



**GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.**

**FINANCIAL STATEMENTS  
MARCH 31, 2018 AND 2017**

**GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.**

Contents  
March 31, 2018 and 2017

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## Independent Auditor's Report

To the Board of Directors of  
GLBTQ Legal Advocates & Defenders, Inc.:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of GLBTQ Legal Advocates & Defenders, Inc. (a Massachusetts corporation, not for profit) which comprise the statements of financial position as of March 31, 2018 and 2017, and the related statements of activities and changes in net assets, cash flows and functional expenses for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

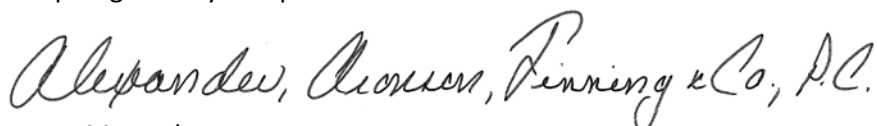
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GLBTQ Legal Advocates & Defenders, Inc. as of March 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Boston, Massachusetts  
June 21, 2018

**GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.**

Statements of Financial Position  
March 31, 2018 and 2017

<b>Assets</b>	<b>2018</b>			<b>2017</b>		
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>
<b>Current Assets:</b>						
Cash and cash equivalents	\$ 761,672	\$ -	\$ 761,672	\$ 336,017	\$ 323,989	\$ 660,006
Restricted cash - fiscal agent	17,376	-	17,376	-	-	-
Accounts receivable	88,066	-	88,066	5,521	-	5,521
Current portion of pledges receivable, net of allowance	-	254,250	254,250	350,000	46,900	396,900
Short-term investments	872,000	-	872,000	406,000	-	406,000
Prepaid expenses and deposits	38,958	-	38,958	70,438	-	70,438
Total current assets	<u>1,778,072</u>	<u>254,250</u>	<u>2,032,322</u>	<u>1,167,976</u>	<u>370,889</u>	<u>1,538,865</u>
Investments	803,805	825,675	1,629,480	927,641	-	927,641
Pledges Receivable, net of current portion, discount and allowance	-	114,067	114,067	-	41,967	41,967
Property and Equipment, net	<u>215,122</u>	<u>-</u>	<u>215,122</u>	<u>136,316</u>	<u>-</u>	<u>136,316</u>
Total assets	<u>\$ 2,796,999</u>	<u>\$ 1,193,992</u>	<u>\$ 3,990,991</u>	<u>\$ 2,231,933</u>	<u>\$ 412,856</u>	<u>\$ 2,644,789</u>
<b>Liabilities and Net Assets</b>						
<b>Current Liabilities:</b>						
Accounts payable and accrued expenses	\$ 353,794	\$ -	\$ 353,794	\$ 292,411	\$ -	\$ 292,411
Fiscal agent payable	17,376	-	17,376	-	-	-
Total current liabilities	<u>371,170</u>	<u>-</u>	<u>371,170</u>	<u>292,411</u>	<u>-</u>	<u>292,411</u>
Deferred Rent	-	-	-	46,007	-	46,007
Total liabilities	<u>371,170</u>	<u>-</u>	<u>371,170</u>	<u>338,418</u>	<u>-</u>	<u>338,418</u>
<b>Net Assets:</b>						
<b>Unrestricted:</b>						
Operating	950,707	-	950,707	808,078	-	808,078
Board designated	1,260,000	-	1,260,000	949,121	-	949,121
Property and equipment	215,122	-	215,122	136,316	-	136,316
Total unrestricted	<u>2,425,829</u>	<u>-</u>	<u>2,425,829</u>	<u>1,893,515</u>	<u>-</u>	<u>1,893,515</u>
Temporarily restricted	-	1,193,992	1,193,992	-	412,856	412,856
Total net assets	<u>2,425,829</u>	<u>1,193,992</u>	<u>3,619,821</u>	<u>1,893,515</u>	<u>412,856</u>	<u>2,306,371</u>
Total liabilities and net assets	<u>\$ 2,796,999</u>	<u>\$ 1,193,992</u>	<u>\$ 3,990,991</u>	<u>\$ 2,231,933</u>	<u>\$ 412,856</u>	<u>\$ 2,644,789</u>

The accompanying notes are an integral part of these statements.

**GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.**

## Statement of Activities and Changes in Net Assets

For the Year Ended March 31, 2018

(With Summarized Comparative Totals for the Year Ended March 31, 2017)

