

**AMERICAN CIVIL LIBERTIES
UNION OF MARYLAND, INC.
AND
AMERICAN CIVIL LIBERTIES
UNION FOUNDATION OF MARYLAND, INC.
CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
MARCH 31, 2023**

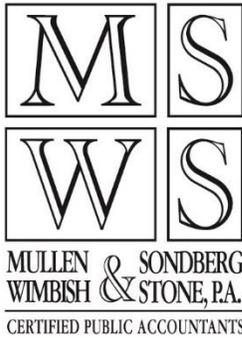


MULLEN SONDBERG WIMBISH & STONE, PA

CERTIFIED PUBLIC ACCOUNTANTS

TABLE OF CONTENTS

	<u>Page</u>
Independent auditor's report	1 - 3
Consolidated financial statements	
Consolidated statement of financial position	4
Consolidated statement of activities	5
Consolidated statement of functional expenses	6
Consolidated statement of cash flows	7
Notes to consolidated financial statements	8 - 20
Supplementary information	
Schedule I Consolidating schedule of statement of financial position	21 - 22
Schedule II Consolidating schedule of statement of activities	23 - 24
Schedule III Consolidating schedule of expenses	25 - 26



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INDEPENDENT AUDITOR'S REPORT

To Management and the Board of Directors of
American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
Baltimore, Maryland

Opinion

We have audited the accompanying consolidated financial statements of American Civil Liberties Union of Maryland, Inc. and American Civil Liberties Union Foundation of Maryland, Inc. (non-profit organizations), which comprise the consolidated statement of financial position as of March 31, 2023, and 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.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of American Civil Liberties Union of Maryland, Inc. and American Civil Liberties Union Foundation of Maryland, Inc., as of March 31, 2023, and the changes their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

To Management and the Board of Directors of
American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.

Responsibilities of Management for the Consolidated Financial Statements (Cont.)

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 generally accepted auditing standards 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 consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 American Civil Liberties Union of Maryland, Inc. and American Civil Liberties Union Foundation of Maryland, Inc.'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about American Civil Liberties Union of Maryland, Inc. and American Civil Liberties Union Foundation of Maryland, Inc.'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.

To Management and the Board of Directors of
American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules on pages 21 - 26 are presented for purpose of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The 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.

Report on Summarized Comparative Information

We have previously audited American Civil Liberties Union of Maryland, Inc. and American Civil Liberties Union Foundation of Maryland, Inc.'s 2022 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated November 8, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2022, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.



MULLEN, SONDBERG, WIMBISH & STONE, P.A.

Annapolis, Maryland
October 26, 2023

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
March 31, 2023

ASSETS		
	2023	2022
CURRENT ASSETS		
Cash and cash equivalents	\$ 762,141	\$ 1,587,046
Investments	11,140,544	11,943,942
Contributions receivable	65,000	60,000
Due from national affiliate	1,088,318	1,749,920
Due from other affiliates	2,496	-
Prepaid expenses	57,146	76,564
	13,115,645	15,417,472
PROPERTY AND EQUIPMENT		
Net of accumulated depreciation	10,333	14,897
OTHER ASSETS		
Operating lease right of use assets	201,661	-
Deposits	14,764	14,314
	216,425	14,314
Total other assets	216,425	14,314
Total assets	\$ 13,342,403	\$ 15,446,683
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 31,993	\$ 31,324
Accrued expenses	249,806	506,733
Accrued pension expense	225,196	192,683
Operating lease right of use liability	186,138	-
Due to national affiliate	-	5,630
	693,133	736,370
Total current liabilities	693,133	736,370
NET ASSETS		
Without donor restrictions	12,542,058	14,497,191
With donor restrictions	107,212	213,122
	12,649,270	14,710,313
Total net assets	12,649,270	14,710,313
Total liabilities and net assets	\$ 13,342,403	\$ 15,446,683

