

**CENTER FOR CONSTITUTIONAL RIGHTS**  
**INDEPENDENT AUDITOR'S REPORT**  
**ON**  
**FINANCIAL STATEMENTS**  
**AS OF JUNE 30, 2025**  
**AND**  
**FOR THE YEAR THEN ENDED**  
**(WITH COMPARATIVE TOTALS FOR 2024)**

## CENTER FOR CONSTITUTIONAL RIGHTS

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MEMBERS  
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
NEW YORK STATE SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR’S REPORT**

To the Board of Trustees  
Center for Constitutional Rights  
New York, New York

**Opinion**

We have audited the accompanying financial statements of Center for Constitutional Rights (a non-profit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Center for Constitutional Rights as of June 30, 2025, and the changes in its net assets and its 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 audit 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 the Financial Statements section of our report. We are required to be independent of Center for Constitutional Rights and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with 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 financial statements, whether due to fraud or error, and design and perform auditing procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Center for Constitutional Rights's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Center for Constitutional Rights'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 matters that we identified during the audit.

## Report on Summarized Comparative Information

We have previously audited Center for Constitutional Rights's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 30, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Winnie Lane & Co., P.C.*

New York, New York  
October 14, 2025

**CENTER FOR CONSTITUTIONAL RIGHTS  
STATEMENT OF FINANCIAL POSITION  
AS OF JUNE 30, 2025  
(WITH COMPARATIVE TOTALS FOR 2024)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total All Funds</u>	
			<u>2025</u>	<u>2024</u>
<b><u>ASSETS</u></b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 1,490,161	\$ 2,166,507	\$ 3,656,668	\$ 3,708,706
Investments - Notes 2 and 4	24,072,807	2,317,277	26,390,084	25,114,023
Accounts and accrued interest receivable	382,931		382,931	552,691
Pledges, grants and contributions receivable - Notes 2 and 5	355,942	1,051,855	1,407,797	3,119,160
Prepaid expenses	<u>246,721</u>		<u>246,721</u>	<u>198,110</u>
<b>Total Current Assets</b>	<b>26,548,562</b>	<b>5,535,639</b>	<b>32,084,201</b>	<b>32,692,690</b>
<b>Non-Current Assets</b>				
Investments restricted for endowment - Notes 2 and 4	4,854,219	3,619,139	8,473,358	7,658,597
Pledges and grants receivable - Notes 2 and 5		323,765	323,765	273,305
Utility deposits	4,880		4,880	4,880
Property and equipment, at cost, net of accumulated depreciation and amortization of \$3,546,156 and \$3,320,576 in 2025 and 2024, respectively - Notes 2 and 6	5,613,720		5,613,720	5,283,891
Art work	<u>57,927</u>		<u>57,927</u>	<u>57,927</u>
<b>Total Assets</b>	<b><u>\$ 37,079,308</u></b>	<b><u>\$ 9,478,543</u></b>	<b><u>\$ 46,557,851</u></b>	<b><u>\$ 45,971,290</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>				
<b>Current Liabilities</b>				
Accounts and accrued expenses payable	\$ 835,746		\$ 835,746	\$ 652,990
Annuity payment liability - Note 11	<u>48,645</u>		<u>48,645</u>	<u>50,065</u>
<b>Total Current Liabilities</b>	<b>884,391</b>		<b>884,391</b>	<b>703,055</b>
<b>Non-Current Liabilities</b>				
Annuity payment liability - Note 11	<u>203,099</u>		<u>203,099</u>	<u>220,626</u>
<b>Total Liabilities</b>	<b><u>1,087,490</u></b>		<b><u>1,087,490</u></b>	<b><u>923,681</u></b>
<b>Net Assets</b>				
Without donor restrictions:				
Undesignated	7,935,085		7,935,085	6,948,405
Fixed assets, net	5,613,720		5,613,720	5,283,891
Board designated funds - Note 7	22,443,014		22,443,014	21,481,415
With donor restrictions - Note 9		<u>\$ 9,478,543</u>	<u>9,478,543</u>	<u>11,333,898</u>
<b>Total Net Assets</b>	<b><u>35,991,818</u></b>	<b><u>9,478,543</u></b>	<b><u>45,470,361</u></b>	<b><u>45,047,609</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 37,079,308</u></b>	<b><u>\$ 9,478,543</u></b>	<b><u>\$ 46,557,851</u></b>	<b><u>\$ 45,971,290</u></b>

See accompanying notes to financial statements.



**CENTER FOR CONSTITUTIONAL RIGHTS  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2025  
(WITH COMPARATIVE TOTALS FOR 2024)**