	2018				2017	
	Unrestricted		Total Unrestricted	Temporarily Restricted	Total	Total
	Operating	Board Designated				
<b>Support and Other Operating Revenues:</b>						
Support:						
Special events:						
Event contributions and support	\$ 1,124,161	\$ -	\$ 1,124,161	\$ -	\$ 1,124,161	\$ 944,185
Less - direct expenses	(186,746)	-	(186,746)	-	(186,746)	(161,180)
Net special events revenue	937,415	-	937,415	-	937,415	783,005
Individual contributions	1,582,603	-	1,582,603	644,450	2,227,053	1,684,598
Donated services	7,457,112	-	7,457,112	-	7,457,112	4,008,303
Grants	278,000	-	278,000	650,000	928,000	713,900
Net assets released from restrictions:						
Satisfaction of purpose restrictions	268,481	-	268,481	(268,481)	-	-
Satisfaction of time restrictions	244,833	-	244,833	(244,833)	-	-
Total support	10,768,444	-	10,768,444	781,136	11,549,580	7,189,806
Other operating revenues:						
Attorney fees and other income	514,069	-	514,069	-	514,069	211,977
Contract service revenue	68,007	-	68,007	-	68,007	70,007
Interest and dividend income, net	9,062	-	9,062	-	9,062	8,832
Spending policy transfer	-	-	-	-	-	33,733
Total other operating revenues	591,138	-	591,138	-	591,138	324,549
Total support and other operating revenues	11,359,582	-	11,359,582	781,136	12,140,718	7,514,355
<b>Operating Expenses:</b>						
Program services:						
Civil Rights Project	1,921,182	24,141	1,945,323	-	1,945,323	2,100,261
Public Affairs and Education	601,406	21,398	622,804	-	622,804	580,541
Transgender Rights Project	7,185,758	-	7,185,758	-	7,185,758	3,410,510
AIDS Law Project	355,532	-	355,532	-	355,532	293,496
Total program services	10,063,878	45,539	10,109,417	-	10,109,417	6,384,808
Support services:						
Fundraising	429,926	-	429,926	-	429,926	423,974
General and administrative	363,212	-	363,212	-	363,212	330,492
Total support services	793,138	-	793,138	-	793,138	754,466
Total operating expenses	10,857,016	45,539	10,902,555	-	10,902,555	7,139,274
Changes in net assets from operations	502,566	(45,539)	457,027	781,136	1,238,163	375,081
<b>Other Revenues (Expenses):</b>						
Donated equipment	50,525	-	50,525	-	50,525	-
Interest and dividend income	-	16,062	16,062	-	16,062	9,468
Net realized and unrealized gains (losses) on investments	(1,123)	9,823	8,700	-	8,700	16,710
Spending policy transfer	-	-	-	-	-	(33,733)
Total other revenues (expenses)	49,402	25,885	75,287	-	75,287	(7,555)
Changes in net assets	551,968	(19,654)	532,314	781,136	1,313,450	367,526
<b>Net Assets:</b>						
Beginning of year	944,394	949,121	1,893,515	412,856	2,306,371	1,938,845
Transfers	(330,533)	330,533	-	-	-	-
End of year	\$ 1,165,829	\$ 1,260,000	\$ 2,425,829	\$ 1,193,992	\$ 3,619,821	\$ 2,306,371

**GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.**

 Statement of Activities and Changes in Net Assets  
 For the Year Ended March 31, 2017

	<b>Unrestricted</b>			<b>Temporarily Restricted</b>	<b>Total</b>
	<b>Operating</b>	<b>Board Designated</b>	<b>Total Unrestricted</b>		
<b>Support and Other Operating Revenues:</b>					
Support:					
Special events:					
Event contributions and support	\$ 944,185	\$ -	\$ 944,185	\$ -	\$ 944,185
Less - direct expenses	(161,180)	-	(161,180)	-	(161,180)
Net special events revenue	<u>783,005</u>	<u>-</u>	<u>783,005</u>	<u>-</u>	<u>783,005</u>
Individual contributions	1,624,243	-	1,624,243	60,355	1,684,598
Donated services	4,008,303	-	4,008,303	-	4,008,303
Grants	34,900	-	34,900	679,000	713,900
Net assets released from restrictions:					
Satisfaction of purpose restrictions	216,424	-	216,424	(216,424)	-
Satisfaction of time restrictions	528,454	-	528,454	(528,454)	-
Total support	<u>7,195,329</u>	<u>-</u>	<u>7,195,329</u>	<u>(5,523)</u>	<u>7,189,806</u>
Other operating revenues:					
Attorney fees and other income	211,977	-	211,977	-	211,977
Contract service revenue	70,007	-	70,007	-	70,007
Interest and dividend income, net	8,832	-	8,832	-	8,832
Spending policy transfer	33,733	-	33,733	-	33,733
Total other operating revenues	<u>324,549</u>	<u>-</u>	<u>324,549</u>	<u>-</u>	<u>324,549</u>
Total support and other operating revenues	<u>7,519,878</u>	<u>-</u>	<u>7,519,878</u>	<u>(5,523)</u>	<u>7,514,355</u>
<b>Operating Expenses:</b>					
Program services:					
Civil Rights Project	2,094,674	5,587	2,100,261	-	2,100,261
Public Affairs and Education	577,500	3,041	580,541	-	580,541
Transgender Rights Project	3,382,846	27,664	3,410,510	-	3,410,510
AIDS Law Project	291,850	1,646	293,496	-	293,496
Total program services	<u>6,346,870</u>	<u>37,938</u>	<u>6,384,808</u>	<u>-</u>	<u>6,384,808</u>
Support services:					
Fundraising	421,735	2,239	423,974	-	423,974
General and administrative	330,060	432	330,492	-	330,492
Total support services	<u>751,795</u>	<u>2,671</u>	<u>754,466</u>	<u>-</u>	<u>754,466</u>
Total operating expenses	<u>7,098,665</u>	<u>40,609</u>	<u>7,139,274</u>	<u>-</u>	<u>7,139,274</u>
Changes in net assets from operations	<u>421,213</u>	<u>(40,609)</u>	<u>380,604</u>	<u>(5,523)</u>	<u>375,081</u>
<b>Other Revenues (Expenses):</b>					
Interest and dividend income	-	9,468	9,468	-	9,468
Net realized and unrealized gains on investments	2,553	14,157	16,710	-	16,710
Spending policy transfer	-	(33,733)	(33,733)	-	(33,733)
Total other revenue (expenses)	<u>2,553</u>	<u>(10,108)</u>	<u>(7,555)</u>	<u>-</u>	<u>(7,555)</u>
Changes in net assets	423,766	(50,717)	373,049	(5,523)	367,526
<b>Net Assets:</b>					
Beginning of year	945,628	574,838	1,520,466	418,379	1,938,845
Transfers	<u>(425,000)</u>	<u>425,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ 944,394</u>	<u>\$ 949,121</u>	<u>\$ 1,893,515</u>	<u>\$ 412,856</u>	<u>\$ 2,306,371</u>

The accompanying notes are an integral part of these statements.

**GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.**Statements of Cash Flows  
For the Years Ended March 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<b>Cash Flows from Operating Activities:</b>		
Changes in net assets	\$ 1,313,450	\$ 367,526
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	40,625	17,030
Change in allowance on pledges receivable	21,000	3,540
Change in discount on pledges receivable	10,050	(1,441)
Donated equipment	(50,525)	-
Net realized and unrealized gains on investments	(8,700)	(16,710)
Changes in operating assets and liabilities:		
Accounts receivable	(32,020)	5,950
Pledges receivable	39,500	(294,000)
Prepaid expenses and deposits	31,480	(381)
Accounts payable and accrued expenses	10,377	89,715
Deferred rent	(46,007)	(38,734)
Net cash provided by operating activities	<u>1,329,230</u>	<u>132,495</u>
<b>Cash Flows from Investing Activities:</b>		
Purchases of investments	(1,318,959)	(1,396,336)
Proceeds from sales of investments	159,820	1,376,569
Acquisition of property and equipment	(68,425)	(109,108)
Net cash used in investing activities	<u>(1,227,564)</u>	<u>(128,875)</u>
<b>Net Change in Cash and Cash Equivalents</b>	101,666	3,620
<b>Cash and Cash Equivalents:</b>		
Beginning of year	<u>660,006</u>	<u>656,386</u>
End of year	<u>\$ 761,672</u>	<u>\$ 660,006</u>
<b>Supplemental Disclosure of Non-Cash Transactions:</b>		
Unrealized gain on investments	<u>\$ 8,461</u>	<u>\$ 39,388</u>
Property and equipment additions included in accounts payable	<u>\$ 51,006</u>	<u>\$ 13,920</u>

**GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.**

Statement of Functional Expenses

For the Year Ended March 31, 2018

(With Summarized Comparative Totals for the Year Ended March 31, 2017)

	2018							2017		
	Program Services				Support Services			Total	Total	
	Civil Rights Project	Public Affairs and Education	Transgender Rights Project	AIDS Law Project	Total Program Services	Fundraising	General and Administrative			Total Support Services
<b>Personnel and Related:</b>										
Salaries	\$ 587,335	\$ 325,612	\$ 361,694	\$ 160,223	\$ 1,434,864	\$ 234,241	\$ 217,168	\$ 451,409	\$ 1,886,273	\$ 1,835,851
Fringe benefits	66,593	36,919	41,010	18,166	162,688	26,559	24,623	51,182	213,870	187,522
Payroll taxes	46,146	25,583	28,418	12,589	112,736	18,404	17,063	35,467	148,203	137,394
Contracted services	18,562	10,535	11,431	5,064	45,592	1,338	1,241	2,579	48,171	32,507
Total personnel and related	<u>718,636</u>	<u>398,649</u>	<u>442,553</u>	<u>196,042</u>	<u>1,755,880</u>	<u>280,542</u>	<u>260,095</u>	<u>540,637</u>	<u>2,296,517</u>	<u>2,193,274</u>
<b>Professional Fees and Services:</b>										
Donated legal services	918,490	-	6,477,658	60,964	7,457,112	-	-	-	7,457,112	4,008,303
Other professional fees	40,845	21,948	63,073	9,808	135,674	17,601	13,796	31,397	167,071	86,033
Audit and legal	3,114	1,726	1,918	849	7,607	1,242	27,501	28,743	36,350	22,876
Total professional fees and services	<u>962,449</u>	<u>23,674</u>	<u>6,542,649</u>	<u>71,621</u>	<u>7,600,393</u>	<u>18,843</u>	<u>41,297</u>	<u>60,140</u>	<u>7,660,533</u>	<u>4,117,212</u>
<b>Occupancy:</b>										
Rent	114,404	63,424	74,561	31,209	283,598	45,627	42,300	87,927	371,525	372,406
Depreciation	13,627	7,555	8,392	3,717	33,291	5,435	1,899	7,334	40,625	17,030
Computer supplies, software and other	8,224	4,559	5,065	2,244	20,092	3,280	3,041	6,321	26,413	20,361
Utilities	3,894	2,159	2,398	1,062	9,513	1,553	1,440	2,993	12,506	12,506
Equipment leases	3,286	1,822	2,023	896	8,027	1,310	1,215	2,525	10,552	11,059
Repairs and maintenance	2,665	1,477	1,641	727	6,510	1,063	985	2,048	8,558	8,931
Total occupancy	<u>146,100</u>	<u>80,996</u>	<u>94,080</u>	<u>39,855</u>	<u>361,031</u>	<u>58,268</u>	<u>50,880</u>	<u>109,148</u>	<u>470,179</u>	<u>442,293</u>
<b>Other:</b>										
Communications and database	24,453	13,556	15,317	6,671	59,997	9,783	150	9,933	69,930	22,816
Bank charges and merchant fees	21,768	12,068	13,405	5,938	53,179	8,681	-	8,681	61,860	44,260
Printing and publications	11,702	22,842	6,260	5,075	45,879	13,215	495	13,710	59,589	68,356
Grants, donations and sponsorships	-	33,435	25,000	-	58,435	-	-	-	58,435	38,489
Travel and conferences	16,573	5,696	13,411	7,964	43,644	12,789	848	13,637	57,281	43,441
Telephone and internet	10,505	5,820	6,469	2,866	25,660	3,564	3,304	6,868	32,528	37,293
Postage	5,418	5,536	3,290	2,214	16,458	4,711	506	5,217	21,675	25,043
Other litigation costs	1,207	-	7,791	9,184	18,182	-	1,735	1,735	19,917	3,188
Event supplies	3,180	2,298	1,908	1,654	9,040	9,432	-	9,432	18,472	25,102
Dues, subscriptions and reference	8,967	217	5,522	2,458	17,164	140	130	270	17,434	18,497
Advertising and marketing	2,740	7,128	945	819	11,632	4,086	-	4,086	15,718	17,260
Insurance	5,815	1,233	3,581	1,586	12,215	1,762	823	2,585	14,800	13,106
Office supplies and small equipment	2,888	1,601	1,778	788	7,055	1,152	1,068	2,220	9,275	11,251
Functions and meetings	2,720	1,508	1,675	742	6,645	1,489	1,006	2,495	9,140	12,208
Staff development	-	6,435	-	-	6,435	1,388	800	2,188	8,623	3,928
Miscellaneous	202	112	124	55	493	81	75	156	649	2,257
Total other	<u>118,138</u>	<u>119,485</u>	<u>106,476</u>	<u>48,014</u>	<u>392,113</u>	<u>72,273</u>	<u>10,940</u>	<u>83,213</u>	<u>475,326</u>	<u>386,495</u>
<b>Total expenses</b>	<u>\$ 1,945,323</u>	<u>\$ 622,804</u>	<u>\$ 7,185,758</u>	<u>\$ 355,532</u>	<u>\$ 10,109,417</u>	<u>\$ 429,926</u>	<u>\$ 363,212</u>	<u>\$ 793,138</u>	<u>\$ 10,902,555</u>	<u>\$ 7,139,274</u>

