>	<u>CONSOLIDATED TOTAL</u>
\$ -	\$ 395,120
-	21,315
-	391
-	1,159,939
-	2,820
-	<u>1,579,585</u>
-	395,108
-	156,209
-	20,562
-	4,715
-	<u>576,594</u>
-	<u>2,156,179</u>
-	1,728,630
-	329,769
-	125,740
-	<u>2,184,139</u>
-	(27,960)
-	<u>869,460</u>
<u>\$ -</u>	<u>\$ 841,500</u>

**ACLU OF ARIZONA AND ACLU FOUNDATION OF ARIZONA
CONSOLIDATING SCHEDULES OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED MARCH 31, 2011 AND 2010**

	2010 (Restated)		
	ACLU	ACLU FOUNDATION	MEMORANDUM TOTAL ONLY
<u>SUPPORT AND OTHER REVENUES</u>			
PUBLIC SUPPORT			
Donations	\$ 435	\$ 278,019	\$ 278,454
Bequests	18,699	66,396	85,095
Special event revenue	-	2,600	2,600
Legal services donated	-	198,191	198,191
Other in-kind donations	-	-	-
TOTAL PUBLIC SUPPORT	19,134	545,206	564,340
OTHER REVENUES			
Grant revenue	-	200,322	200,322
Shared membership fees	160,883	-	160,883
Legal fees awarded	-	36,868	36,868
Investment income, net	7,371	5,638	13,009
TOTAL OTHER REVENUES	168,254	242,828	411,082
TOTAL SUPPORT AND OTHER REVENUES	187,388	788,034	975,422
<u>EXPENSES</u>			
Program services	106,431	502,791	609,222
Management and general	47,319	80,672	127,991
Fundraising and development	28,430	103,748	132,178
TOTAL EXPENSES	182,180	687,211	869,391
CHANGE IN NET ASSETS	5,208	100,823	106,031
NET ASSETS, Beginning of year	408,414	355,015	763,429
NET ASSETS, End of year	\$ 413,622	\$ 455,838	\$ 869,460

2010 (Restated)

<u>ELIMINATIONS</u>	<u>CONSOLIDATED TOTAL</u>
\$ -	\$ 278,454
-	85,095
-	2,600
-	198,191
-	-
-	<u>564,340</u>
-	200,322
-	160,883
-	36,868
-	<u>13,009</u>
-	<u>411,082</u>
-	<u>975,422</u>
-	609,222
-	127,991
-	<u>132,178</u>
-	<u>869,391</u>
-	106,031
-	<u>763,429</u>
<u>\$ -</u>	<u>\$ 869,460</u>

**ACLU OF ARIZONA
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2011**

	Program Costs		Total Program Costs
	Legislative	Public Education	
Salaries and related expenses	\$ 46,168	\$ 42,856	\$ 89,024
Accounting and outside services	625	3,933	4,558
Occupancy	-	-	-
Printing, publications and postage	60	15,416	15,476
Membership development	-	-	-
Office	3,629	41	3,670
Travel, meals and entertainment	1,481	757	2,238
Insurance	-	-	-
Depreciation	-	-	-
Interest	-	-	-
Board and volunteer	-	-	-
Public education forums	35	88	123
Total Expenses	\$ 51,998	\$ 63,091	\$ 115,089

Support Services

<u>Administrative Costs</u>	<u>Membership Support</u>	<u>Total</u>
\$ 36,087	\$ 14,466	\$ 139,577
3,481	-	8,039
13,538	-	13,538
606	915	16,997
-	6,273	6,273
2,106	-	5,776
2,189	49	4,476
693	-	693
579	-	579
199	-	199
1,059	-	1,059
-	-	123
<u>\$ 60,537</u>	<u>\$ 21,703</u>	<u>\$ 197,329</u>