The accompanying notes are an integral part of these consolidated financial statements.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
CONSOLIDATED STATEMENT OF ACTIVITIES
Year Ended March 31, 2023
With Summarized Financial Information for the Year Ended March 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2023	2022
REVENUES, GAINS AND OTHER SUPPORT				
Direct support:				
Donations	\$ 1,201,469	\$ 56,665	\$ 1,258,134	\$ 2,514,286
Grants	405,000	50,000	455,000	561,770
Bequests	155,823	-	155,823	563,645
	<u>1,762,292</u>	<u>106,665</u>	<u>1,868,957</u>	<u>3,639,701</u>
Donated legal services	<u>3,450,471</u>	<u>-</u>	<u>3,450,471</u>	<u>5,234,038</u>
Total direct support	<u>5,212,763</u>	<u>106,665</u>	<u>5,319,428</u>	<u>8,873,739</u>
Other revenue:				
Membership dues	1,502,383	-	1,502,383	1,686,400
Legal awards	824,366	-	824,366	1,454,637
Net investment return	246,057	-	246,057	201,887
Other revenue	250	-	250	9,233
Realized and unrealized gain (loss) on investments	<u>(939,146)</u>	<u>-</u>	<u>(939,146)</u>	<u>317,953</u>
Total other revenue	<u>1,633,910</u>	<u>-</u>	<u>1,633,910</u>	<u>3,670,110</u>
Net assets released from restrictions	<u>212,575</u>	<u>(212,575)</u>	<u>-</u>	<u>-</u>
Total revenues, gains, and other support	<u>7,059,248</u>	<u>(105,910)</u>	<u>6,953,338</u>	<u>12,543,849</u>
EXPENSES				
Program services	7,776,495	-	7,776,495	9,340,323
Supporting services:				
Management and general	759,131	-	759,131	763,102
Fundraising	<u>478,755</u>	<u>-</u>	<u>478,755</u>	<u>480,391</u>
Total supporting services	<u>1,237,886</u>	<u>-</u>	<u>1,237,886</u>	<u>1,243,493</u>
Total expenses	<u>9,014,381</u>	<u>-</u>	<u>9,014,381</u>	<u>10,583,816</u>
Change in net assets	(1,955,133)	(105,910)	(2,061,043)	1,960,033
NET ASSETS AT BEGINNING OF YEAR	<u>14,497,191</u>	<u>213,122</u>	<u>14,710,313</u>	<u>12,750,280</u>
NET ASSETS AT END OF YEAR	<u>\$ 12,542,058</u>	<u>\$ 107,212</u>	<u>\$ 12,649,270</u>	<u>\$ 14,710,313</u>

The accompanying notes are an integral part of these consolidated financial statements.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended March 31, 2023

With Summarized Financial Information for the Year Ended March 31, 2022

	Supporting Services			Total		
	Program Services	Management and General	Fundraising	Total Supporting Services	2023	2022
Payroll and related expenses	\$ 3,137,851	\$ 576,687	\$ 349,505	\$ 926,192	\$ 4,064,043	\$ 3,980,615
Donated legal services	3,450,471	-	-	-	3,450,471	5,234,038
Professional fees	541,281	99,479	60,289	159,768	701,049	535,581
Occupancy	210,719	38,728	23,470	62,198	272,917	256,642
Office expense	107,740	19,800	12,001	31,801	139,541	149,498
Telephone and communications	66,254	12,176	7,380	19,556	85,810	99,079
Travel and meetings	60,815	7,362	4,462	11,824	72,639	33,048
Printing and publications	67,415	3,112	1,886	4,998	72,413	54,764
Legislative	65,793	-	-	-	65,793	85,617
Litigation	45,499	-	-	-	45,499	105,511
Fundraising and membership events	-	-	16,017	16,017	16,017	8,310
Library and dues	13,146	38	23	61	13,207	5,529
Postage	3,910	719	434	1,153	5,063	7,839
Depreciation	3,523	648	393	1,041	4,564	15,187
Miscellaneous	2,078	382	232	614	2,692	9,927
Bank service charges	-	-	2,663	2,663	2,663	2,631
Total expenses	\$ 7,776,495	\$ 759,131	\$ 478,755	\$ 1,237,886	\$ 9,014,381	\$ 10,583,816

The accompanying notes are an integral part of these consolidated financial statements.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended March 31, 2023

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (2,061,043)	\$ 1,960,033
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	4,564	15,187
Realized and unrealized gain (loss) on investments	939,146	(317,953)
(Increase) decrease in operating assets:		
Contributions receivable	(5,000)	265,000
Due from national affiliate	661,602	(272,138)
Due from other affiliates	(2,496)	-
Prepaid expenses	19,418	(11,826)
Deposits	(450)	1,535
Operating lease right of use asset	(201,661)	-
Increase (decrease) in operating liabilities:		
Accounts payable	669	(13,631)
Accrued expenses	(256,927)	291,330
Accrued pension expense	32,513	17,704
Operating lease right of use liability	186,138	-
Due to national affiliate	(5,630)	5,630
	<u>(689,157)</u>	<u>1,940,871</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments and reinvested dividends	(2,139,925)	(1,809,363)
Proceeds from sale of investments	2,004,177	721,390
Purchase of equipment	-	(6,896)
	<u>(135,748)</u>	<u>(1,094,869)</u>
Net cash used in investing activities	(824,905)	846,002
Net change in cash and cash equivalents	(824,905)	846,002
Cash and cash equivalents at beginning of year	<u>1,587,046</u>	<u>741,044</u>
Cash and cash equivalents at end of year	<u>\$ 762,141</u>	<u>\$ 1,587,046</u>
SUPPLEMENTAL CASH FLOW INFORMATION:		
Recognition of right of use assets and lease liabilities to implementation of ASU 2016-02 "Leases" (Topic 842)	<u>\$ 417,424</u>	<u>\$ -</u>

The accompanying notes are an integral part of these consolidated financial statements.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2023

Note 1 - Summary of Significant Accounting Policies

Nature of Organization

The American Civil Liberties Union of Maryland, Inc. (the ACLU) is a non-profit organization that provides education and lobbies regarding civil rights and liberties. The ACLU is funded by membership dues and public support. Membership dues are forwarded to the National ACLU office and allocations are made to the various affiliates in accordance with revenue sharing policies.