The accompanying notes are an integral part of these statements.



**GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.**

Statement of Functional Expenses  
For the Year Ended March 31, 2017

	Program Services				Support Services				Total
	Civil Rights Project	Public Affairs and Education	Transgender Rights Project	AIDS Law Project	Total Program Services	Fundraising	General and Administrative	Total Support Services	
<b>Personnel and Related:</b>									
Salaries	\$ 601,451	\$ 327,451	\$ 286,769	\$ 177,201	\$ 1,392,872	\$ 241,015	\$ 201,964	\$ 442,979	\$ 1,835,851
Fringe benefits	61,435	33,447	29,292	18,100	142,274	24,619	20,629	45,248	187,522
Payroll taxes	45,012	24,506	21,462	13,262	104,242	18,037	15,115	33,152	137,394
Contracted services	10,831	-	5,707	4,166	20,704	6,090	5,713	11,803	32,507
Total personnel and related	<u>718,729</u>	<u>385,404</u>	<u>343,230</u>	<u>212,729</u>	<u>1,660,092</u>	<u>289,761</u>	<u>243,421</u>	<u>533,182</u>	<u>2,193,274</u>
<b>Professional Fees and Services:</b>									
Donated legal services	1,115,789	-	2,892,514	-	4,008,303	-	-	-	4,008,303
Other professional fees	17,947	36,058	17,317	5,417	76,739	7,337	1,957	9,294	86,033
Audit and legal	-	-	-	-	-	-	22,876	22,876	22,876
Total professional fees and services	<u>1,133,736</u>	<u>36,058</u>	<u>2,909,831</u>	<u>5,417</u>	<u>4,085,042</u>	<u>7,337</u>	<u>24,833</u>	<u>32,170</u>	<u>4,117,212</u>
<b>Occupancy:</b>									
Rent	120,649	65,686	61,665	35,546	283,546	48,347	40,513	88,860	372,406
Depreciation	5,579	3,038	2,660	1,644	12,921	2,236	1,873	4,109	17,030
Computer supplies, software and other	6,703	3,649	3,196	1,975	15,523	2,686	2,152	4,838	20,361
Utilities	4,097	2,231	1,953	1,207	9,488	1,642	1,376	3,018	12,506
Equipment leases	3,623	1,973	1,728	1,067	8,391	1,452	1,216	2,668	11,059
Repairs and maintenance	2,926	1,593	1,395	862	6,776	1,172	983	2,155	8,931
Total occupancy	<u>143,577</u>	<u>78,170</u>	<u>72,597</u>	<u>42,301</u>	<u>336,645</u>	<u>57,535</u>	<u>48,113</u>	<u>105,648</u>	<u>442,293</u>
<b>Other:</b>									
Communications and database	7,404	4,472	3,729	2,177	17,782	2,961	2,073	5,034	22,816
Bank charges and merchant fees	16,293	8,870	7,768	4,800	37,731	6,529	-	6,529	44,260
Printing and publications	15,056	21,669	7,716	6,501	50,942	16,887	527	17,414	68,356
Grants, donations and sponsorships	-	7,489	31,000	-	38,489	-	-	-	38,489
Travel and conferences	15,296	3,959	9,936	3,696	32,887	9,963	591	10,554	43,441
Telephone and internet	12,515	6,878	6,287	3,687	29,367	4,312	3,614	7,926	37,293
Postage	5,683	8,726	3,031	2,262	19,702	4,572	769	5,341	25,043
Other litigation costs	1,145	-	212	131	1,488	-	1,700	1,700	3,188
Event supplies	4,387	4,299	2,631	2,281	13,598	11,504	-	11,504	25,102
Dues, subscriptions and reference	9,424	713	4,900	3,005	18,042	375	80	455	18,497
Advertising and marketing	1,916	8,311	1,058	882	12,167	4,300	793	5,093	17,260
Insurance	5,396	1,359	2,573	1,590	10,918	1,350	838	2,188	13,106
Office supplies and small equipment	3,686	2,007	1,757	1,086	8,536	1,477	1,238	2,715	11,251
Functions and meetings	3,942	1,403	925	572	6,842	4,223	1,143	5,366	12,208
Staff development	1,287	701	614	379	2,981	516	431	947	3,928
Miscellaneous	789	53	715	-	1,557	372	328	700	2,257
Total other	<u>104,219</u>	<u>80,909</u>	<u>84,852</u>	<u>33,049</u>	<u>303,029</u>	<u>69,341</u>	<u>14,125</u>	<u>83,466</u>	<u>386,495</u>
<b>Total expenses</b>	<u>\$ 2,100,261</u>	<u>\$ 580,541</u>	<u>\$ 3,410,510</u>	<u>\$ 293,496</u>	<u>\$ 6,384,808</u>	<u>\$ 423,974</u>	<u>\$ 330,492</u>	<u>\$ 754,466</u>	<u>\$ 7,139,274</u>

The accompanying notes are an integral part of these statements.

## GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.

Notes to Financial Statements  
March 31, 2018 and 2017

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### 1. OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES

#### OPERATIONS

Through strategic litigation, public policy advocacy and education, GLBTQ Legal Advocates & Defenders, Inc. (GLAD) works in New England and nationally to create a just society free of discrimination based on gender identity and expression, HIV status, and sexual orientation.

We advance a broad range of lesbian, gay, bisexual, transgender, and queer (LGBTQ) legal rights, including: transgender rights, family formation and protection, HIV privacy, youth and older adult protections, employment discrimination, and access to justice for the most vulnerable in our community, including communities of color, immigrants, and low-income communities. GLAD focuses on impact litigation – using strategically chosen cases to establish or expand LGBTQ civil rights. We are also active in legislative and policy work, particularly within New England – applying our legal expertise to educate legislators, draft bills, and provide expert testimony and legal research. Finally, we work to change hearts and minds generally about the shared humanity and dignity of LGBTQ people, as well as educate our community about their legal rights.

GLAD has four major programs: the Civil Rights Project (CRP), the Transgender Rights Project (TRP), the AIDS Law Project (ALP), and Public Affairs and Education.

The **Civil Rights Project** focuses on ending discrimination based on sexual orientation. The CRP has worked to bring marriage equality to all New England states and nationally, end federal discrimination against legally married same-sex couples, and ensure that same-sex families receive the respect and recognition all families receive, with a particular emphasis on parentage recognition. The CRP has expanded its work on youth issues with its Youth Initiative. Through this initiative, GLAD is working on issues such as the rights of out-of-home youth, especially youth in juvenile detention, harassment of LGBTQ youth in and out of the school setting, and other policy issues affecting young people. The CRP also addresses issues facing LGBTQ older adults, and works on employment and other discrimination issues, especially as they intersect with religion.

The **Transgender Rights Project** focuses on fighting discrimination based on gender identity and expression, including: (1) overturning the federal administration's policy banning transgender people from serving in the military; (2) ending the denial of critical health care to transgender people in private, public and state insurance policies, as well as for adults and youth in state custody; (3) ensuring transgender people can obtain documents consistent with their gender; (4) passing transgender-inclusive, state-wide, and comprehensive anti-discrimination legislation in all six New England states and similar federal protections; (5) robustly enforcing existing anti-discrimination protections for transgender people in employment, housing, and public spaces; and (6) supporting the efforts of parents of transgender children to act in their children's best interests.

The **AIDS Law Project** focuses on ending discrimination based on HIV/AIDS status, particularly in areas of privacy and confidentiality, discrimination and criminalization, and insurance coverage. The ALP is litigating the first discrimination case in the country against an insurer's denial of long-term care insurance to a gay man because of his use of pre-exposure prophylaxis medication (PrEP), as well as working to expand access to PrEP for minors.

## GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.

Notes to Financial Statements  
March 31, 2018 and 2017

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### 1. OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### OPERATIONS (Continued)

Finally, GLAD's **Public Affairs and Education Department** builds public awareness and support for the LGBTQ community. Focused on enlarging circles of support for LGBTQ rights, advocating for the rights of people living with HIV, and ensuring that advances in equality reach all members of our community by applying an intersectional racial and economic justice lens to our work, the department finds and tells the stories of LGBTQ people; builds organized communities of allies to prepare the ground for, and sustain, courtroom and policy victories; and works closely with state partner organizations, providing strategy and communication consultation and support. It also focuses on sustained relationship building and engagement, and disseminates critical legal information to empower people to exercise their legal rights, particularly through GLAD Answers, our legal information and referral service. The department works through a variety of media, events, publications, one-on-one conversations, video, social media, and through a mobile-optimized website.

#### NONPROFIT STATUS

GLAD is exempt from Federal income taxes as an organization (not a private foundation) formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code (IRC). GLAD is also exempt from state income taxes. Donors may deduct contributions made to GLAD within the IRC regulations.

#### SIGNIFICANT ACCOUNTING POLICIES

GLAD prepares its financial statements in accordance with generally accepted accounting standards and principles (U.S. GAAP) established by the Financial Accounting Standards Board (FASB). References to U.S. GAAP in these notes are to the FASB Accounting Standards Codification (ASC).

#### Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Revenue Recognition

Unrestricted grants and contributions are recorded when unconditionally pledged or received. GLAD reports gifts of cash and other assets as temporarily restricted grants and contributions if they are received with donor stipulations that limit the use of the donated assets. When a donor-stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities and changes in net assets as net assets released from restrictions.

Interest income is recorded when earned. Dividend income is recorded on the ex-dividend date. Realized gains and losses are recorded using the average cost method. Unrealized gains and losses are recognized based on market value changes during the period (see Note 4).

Bequests are recorded upon receipt of final notification of the bequest after the estate has gone through the probate process. Revenue from special events is recognized in the period in which the event occurs. Contract service revenue is recorded over the contract period as services are provided. All other revenue is recognized when earned.

## **GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.**

Notes to Financial Statements  
March 31, 2018 and 2017

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### **1. OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **Expense Allocations**

Expenses related directly to a function are distributed to that function, while other expenses are allocated based upon management's estimate of the percentage attributable to each function.

##### **Grants, Donations and Sponsorships**

Grants, donations and sponsorships are recorded when approved.

##### **Advertising Costs**

GLAD expenses advertising costs as they are incurred. Advertising costs were \$3,705 and \$3,644 for fiscal years 2018 and 2017, respectively, and are included in advertising and marketing in the accompanying statements of functional expenses.

##### **Cash and Cash Equivalents**

For the purpose of the statements of cash flows, cash and cash equivalents consist of checking and money market accounts.