**ACLU FOUNDATION OF ARIZONA
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2011**

	Program Costs		Total Program Costs
	Legal	Public Education	
Salaries and related expenses	\$ 246,498	\$ 124,182	\$ 370,680
Accounting and outside services	7,151	7,918	15,069
Occupancy	-	-	-
Printing, publications and postage	4,227	11,679	15,906
Litigation	1,182,955	-	1,182,955
Information technology	1,595	203	1,798
Office expenses	1,125	307	1,432
Travel	12,115	5,308	17,423
Event	-	-	-
Depreciation	-	-	-
Insurance	-	-	-
Professional education	2,327	4	2,331
Interest	-	-	-
Board and volunteer	26	-	26
Gifts	-	-	-
Public education forums	-	5,921	5,921
Bad debt expense (pledges)	-	-	-
Total Expenses	\$ 1,458,019	\$ 155,522	\$ 1,613,541

Support Services

<u>Administrative Costs</u>	<u>Fund Development</u>	<u>Total</u>
\$ 86,404	\$ 50,762	\$ 507,846
19,531	28,525	63,125
60,528	-	60,528
3,425	3,070	22,401
-	-	1,182,955
20,573	6,578	28,949
12,567	2,544	16,543
3,313	7,720	28,456
-	4,787	4,787
8,582	-	8,582
3,693	-	3,693
1,471	-	3,802
1,347	-	1,347
2,962	-	2,988
195	51	246
-	-	5,921
44,641	-	44,641
<u>\$ 269,232</u>	<u>\$ 104,037</u>	<u>\$ 1,986,810</u>

**ACLU OF ARIZONA
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2010**

	Program Costs		Total Program Costs
	Legislative	Public Education	
Salaries and related expenses	\$ 18,334	\$ 49,035	\$ 67,369
Accounting and outside services	482	280	762
Occupancy	2,883	7,347	10,230
Printing, publications and postage	19	21,305	21,324
Membership development	-	-	-
Office	408	1,111	1,519
Travel, meals and entertainment	441	1,783	2,224
Equipment rental	315	747	1,062
Insurance	499	96	595
Board and volunteer	-	401	401
Scholarships	-	850	850
Public education forums	-	95	95
Total Expenses	\$ 23,381	\$ 83,050	\$ 106,431

Support Services

<u>Administrative Costs</u>	<u>Membership Support</u>	<u>Total</u>
\$ 34,065	\$ 13,783	\$ 115,217
4,840	93	5,695
3,187	2,276	15,693
1,799	1,690	24,813
50	9,014	9,064
1,046	461	3,026
555	260	3,039
1,218	249	2,529
504	32	1,131
55	572	1,028
-	-	850
-	-	95
<u>\$ 47,319</u>	<u>\$ 28,430</u>	<u>\$ 182,180</u>

**ACLU FOUNDATION OF ARIZONA
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2010**

	Program Costs		Total Program Costs
	Legal	Public Education	
Salaries and related expenses	\$ 166,955	\$ 79,599	\$ 246,554
Accounting and outside services	1,587	1,057	2,644
Occupancy	13,387	6,842	20,229
Printing, publications and postage	1,686	4,081	5,767
Litigation	202,371	-	202,371
Information technology	7,799	1,303	9,102
Office expenses	2,474	1,153	3,627
Travel	2,669	413	3,082
Event	-	-	-
Depreciation	1,779	909	2,688
Insurance	2,174	235	2,409
Professional education	1,494	-	1,494
Interest	887	453	1,340
Equipment rental	375	191	566
Board and volunteer	13	533	546
Recruitment	-	-	-
Gifts	-	-	-
Public education forums	-	372	372
Total Expenses	\$ 405,650	\$ 97,141	\$ 502,791

Support Services

<u>Administrative Costs</u>	<u>Fund Development</u>	<u>Total</u>
\$ 53,874	\$ 74,467	\$ 374,895
14,669	282	17,595
3,570	5,949	29,748
555	3,684	10,006
-	-	202,371
838	8,768	18,708
3,028	1,087	7,742
985	2,691	6,758
-	4,003	4,003
475	791	3,954
551	204	3,164
967	-	2,461
237	394	1,971
100	166	832
230	230	1,006
175	712	887
418	320	738
-	-	372
\$ 80,672	\$ 103,748	\$ 687,211