The American Civil Liberties Union Foundation of Maryland, Inc. (the ACLU Foundation) is a non-profit organization that provides legal services for persons threatened with, or involved in civil or criminal litigation in which questions of civil liberties or civil rights have arisen, as well as provides public education and advocacy regarding civil rights and liberties. The ACLU Foundation is funded by public support and legal awards.

Consolidation of Related Entity

The ACLU has adopted the provision of *FASB ASC 958-810 "Not-for-Profit Entities – Consolidation."* The ACLU has included its related entity, the ACLU Foundation, in its consolidated financial statements for the years ended March 31, 2023 and 2022. *FASB ASC 958-810* states that a not-for-profit organization should consolidate another non-profit organization if the reported not-for-profit organization has both control of the other not-for-profit organization, as evidenced by either majority ownership or a majority voting interest in the Board of the other not-for-profit organization, and an economic interest in the other not-for-profit organization.

The ACLU Foundation is a tax-exempt not-for-profit entity incorporated in the State of Maryland. The ACLU Foundation qualifies as a related entity of the ACLU under *FASB ASC 958-810* and, accordingly, the accompanying consolidated financial statements present the financial information of both the ACLU and the ACLU Foundation (the Organization).

The Organization is also required to comply with the provisions of *FASB ASC 850 "Related Party Disclosure."* Under this provision, all material related party transactions have been eliminated in the consolidating process and substantive disclosure of these amounts is not required.

Basis of Accounting

The Organization prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. This basis of accounting involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Cont.)
March 31, 2023

Note 1 - Summary of Significant Accounting Policies (Cont.)

Basis of Presentation

The consolidated financial statements of the Organization have been prepared in accordance with U.S Generally Accepted Accounting Principles, which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's Management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to restrictions imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Summarized Comparative Information

The consolidated financial statements include certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. The prior year information included in the consolidated statement of financial position, statement of activities, statement of functional expenses, statement of cash flows and footnote disclosures are included for comparative purposes only. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended March 31, 2022, from which the summarized information was derived.

Revenue Recognition – Contributions and Fundraising, Financial Assets

Contributions are reported as revenue in the year received and/or when the unconditional promises are made. The Organization reports gifts of cash and other assets as support with donor restrictions if they are received with donor restrictions that limit the use of the donated assets. When a donor restriction expires, that is, when the restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions, including donor-restricted conditional contributions, whose restrictions (and conditions, if applicable) are met in the same year are reported as support without donor restrictions.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Cont.)
March 31, 2023

Note 1 - Summary of Significant Accounting Policies (Cont.)

Revenue Recognition – Contributions and Fundraising, Financial Assets (Cont.)

Promises to give with a measurable performance or other barrier and a right of return are considered conditional promises to give and are not recognized until the conditions on which they depend have been met. There were no conditional promises to give for the years ended March 31, 2023 and 2022.

Membership dues are used to provide benefits to the general public and benefits to members are negligible. Membership dues have been evaluated and accounted for as contributions.

Legal awards are settlements awarded to the Organization for the attorney fees incurred in a case. Legal awards have been evaluated and accounted for as contributions.

Revenue Recognition - Grants

Grants are reported as revenue based on the terms and conditions of each specific grant agreement with the grantor. Grants that are earned based on the expenditure of specific expenses are recorded as revenue when the expenses are incurred and the Organization has an unconditional right to the grant funds. Unexpended grant awards under these arrangements are classified as refundable advances in the statement of financial position until they are earned. Grants that are received with grantor restrictions or stipulations regarding the use of the grant funds are classified as grants with donor restrictions. When a donor restriction expires, that is, when the restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted grants whose restrictions are met in the same year are reported as support without donor restrictions.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the consolidated statement of financial position date and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Cont.)
March 31, 2023

Note 1 - Summary of Significant Accounting Policies (Cont.)

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents except those held in an investment portfolio.

Concentration of Cash Balances

On March 31, 2023 and 2022, and at various times during the fiscal years then ended, the Organization maintained cash balances in excess of the federally insured limit. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

Investments

Investments are presented in the financial statements at fair value. The net realized and unrealized gain (loss) in the fair value of investments is reflected in the consolidated statement of activities. Investments consist of cash and cash equivalents, certificates of deposit, and mutual funds held by a broker.

Contributions Receivable

Unconditional contributions receivable that are expected to be collected within one year are recorded at net realizable value. Unconditional contributions receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using rates applicable to the rate and circumstances applicable to each of the contributions receivable. Amortization of the discounts is included in contribution revenue. Conditional contributions receivable are not included as support until the conditions are substantially met. The Organization uses the allowance method to determine uncollectible contributions receivable which is based on prior years' experience and management's analysis of specific contributions made. The Organization has not established an allowance for any bad debts associated with these accounts as Management believes that all contributions receivable are fully collectible.