##### **Allowance for Doubtful Accounts and Pledges Receivable**

The allowance for doubtful accounts and pledges receivable is recorded based on management's analysis of specific accounts and their estimate of amounts that may be uncollectible, if any (see Note 2).

##### **Investments**

The Board of Directors has established an investment spending policy related to the Board designated net assets (see Note 3). Under this policy, annual appropriations of the Board designated funds shall be an amount equal to five (5%) percent of the three-year average market value of the Board designated investment portfolio ending on September 30<sup>th</sup> of the fiscal year, unless otherwise authorized by the Board of Directors. As a result, all investment income relating to the Board designated net assets is allocated to this net asset class and included in other revenues (expenses) in the accompanying statements of activities and changes in net assets and released as appropriate.

During fiscal year 2017, GLAD appropriated \$33,733 of the Board designated funds for operations. These amounts are reflected as spending policy transfer in the accompanying statements of activities and changes in net assets for the year ended March 31, 2017.

During fiscal year 2018, the Board decided to not appropriate additional funds, other than the specifically identified initiatives described in Note 3, to appropriate for operations.

##### **Donated Stock**

Donated stock is recorded at fair market value on the date of the gift. During fiscal years 2018 and 2017, GLAD received stock donations valued at \$134,901 and \$114,210, respectively, which are included in individual contributions in the accompanying statements of activities and changes in net assets. These stocks were immediately sold upon receipt and the proceeds were invested in money market accounts.

## GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.

Notes to Financial Statements  
March 31, 2018 and 2017

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### 1. OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Property and Equipment and Depreciation

Purchased property and equipment are recorded at cost. Donated property and equipment are recorded at fair value at the time of donation. Renewals and betterments are capitalized as additions to the related asset accounts, while repairs and maintenance are expensed as incurred. Property and equipment are depreciated using the straight-line method over the following estimated useful lives:

Office and computer equipment	3 - 10 years
Leasehold improvements	Life of the lease

##### Fair Value Measurements

GLAD follows the accounting and disclosure standards pertaining to ASC Topic, *Fair Value Measurements*, for qualifying assets and liabilities. Fair value is defined as the price that GLAD would receive upon selling an asset or pay to settle a liability in an orderly transaction between market participants.

GLAD uses a framework for measuring fair value that includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. This hierarchy is broken down into three levels based on inputs that market participants would use in valuing the financial instruments based on market data obtained from sources independent of GLAD. Inputs refer broadly to the assumptions that market participants would use in pricing the financial instrument, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the financial instrument developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset developed based on the best information available.

The three-tier hierarchy of inputs is summarized in the three broad levels as follows:

- Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets at the measurement date.
- Level 2 - Inputs other than quoted prices that are observable for the asset either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3 - Inputs that are unobservable and which require significant judgment or estimation.

An asset or liability's level within the framework is based upon the lowest level of any input that is significant to the fair value measurement. All qualifying assets and liabilities are valued using Level 1 inputs.

## GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.

Notes to Financial Statements  
March 31, 2018 and 2017

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### 1. OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Income Taxes

GLAD accounts for uncertainty in income taxes in accordance with ASC Topic, *Income Taxes*. This standard clarifies the accounting for uncertainty in tax positions and prescribes a recognition threshold and measurement attribute for the financial statements regarding a tax position taken or expected to be taken in a tax return. GLAD has determined that there are no uncertain tax positions which qualify for either recognition or disclosure in the financial statements at March 31, 2018 and 2017. GLAD's information returns are subject to examination by Federal and state jurisdictions.

##### Statements of Activities and Changes in Net Assets

Transactions deemed by management to be ongoing, major, or central to the provision of program services are reported as support and other operating revenues and operating expenses on the accompanying statements of activities and changes in net assets. Non-operating activity is reported as other revenues (expenses) and includes capital and investment activity.

##### Lobbying

GLAD engages in lobbying activities to the extent permitted by the IRC. GLAD has elected to be covered by the rules of IRC Section 501(h) with regard to the limitation of the amount of GLAD's allowable lobbying expenditures, generally equal to 20% of GLAD's exempt purpose expenditures. GLAD's lobbying expenditures are included in personnel and related, grants, donations and sponsorships, other professional fees, travel and conferences, and miscellaneous in the accompanying statements of functional expenses and consisted of the following for the years ended March 31:

	<u>2018</u>	<u>2017</u>
Grants	\$ 25,000	\$ 25,000
Professional fees	20,000	5,200
Salaries	14,317	16,190
Fringe benefits and payroll taxes	5,727	6,476
Other expenses	<u>9,744</u>	<u>12,350</u>
	<u>\$ 74,788</u>	<u>\$ 65,216</u>

##### Subsequent Events

Subsequent events have been evaluated through June 21, 2018, which is the date the financial statements were available to be issued. See Note 6 for an event that meets the criteria for recognition or disclosure in the accompanying financial statements.

## GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.

Notes to Financial Statements  
March 31, 2018 and 2017

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### 2. PLEDGES RECEIVABLE

Pledges are recorded when unconditionally committed. Pledges receivable at March 31, 2018 and 2017, consist of contributions committed to programs and general operating support over specific time periods. Pledges receivable are due as follows as of March 31:

	<u>2018</u>	<u>2017</u>
Due within one year	\$ 254,250	\$ 405,000
Due within four years	<u>156,250</u>	<u>45,000</u>
	410,500	450,000
Less - current portion allowance	-	8,100
Less - long-term portion, gross amount	<u>156,250</u>	<u>45,000</u>
Current pledges receivable, net	<u>\$ 254,250</u>	<u>\$ 396,900</u>
Long-term pledges receivable, gross amount	\$ 156,250	\$ 45,000
Less - long-term portion allowance	30,000	900
Less - discount	<u>12,183</u>	<u>2,133</u>
Long-term pledges receivable, net	<u>\$ 114,067</u>	<u>\$ 41,967</u>

The pledges have been discounted using a 1.2% and 1.5% interest rate as of March 31, 2018 and 2017, respectively. Three and two donors' balances represent approximately 73% and 89% of the total outstanding pledges receivable balance at March 31, 2018 and 2017, respectively.

### 3. NET ASSETS

#### Unrestricted Net Assets

Unrestricted net assets are those net resources that bear no external restrictions and are generally available for use by GLAD. GLAD has grouped its unrestricted net assets into the following categories:

**Operating net assets** represent funds available to carry on the operations of GLAD. These funds bear no external restrictions.

**Board designated net assets** represent funds set aside by the Board of Directors to be used as a reserve for future operations. It is the intent of the Board to maintain this fund for long-term growth. The Board has approved a spending policy (see Note 1) to support operations. During fiscal year 2018, the Board authorized \$253,000, of which \$21,398 was spent on approved initiatives and \$30,479 on capital projects including a new donor constituent database and redesign of GLAD's website. During fiscal year 2017, the Board authorized \$220,000, of which \$40,609 was spent on approved initiatives and \$120,545 on capital projects including a new donor constituent database and redesign of GLAD's website. Additionally, during the years ended March 31, 2018 and 2017, management transferred \$330,533 and \$425,000, respectively, from operating net assets to Board designated net assets for future initiatives.

**Property and equipment net assets** reflect and account for the activities relating to GLAD's property and equipment.

**GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.**Notes to Financial Statements  
March 31, 2018 and 2017**3. NET ASSETS (Continued)****Temporarily Restricted Net Assets**

Temporarily restricted net assets are restricted for the following as of March 31:

	<u>2018</u>	<u>2017</u>
Purpose restrictions	\$ 911,807	\$ 210,788
Time restrictions	<u>282,185</u>	<u>202,068</u>
Total temporarily restricted net assets	<u>\$ 1,193,992</u>	<u>\$ 412,856</u>

During fiscal year 2018, GLAD launched the One Justice Fund, a \$1,700,000 campaign to grow GLAD's legal resources to respond to increased attacks on LGBTQ rights from the Federal administration and an emboldened conservative religious opposition. The funds, raised mostly between June 2017 and June 2018, will allow GLAD to add to its legal team, support the GLAD Answers legal information and referral service, and build its fundraising capacity so that it can sustain this growth going forward. The funds will likely be spent between fiscal year 2019 and 2021.

**4. INVESTMENTS**

At March 31, 2018 and 2017, GLAD's investment portfolio consists of the following:

<u>2018</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Cash and cash equivalents	\$ 1,194	\$ 1,194	\$ -
Certificate of deposit	1,175,740	1,175,092	(648)
Equity mutual funds:			
Large capitalization	52,439	55,368	2,929
Other	87,248	97,233	9,985
Bond mutual funds:			
Short-term fixed income	1,053,656	1,048,111	(5,545)
Other	76,626	73,313	(3,313)
Stocks:			
Domestic equities	33,280	37,699	4,419
International equities	6,905	7,784	879
Other	<u>4,331</u>	<u>5,686</u>	<u>1,355</u>
	<u>\$ 2,491,419</u>	<u>\$ 2,501,480</u>	10,061
Unrealized appreciation at March 31, 2017			<u>1,600</u>
Total unrealized gain on investments			<u>\$ 8,461</u>



**GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.**Notes to Financial Statements  
March 31, 2018 and 2017**4. INVESTMENTS (Continued)**

<u>2017</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Cash and cash equivalents	\$ 8,654	\$ 8,654	\$ -
Certificate of deposit	42,443	42,443	-
Equity mutual funds:			
Large capitalization	81,354	82,000	646
Other	51,780	54,212	2,432
Bond mutual funds:			
Short-term fixed income	1,032,689	1,030,526	(2,163)
Other	75,219	69,223	(5,996)
Stocks:			
Domestic equities	23,658	27,168	3,510
International equities	8,409	9,100	691
Other	<u>7,835</u>	<u>10,315</u>	<u>2,480</u>
	<u>\$ 1,332,041</u>	<u>\$ 1,333,641</u>	1,600
Unrealized depreciation at March 31, 2016			<u>(37,788)</u>
Total unrealized gain on investments			<u>\$ 39,388</u>

Investments are not insured and are subject to ongoing market fluctuations. Realized gains and losses for fiscal years 2018 and 2017 were \$239 and \$(22,678), respectively. Interest and dividend income is shown net of investment management fees of \$2,100 and \$2,850 during fiscal years 2018 and 2017, respectively.

Investments are reported in the accompanying statements of financial position as short-term and long-term based on GLAD's intent with respect to the use of the investments. GLAD values all investments using Level 1 inputs under the *Fair Value Measurements and Disclosures* standards (see Note 1).

A certificate of deposit of \$175,740 and \$42,443 at March 31, 2018 and 2017, respectively, is collateral for a letter of credit representing the security deposit on the lease of GLAD's office space (see Note 6). All interest earned on this certificate of deposit is available for GLAD's use in operations.

**5. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following as of March 31:

	<u>2018</u>	<u>2017</u>
Office and computer equipment	\$ 403,117	\$ 316,988
Leasehold improvements	<u>71,655</u>	<u>42,745</u>
	474,772	359,733
Less - accumulated depreciation	<u>259,650</u>	<u>223,417</u>
	<u>\$ 215,122</u>	<u>\$ 136,316</u>

## GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.

Notes to Financial Statements  
March 31, 2018 and 2017

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### 6. OPERATING LEASE AGREEMENTS

GLAD leased office space in Boston, Massachusetts under a lease agreement that expired on March 31, 2018. The monthly rental payments under this lease were \$29,640 and escalated annually. GLAD recognized rent expense on a straight-line basis over the term of the lease in accordance with the *Accounting for Leases* standard under U.S. GAAP. Deferred rent as of March 31, 2017, was \$46,007.