Property and Equipment

Property and equipment acquisitions over \$3,000 are capitalized and recorded at cost. Depreciation is provided over the estimated useful lives of the assets using the straight-line method.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Cont.)
March 31, 2023

Note 1 - Summary of Significant Accounting Policies (Cont.)

Leases

The Organization recognizes a right of use (ROU) asset and lease liability on the statement of financial position for all leases with a term longer than 12 months. Leases are classified as financing or operating. Financing leases are expensed through interest and amortization expense and operating leases are expensed through rent expense on the consolidated statement of activities.

The Organization's right of use assets and lease liabilities relate to a single real estate lease. Certain leases may include one or more options to renew, with renewal terms that can be extended beyond the original lease term at managements discretion. Renewal periods are included in the expected lease term if they are reasonably certain of being exercised by management. There are no leases that contain any material residual value guarantees, material restrictions or covenants.

Long-term leases (leases with terms greater than 12 months) are recorded as liabilities at the present value of the minimum lease payments not yet paid. Rates are determined and estimated based on various incremental borrowing risk-free rates when the rate implicit in the lease is not readily determinable.

Short-term leases (leases with an initial term of 12 months or less or leases that are cancelable by the lessee and lessor without significant penalties) are not capitalized but expensed on a straight-line basis over the lease term.

Income Taxes

The ACLU is exempt from income tax under Section 501(c)(4) of the Internal Revenue Code. The ACLU Foundation is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and is classified as other than a private foundation. It is exempt from paying federal income tax on any income except unrelated business income.

The Organization follows the guidance of *ASC 740-10, "Accounting for Uncertainty in Income Taxes"* which clarifies the accounting for the recognition and measurement of the benefits of individual tax positions in the financial statements, including those of non-profit organizations. Tax positions must meet a recognition threshold of more-likely-than not in order for the benefit of those tax positions to be recognized in the Organization's financial statements.

The Organization analyzes tax positions taken, including those related to the requirements set forth in IRC Sec. 501(c) to qualify as a tax-exempt organization, activities performed by volunteers and Board members, the reporting of unrelated business income, and its status as a tax-exempt organization under Maryland State statute. The Organization does not know of any tax benefits arising from uncertain tax positions and there was no effect on the Organization's financial position or changes in net assets as a result of analyzing its tax positions.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Cont.)
March 31, 2023

Note 1 - Summary of Significant Accounting Policies (Cont.)

Contributions, Non-Financial Assets and Services

Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Organization's general practice is to utilize donated services to support the Organization's overall purpose. The amount of services contributed for the years ending March 31, 2023 and 2022 were \$3,450,471 and \$5,234,038, respectively.

Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying consolidated financial statements included in donations are offset by like amounts included in expenses or additions to property and equipment. There were no donated materials or equipment for years ending March 31, 2023 and 2022, respectively.

Allocation of Functional Expenses

Accounting principles generally accepted in the United States of America require all non-profit organizations to present their expenses on a functional basis, separating program services from management and general and fundraising expense. Expenses are either charged directly to program services as incurred or allocated based on estimates of time and effort or usage. The expenses that have been allocated based on estimates of time and effort include the following: salaries and related expenses, purchase of service, interest, maintenance and equipment, utilities, supplies, insurance, gas, oil, repairs, staff development, and telephone. Depreciation expense has been allocated based on usage.

The costs of providing various program and supporting services has been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

New Accounting Pronouncements

On April 1, 2022, the Organization adopted *ASU 2016-02, "Leases" (Topic 842)* along with various practical expedients allowed by the Organization under the standard, which requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. The new standard establishes a right-of-use model (ROU) that requires a lessee to recognize ROU asset and lease liability on the statement of financial position for all leases with a term longer than 12 months. Leases will be classified as financing or operating. Financing leases will be expensed through interest and amortization expense and operating leases will be expensed through lease expense on the statement of activities.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Cont.)
March 31, 2023

Note 1 - Summary of Significant Accounting Policies (Cont.)

New Accounting Pronouncements (Cont.)

The Organization adopted *ASU 2016-02, Leases*, with an initial application date of April 1, 2022, using the modified retrospective method – Effective Date Method, under which the Organization did not restate prior comparative periods. The Effective Date Method does not reassess at adoption (i) expired or existing contracts as to whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial indirect cost for existing leases. The Organization also elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying assets and are applying this expedient to all relevant asset classes.