Effective April 1, 2018, GLAD entered into a new lease agreement that expires on March 31, 2028. Monthly cash payments range from \$30,295 and \$36,222 through the lease period.

GLAD is also responsible for its proportionate share of operating costs and real estate taxes incurred by the landlord each year. GLAD holds a certificate of deposit that is the collateral for a letter of credit representing the security deposit on this lease (see Note 4).

GLAD also rents office space in Easthampton, Massachusetts under a tenant-at-will agreement with monthly rental payments of approximately \$350.

Future minimum lease payments under these agreements are as follows:

<u>Fiscal Year</u>	
2019	\$ 363,538
2020	\$ 371,441
2021	\$ 379,344
2022	\$ 387,247
2023	\$ 395,150
Thereafter	\$ 2,094,295

Total rent expense was \$371,525 and \$372,406 for fiscal years 2018 and 2017, respectively. Included in rent expense was approximately \$8,000 of rental charges for additional storage space during fiscal years 2018 and 2017.

In February 2016, GLAD entered into a sublease agreement with a third party to lease a portion of their office space through March 31, 2018. Monthly base rent under the sublease agreement was \$3,027 plus a \$175 monthly charge for the tenant's share of electrical usage. Total rental income was \$38,422 for fiscal years 2018 and 2017.

GLAD also leases certain equipment under three operating lease agreements expiring on various dates through January 2020. Lease expense under these agreements was \$10,552 and \$11,059 for fiscal years 2018 and 2017, respectively, and is reflected as equipment leases in the accompanying statements of functional expenses. Future minimum lease payments for fiscal years 2019 and 2020 are \$13,925 and \$9,588, respectively.

## **GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.**

Notes to Financial Statements  
March 31, 2018 and 2017

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### **7. 401(K) PLAN**

GLAD maintains a qualified salary reduction 401(k) plan (the Plan). The Plan includes a guaranteed non-elective employer contribution of 3% of each eligible employee's annual salary. The Plan also includes a Safe Harbor non-elective provision in the Plan. Employees are eligible to participate in the Safe Harbor plan after completing six months of service and attaining the age of 18. During fiscal years 2018 and 2017, GLAD contributed \$53,488 and \$50,187, respectively, to the Plan, which is included in fringe benefits in the accompanying statements of functional expenses.

### **8. NOTE PAYABLE TO A BANK**

GLAD has entered into a revolving line of credit agreement with a bank for a maximum amount of \$300,000. Borrowings under the agreement are due on demand and interest is payable monthly at the bank's prime lending rate (4.75% and 4.00% at March 31, 2018 and 2017, respectively), plus 1%, with a minimum rate of 5%. The line of credit is secured by GLAD's equity mutual fund investment accounts with a combined market value of approximately \$599,000 and \$575,000 for 2018 and 2017, respectively (see Note 4). The agreement contains certain covenants with which GLAD was in compliance at March 31, 2018 and 2017. As of March 31, 2018 and 2017, there were no outstanding balances under this agreement. The line of credit agreement expires on February 28, 2019.

### **9. RESTRICTED CASH – FISCAL AGENT**

GLAD entered into a fiscal agent agreement with ECC Building Committee, a nonexempt group organized in Maine, through November 2018. As of March 31, 2018, the cash balance in the fund was \$6,626. GLAD also received \$10,750 from donors to support the Freedom Massachusetts Education Fund (FMEF). These funds were dispersed in May 2018 to Boston Alliance for Gay and Lesbian Youth (BAGLY), which is the fiscal agent for FMEF. Funds held by GLAD as of March 31, 2018, totaled \$17,376.

### **10. CONCENTRATION OF CREDIT RISK**

Cash and cash equivalents are maintained in one bank in Massachusetts and are insured within limits of the Federal Deposit Insurance Corporation (FDIC). At times, cash and cash equivalents may exceed the insured limits. Management monitors, on a regular basis, the financial condition of the financial institutions, along with their balances, to minimize potential risk.

### **11. CONDITIONAL GRANT**

In fiscal year 2016, GLAD was awarded a conditional grant of \$100,000 payable in four annual installments of \$25,000 for the Youth Initiative Project. The grant is conditional upon achieving certain benchmarks as defined in the grant agreement. As of March 31, 2018, \$25,000 of this grant had not been recorded as the conditions were not met. GLAD recognized a total of \$75,000 as revenue during fiscal years 2018, 2017 and 2016.

In fiscal year 2017, GLAD was awarded a conditional grant of \$225,000 payable in three installments of \$75,000. During 2018, the first installment of \$75,000 was received and recorded as a temporarily restricted net asset addition as the intended purpose of the grant has not been achieved. The remaining payments have not been recorded as certain benchmarks must be achieved as defined in the grant agreement.

## **GLBTQ LEGAL ADVOCATES & DEFENDERS, INC.**

Notes to Financial Statements  
March 31, 2018 and 2017

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### **12. DONATED LEGAL SERVICES**

During fiscal years 2018 and 2017, GLAD received donated legal services of \$7,457,112 and \$4,008,303, respectively. These were unusually high, given new challenges from the new Federal administration and a reinvigorated conservative opposition.

In fiscal year 2017, nearly \$3 million of the donated services supported the Transgender Rights Project, the majority of that amount represented the work of more than 150 lawyers at one law firm, which helped represent nearly 400 transgender individuals in seeking name changes and amendments to identity documents as part of GLAD's I.D. clinic, which was created in the weeks following the 2016 election. In fiscal year 2018, not only did we continue the I.D. clinic through donated legal services, but GLAD also filed new litigation challenging the Federal administration's ban on transgender service members, with the assistance of additional and significant donated legal services.

### **13. RECLASSIFICATION**

Certain amounts in the fiscal year 2017 financial statements have been reclassified to conform to the fiscal year 2018 presentation.