On April 1, 2022, the Organization adopted Accounting Standards Update *ASU 2020-07, “Presentation and Disclosures by Not-for-Profit (NFP) Entities for Contributed Nonfinancial Assets.”* The guidance requires that a NFP 1) presents contributed nonfinancial assets as a separate line item in the statement of activities apart from contributions of cash and other assets and 2) discloses a disaggregation of the contributed nonfinancial assets by category with qualitative information about a) whether the contributed nonfinancial assets were monetized or utilized during the reporting period; b) the NFP’s policy regarding monetization or utilization; c) a description of any donor-imposed restrictions; d) a description of valuation techniques and inputs used to arrive at fair value; and e) the principal market used to arrive at fair value if it is a market in which the NFP is prohibited by a donor imposed restriction from selling or using the contributed nonfinancial assets. The Organization has adopted *ASU 2020-07* using the retrospective method. Accordingly, the financial statements for the year ended March 31, 2022 have been adjusted to fully conform with *ASU 2020-07*. The adoption of *ASU 2020-07* did not have any impact on the Organization’s financial position, result of operations or cash flows, and therefore did not result in any prior period adjustments. The adjustments that have been made to the year ended March 31, 2022 consisted of enhanced disclosures only.

Reclassifications of Prior Year Balances

Certain reclassifications of the prior year balances have been made to conform to current year presentation.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Cont.)
March 31, 2023

Note 2 - Availability and Liquidity

The following represents the Organization’s financial assets at March 31:

	2023	2022
Financial assets at year end:		
Cash and cash equivalents	\$ 762,141	\$ 1,587,046
Investments	11,140,544	11,943,942
Contributions receivable	65,000	60,000
Due from national affiliate	1,088,318	1,749,920
Due from other affiliates	2,496	-
Total financial assets	13,058,499	15,340,908
Less: amounts not available to be used within one year:		
Net assets with donor restrictions	107,212	209,894
Financial assets available to meet general expenditures over the next twelve months	\$ 12,951,287	\$ 15,131,014

The Organization’s goal is generally to maintain financial assets to meet 180 days of operating expenses (approximately \$4.5 million). As part of its liquidity plan, excess cash is invested in short term investments, including money market accounts and certificates of deposit as well as longer term investments in the wider markets.

Note 3 - Contributions Receivable

Contributions receivable consist of unconditional promises to give for \$65,000 and \$60,000 for the years ended March 31, 2023 and 2022, respectively. All contributions receivable are due in one year or less.

Note 4 - Related Party Transactions

The ACLU paid for transactions on behalf of the ACLU Foundation. Additionally, the ACLU made contributions to the ACLU Foundation. Intercompany receivables and payables totaled \$220,645 and \$2,052,795 as of March 31, 2023 and 2022, respectively. The intercompany accounts and transactions have been eliminated in consolidation.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Cont.)
March 31, 2023

Note 5 - Fair Value Measurement

ASC 820-10 Fair Value Measurements establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under *FASB ASC820* are described as follows:

Level 1: Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs that are unobservable and supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Organization. The Organization considers observable data to be that market data, which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Organization's perceived risk of that instrument.

Investments whose values are based on quoted market prices in active markets, and are, therefore classified as Level 1, include cash and cash equivalents and active listed mutual funds.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Cont.)
March 31, 2023

Note 5 - Fair Value Measurement (Cont.)

Investments that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations, or alternative pricing sources supported by observable inputs are classified with Level 2. These include certificates of deposit. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect liquidity and/or non-transferability, which are generally based on available market information.

The table below presents the fair value of financial instruments carried on the statement of financial position and by level within the hierarchy as of year-end:

	March 31, 2023			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 9,484,324	\$ -	\$ -	\$ 9,484,324
Cash and cash equivalents	1,537,608	-	-	1,537,608
Certificates of deposit	-	118,612	-	118,612
Total investments	\$ 11,021,932	\$ 118,612	\$ -	\$ 11,140,544
	March 31, 2022			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 10,852,728	\$ -	\$ -	\$ 10,852,728
Cash and cash equivalents	972,602	-	-	972,602
Certificates of deposit	-	118,612	-	118,612
Total investments	\$ 11,825,330	\$ 118,612	\$ -	\$ 11,943,942

Note 6 - Property and Equipment

The carrying values of each class of property and equipment were as follows at March 31:

	Estimated Lives	2023	2022
Furniture and equipment	3-7 years	\$ 57,222	\$ 57,222
Leasehold improvements	2.5 years	29,500	29,500
		86,722	86,722
Less: accumulated depreciation		(76,389)	(71,825)
Net property and equipment		\$ 10,333	\$ 14,897

Depreciation expense for the years ended March 31, 2023 and 2022 were \$4,564 and \$15,187, respectively.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Cont.)
March 31, 2023

Note 7 - Donated Legal Services

The ACLU Foundation received the following donated legal services benefiting all aspects of the mission for the years ended March 31:

	2023	2022
Donated hours	5,094	7,942
Donated value	\$ 3,450,471	\$ 5,234,038

Note 8 - Net Assets with Donor Restrictions

Net assets with donor restrictions consists of amounts received for a specific purpose that have not been spent as of the fiscal year end. Net assets with donor restrictions consisted of the following at March 31:

	2023	2022
Voting Rights	\$ 50,300	\$ 143,034
Community Repair & Reinvestment Fund	27,786	-
LGBT Rights	25,009	35,500
Immigrants' Rights	3,750	3,775
Reproductive Freedom	250	2,355
COVID	117	180
Equity, Diversity, & Inclusion	-	25,000
Legal Justice	-	3,228
Police Practices	-	50
	\$ 107,212	\$ 213,122

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Cont.)
March 31, 2023

Note 9 - Operating Lease

The ACLU Foundation entered into a lease agreement starting September 2018 to lease office space under an agreement that expired February 2022. In January 2022, ACLU Foundation extended the lease until February 2024. The base monthly rent is \$18,823 and increases by approximately 3% every year

The Organization has recognized an operating right of use asset in exchange for an operating lease liability, initially measured at the present value of the lease payments in the statement of financial position. The Organization used the U.S. Treasury Securities' two-year constant maturity rate of return (discount rate) at the adoption date of *ASU 2016-02* to calculate present value of the lease payments. The present value of the operating lease right of use asset for the year ended March 31, 2023 amounted to \$201,661. The operating lease liability for the year ended March 31, 2023 amounted to \$186,138.

Future minimum lease payments required under the lease for the year ended March 31, 2024 totaled \$188,227.

Total rent expense, including short term leases, for the years ended March 31, 2023 and 2022 was \$228,847 and \$214,362, respectively, and is included in occupancy expense.

Note 10 - Affiliated Organizations

The ACLU and the ACLU Foundation are local affiliates of the National American Civil Liberties Union, Inc. and the National American Civil Liberties Union Foundation, Inc., respectively. Contributions are allocated between the national headquarters and affiliates in accordance with revenue sharing policies determined by the national office. The ACLU forwards membership dues to the National American Civil Liberties Union, Inc. office and allocations are made to the various affiliates in accordance with revenue sharing policies.

The amount due from the National American Civil Liberties Union Foundation, Inc. were \$541,203 and \$1,632,577 at March 31, 2023 and 2022, respectively.

The amount due from the National American Civil Liberties Union, Inc. were \$547,115 and \$117,343 at March 31, 2023 and 2022, respectively.

The Organization has not established an allowance for any bad debts associated with these accounts as Management believes that all amounts due from the National American Civil Liberties Union, Inc. and the National American Civil Liberties Union Foundation, Inc. are fully collectible.

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Cont.)
March 31, 2023

Note 11 - Retirement Plan

A defined benefit pension plan (the Pension Plan) was provided through the National American Civil Liberties Union (ACLU-National) for all employees hired on or before March 31, 2010 who were 21 years of age and had one year and 1,000 hours of service. The Pension Plan is made available by ACLU-National to its participating affiliated agencies, with ACLU-National as the plan sponsor and administrator. Accumulated plan benefits and plan net assets information is not available as it pertains to the Organization since financial information of the Pension Plan reported by ACLU-National are consolidated and separate accounts are not kept for each affiliate. The Organization reimburses ACLU-National for a share of the cost of the plan each year under a cost sharing agreement between the organizations. The Organization's total expense for reimbursements paid to ACLU-National for the Pension Plan were \$214,340 and \$185,408 for the years ended March 31, 2023 and 2022, respectively.

Effective April 1, 2009, new employees are no longer eligible to participate in the defined benefit pension plan. A new defined contribution plan was started in which all employees 21 year and older are eligible to participate. The Organization will match 100% of contributions up to 1% of salary plus 50% of contributions from 1% to 6% of salary. Employer matching contributions were \$117,424 and \$93,824 for the years ended March 31, 2023 and 2022, respectively.

Note 12 - Subsequent Events

The Organization has evaluated the impact of subsequent events. There have been no subsequent events through October 26, 2023, the day the Organization's financial statements were available to be issued, that require recognition or disclosure.

SUPPLEMENTARY INFORMATION

SCHEDULE I

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
CONSOLIDATING SCHEDULE OF STATEMENT OF FINANCIAL POSITION
March 31, 2023

	American Civil Liberties Union of Maryland, Inc.	American Civil Liberties Union Foundation of Maryland, Inc.	Eliminations	Consolidated Total
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 429,730	\$ 332,411	\$ -	\$ 762,141
Investments	9,607,519	1,533,025	-	11,140,544
Contributions receivable	-	65,000	-	65,000
Due from national affiliate	547,115	541,203	-	1,088,318
Due from ACLU of Maryland, Inc.	-	220,645	(220,645)	-
Due from other affiliates	-	2,496	-	2,496
Prepaid expenses	-	57,146	-	57,146
Total current assets	<u>10,584,364</u>	<u>2,751,926</u>	<u>(220,645)</u>	<u>13,115,645</u>
PROPERTY AND EQUIPMENT				
Net of accumulated depreciation	-	10,333	-	10,333
OTHER ASSETS				
Operating lease right of use assets	-	201,661	-	201,661
Deposits	247	14,517	-	14,764
Total other assets	<u>247</u>	<u>216,178</u>	<u>-</u>	<u>216,425</u>
Total assets	<u>\$ 10,584,611</u>	<u>\$ 2,978,437</u>	<u>\$ (220,645)</u>	<u>\$ 13,342,403</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ -	31,993	\$ -	\$ 31,993
Accrued expenses	12,639	237,167	-	249,806
Accrued pension expense	2,252	222,944	-	225,196
Operating lease right of use liability	-	186,138	-	186,138
Due to ACLU Foundation of Maryland, Inc.	220,645	-	(220,645)	-
Total current liabilities	<u>235,536</u>	<u>678,242</u>	<u>(220,645)</u>	<u>693,133</u>
NET ASSETS				
Without donor restrictions	10,321,289	2,220,769	-	12,542,058
With donor restrictions	27,786	79,426	-	107,212
Total net assets	<u>10,349,075</u>	<u>2,300,195</u>	<u>-</u>	<u>12,649,270</u>
Total liabilities and net assets	<u>\$ 10,584,611</u>	<u>\$ 2,978,437</u>	<u>\$ (220,645)</u>	<u>\$ 13,342,403</u>

SCHEDULE I (Cont.)

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
CONSOLIDATING SCHEDULE OF STATEMENT OF FINANCIAL POSITION (Cont.)
March 31, 2022

	American Civil Liberties Union of Maryland, Inc.	American Civil Liberties Union Foundation of Maryland, Inc.	Eliminations	Consolidated Total
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 847,865	\$ 739,181	\$ -	\$ 1,587,046
Investments	10,472,631	1,471,311	-	11,943,942
Contributions receivable	-	2,025,000	(1,965,000)	60,000
Due from national affiliate	117,343	1,632,577	-	1,749,920
Due from ACLU Foundation of Maryland, Inc.	87,795	-	(87,795)	-
Prepaid expenses	-	76,564	-	76,564
Total current assets	11,525,634	5,944,633	(2,052,795)	15,417,472
PROPERTY AND EQUIPMENT				
Net of accumulated depreciation	-	14,897	-	14,897
OTHER ASSETS				
Deposits	247	14,067	-	14,314
Total assets	<u>\$ 11,525,881</u>	<u>\$ 5,973,597</u>	<u>\$ (2,052,795)</u>	<u>\$ 15,446,683</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 1,965,000	\$ 31,324	\$ (1,965,000)	\$ 31,324
Accrued expenses	30,148	476,585	-	506,733
Accrued pension expense	11,561	181,122	-	192,683
Due to national affiliate	5,630	-	-	5,630
Due to ACLU of Maryland, Inc.	-	87,795	(87,795)	-
Total current liabilities	2,012,339	776,826	(2,052,795)	736,370
NET ASSETS				
Without donor restrictions	9,510,314	4,986,877	-	14,497,191
With donor restrictions	3,228	209,894	-	213,122
Total net assets	9,513,542	5,196,771	-	14,710,313
Total liabilities and net assets	<u>\$ 11,525,881</u>	<u>\$ 5,973,597</u>	<u>\$ (2,052,795)</u>	<u>\$ 15,446,683</u>

SCHEDULE II

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
CONSOLIDATING SCHEDULE OF STATEMENT OF ACTIVITIES
March 31, 2023

	American Civil Liberties Union of Maryland, Inc.	American Civil Liberties Union Foundation of Maryland, Inc.	Consolidated Total
REVENUES, GAINS, AND OTHER SUPPORT			
Direct support:			
Donations	\$ 164,654	\$ 1,093,480	\$ 1,258,134
Grants	50,000	405,000	455,000
Bequests	124,314	31,509	155,823
	<u>338,968</u>	<u>1,529,989</u>	<u>1,868,957</u>
Donated legal services	-	3,450,471	3,450,471
Total direct support	<u>338,968</u>	<u>4,980,460</u>	<u>5,319,428</u>
Other revenue:			
Membership dues	1,502,383	-	1,502,383
Legal awards	-	824,366	824,366
Net investment return	214,165	31,892	246,057
Other revenue	-	250	250
Realized and unrealized loss on investments	(918,197)	(20,949)	(939,146)
Total other revenue	<u>798,351</u>	<u>835,559</u>	<u>1,633,910</u>
Total revenues, gains, and other support	<u>1,137,319</u>	<u>5,816,019</u>	<u>6,953,338</u>
EXPENSES			
Program services	247,921	7,528,574	7,776,495
Supporting services:			
Management and general	33,540	725,591	759,131
Fundraising	20,325	458,430	478,755
Total supporting services	<u>53,865</u>	<u>1,184,021</u>	<u>1,237,886</u>
Total expenses	<u>301,786</u>	<u>8,712,595</u>	<u>9,014,381</u>
Change in net assets	<u>835,533</u>	<u>(2,896,576)</u>	<u>(2,061,043)</u>
NET ASSETS AT BEGINNING OF YEAR	<u>9,513,542</u>	<u>5,196,771</u>	<u>14,710,313</u>
NET ASSETS AT END OF YEAR	<u>\$ 10,349,075</u>	<u>\$ 2,300,195</u>	<u>\$ 12,649,270</u>

SCHEDULE II (Cont.)

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
CONSOLIDATING SCHEDULE OF STATEMENT OF ACTIVITIES (Cont.)
March 31, 2022

	American Civil Liberties Union of Maryland, Inc.	American Civil Liberties Union Foundation of Maryland, Inc.	Consolidated Total
REVENUES, GAINS, AND OTHER SUPPORT			
Direct support:			
Donations	\$ 20,012	\$ 2,494,274	\$ 2,514,286
Grants	-	561,770	561,770
Bequests	377,106	186,539	563,645
	<u>397,118</u>	<u>3,242,583</u>	<u>3,639,701</u>
Donated legal services	-	5,234,038	5,234,038
Total direct support	<u>397,118</u>	<u>8,476,621</u>	<u>8,873,739</u>
Other revenue:			
Membership dues	1,686,400	-	1,686,400
Legal awards	-	1,454,637	1,454,637
Realized and unrealized gain (loss) on investments	357,440	(39,487)	317,953
Net investment return	192,808	9,079	201,887
Other revenue	-	9,233	9,233
Total other revenue	<u>2,236,648</u>	<u>1,433,462</u>	<u>3,670,110</u>
Total revenues, gains, and other support	<u>2,633,766</u>	<u>9,910,083</u>	<u>12,543,849</u>
EXPENSES			
Program services	349,811	8,990,512	9,340,323
Supporting services:			
Management and general	52,471	710,631	763,102
Fundraising	32,283	448,108	480,391
Total supporting services	<u>84,754</u>	<u>1,158,739</u>	<u>1,243,493</u>
Total expenses	<u>434,565</u>	<u>10,149,251</u>	<u>10,583,816</u>
Change in net assets	<u>2,199,201</u>	<u>(239,168)</u>	<u>1,960,033</u>
NET ASSETS AT BEGINNING OF YEAR	<u>7,314,341</u>	<u>5,435,939</u>	<u>12,750,280</u>
NET ASSETS AT END OF YEAR	<u>\$ 9,513,542</u>	<u>\$ 5,196,771</u>	<u>\$ 14,710,313</u>

SCHEDULE III

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
CONSOLIDATING SCHEDULE OF EXPENSES
March 31, 2023

	American Civil Liberties Union of Maryland, Inc.	American Civil Liberties Union Foundation of Maryland, Inc.	Consolidated Total
Payroll and payroll related expenses	\$ 182,806	\$ 3,881,238	\$ 4,064,044
Donated legal services	-	3,450,471	3,450,471
Professional fees	8,275	692,774	701,049
Occupancy	11,413	261,503	272,916
Office expense	10,881	128,660	139,541
Telephone and communications	3,954	81,856	85,810
Travel and meetings	94	72,545	72,639
Printing and publications	18,560	53,853	72,413
Legislative	65,425	368	65,793
Litigation	-	45,499	45,499
Fundraising and membership events	-	16,017	16,017
Library and dues	266	12,941	13,207
Postage	112	4,951	5,063
Depreciation	-	4,564	4,564
Miscellaneous	-	2,692	2,692
Bank service charges	-	2,663	2,663
	<hr/>	<hr/>	<hr/>
Total expenses	<u>\$ 301,786</u>	<u>\$ 8,712,595</u>	<u>\$ 9,014,381</u>

SCHEDULE III (Cont.)

American Civil Liberties Union of Maryland, Inc. and
American Civil Liberties Foundation of Maryland, Inc.
CONSOLIDATING SCHEDULE OF EXPENSES (Cont.)
March 31, 2022

	American Civil Liberties Union of Maryland, Inc.	American Civil Liberties Union Foundation of Maryland, Inc.	Consolidated Total
Donated legal services	\$ -	\$ 5,234,038	\$ 5,234,038
Payroll and payroll related expenses	268,232	3,712,383	3,980,615
Professional fees	41,007	494,574	535,581
Occupancy	16,121	240,521	256,642
Office expense	9,627	139,871	149,498
Litigation	-	105,511	105,511
Telephone and communications	6,358	92,721	99,079
Legislative	85,217	400	85,617
Printing and publications	7,509	47,255	54,764
Travel and meetings	-	33,048	33,048
Depreciation	-	15,187	15,187
Miscellaneous	-	9,927	9,927
Fundraising and membership events	-	8,310	8,310
Postage	106	7,733	7,839
Library and dues	388	5,141	5,529
Bank service charges	-	2,631	2,631
	<u> </u>	<u> </u>	<u> </u>
Total expenses	<u>\$ 434,565</u>	<u>\$ 10,149,251</u>	<u>\$ 10,583,816</u>