	PROGRAM SERVICES			SUPPORTING SERVICES			Total Program and Supporting Services		
	Litigation	Advocacy	Communications	Total	Administrative and General	Fund Raising	Total	2025	2024
Salaries	\$ 4,073,268	\$ 1,540,621	\$ 753,184	\$ 6,367,073	\$ 680,418	\$ 1,260,646	\$ 1,941,064	\$ 8,308,137	\$ 7,405,425
Payroll taxes and employee benefits	1,448,189	544,026	265,965	2,258,180	240,270	445,160	685,430	2,943,610	2,455,012
<b>Total Personnel costs</b>	5,521,457	2,084,647	1,019,149	8,625,253	920,688	1,705,806	2,626,494	11,251,747	9,860,437
Cooperating attorney fees	162,726			162,726				162,726	957,701
Consultants	63,401	111,034	55,975	230,410	210,689	35,592	246,281	476,691	1,035,834
Travel expenses	151,784	106,742	24,190	282,716	18,021	24,424	42,445	325,161	358,385
Court and legal costs	11,748			11,748				11,748	40,494
Printing and publications	12,773	370		13,143	3,904	62,801	66,705	79,848	50,542
Telephone and communications	24,878	9,321	4,560	38,759	4,207	7,627	11,834	50,593	61,437
Postage and mailing	7,761	75		7,836	5,767	26,519	32,286	40,122	70,084
Supplies and minor equipment purchases	10,425	4,544	5,060	20,029	93,242	51,723	144,965	164,994	183,032
Insurance	47,641	4,477	2,189	54,307	24,083	3,663	27,746	82,053	81,656
Building maintenance and storage rental	222,943	84,323	41,224	348,490	37,241	69,000	106,241	454,731	625,814
Books and subscriptions	110,659	29,521	19,703	159,883	35,171	14,834	50,005	209,888	144,215
Legal and accounting fees					92,495		92,495	92,495	92,745
Occupancy costs	19,973	7,554	3,693	31,220	3,336	6,182	9,518	40,738	37,099
Equipment rental and maintenance	12,937	4,893	2,393	20,223	2,584	4,004	6,588	26,811	32,337
Meetings and conferences	26,445	8,495	601	35,541	8,459	4,680	13,139	48,680	133,342
Legal awards expense								-	60,769
Event expenses	37,067	53,380	6,600	97,047	6,962	62,721	69,683	166,730	90,857
Recruitment expense					70,066		70,066	70,066	76,125
Miscellaneous					38,372	2,142	40,514	40,514	40,010
<b>Total Expenses before Depreciation and amortization</b>	6,444,618	2,509,376	1,185,337	10,139,331	1,575,287	2,081,718	3,657,005	13,796,336	14,032,915
Depreciation and amortization	110,596	41,831	20,450	172,877	18,474	34,229	52,703	225,580	243,868
<b>Total Expenses 2025</b>	\$ 6,555,214	\$ 2,551,207	\$ 1,205,787	\$ 10,312,208	\$ 1,593,761	\$ 2,115,947	\$ 3,709,708	\$ 14,021,916	
<b>Total Expenses 2024</b>	\$ 7,111,639	\$ 2,598,848	\$ 1,069,039	\$ 10,779,526	\$ 1,361,532	\$ 2,135,725	\$ 3,497,257	\$ 14,276,783	

See accompanying notes to financial statements.

**CENTER FOR CONSTITUTIONAL RIGHTS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2025  
(WITH COMPARATIVE TOTALS FOR 2024)**

	2025	2024
<b><u>Cash Flows from Operating Activities</u></b>		
Change in Net Assets	\$ 422,752	\$ 2,069,558
Adjustments to reconcile change in Net Assets to net cash provided by operating activities:		
Depreciation and amortization	225,580	243,868
Net realized loss/(gains) on investment transactions	60,976	( 44,527)
Net unrealized gains on investments	( 983,625)	( 569,683)
Change in assets and liabilities:		
Decrease/(increase) in accounts and accrued interest receivable	169,760	( 238,599)
Decrease/(increase) in pledges, grants and contributions receivable	1,660,903	( 343,713)
Increase in prepaid expenses	( 48,611)	( 602)
Increase in art work	-	( 600)
Increase in accounts and accrued expenses payable	182,756	11,661
Decrease in annuity payment liability	( 18,947)	( 38,712)
<b>Net Cash Provided by Operating Activities</b>	<b>1,671,544</b>	<b>1,088,651</b>
<b><u>Cash Flows from Investing Activities</u></b>		
Acquisition of fixed assets	( 555,409)	( 35,290)
Purchases of investments	( 27,710,222)	( 24,821,303)
Proceeds from sales of investments	26,542,049	24,075,019
<b>Net Cash Used in Investing Activities</b>	<b>( 1,723,582)</b>	<b>( 781,574)</b>
<b>Net (Decrease)/Increase in Cash and cash equivalents</b>	<b>( 52,038)</b>	<b>307,077</b>
Cash and cash equivalents at beginning of the year	3,708,706	3,401,629
Cash and cash equivalents at end of the year	<b>\$ 3,656,668</b>	<b>\$ 3,708,706</b>
<b><u>Supplemental non-cash activities information:</u></b>		
Gift of securities	\$ 749,444	\$ 1,702,464

See accompanying notes to financial statements.

**CENTER FOR CONSTITUTIONAL RIGHTS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 ORGANIZATION**

Center for Constitutional Rights ("CCR") is a non-profit legal and educational organization dedicated to advancing and protecting the rights guaranteed by the United States Constitution and the Universal Declaration of Human Rights. Founded in 1966 by attorneys who represented civil rights movements in the South, CCR works creatively to advance and defend the constitutional and human rights of social justice movements and communities under threat and helps them build power.

CCR is committed to dismantling systems of oppression and fighting for justice through litigation, advocacy, communications and narrative shifting.

- Litigation: What is legal is not always just. CCR uses creative and aggressive legal strategies to fight the most virulent forms of oppression and push the law to meet the demands of justice.
- Advocacy: CCR prioritize forms of advocacy that complement its legal strategies with short- and long-term campaigns, policy work, trainings, public education, and thought leadership. Alliances with communities, organizations, activists, and storytellers help build power where it's most needed.
- Communications: Informs CCR's clients and stakeholders through the use of social media, digital platforms, compelling client-centered videos, the press and community events across the globe about the mission of CCR of standing with social movements and communities under threat fusing litigation, advocacy and narrative shifting to dismantle systems of oppression regardless of the risk.

Through narrative shifting, CCR uses media and thought leadership to challenge dominant narratives and make space for the voices and experiences of those who have been pushed to the margins. These tactics allow them to shape public opinion about the issues they fight for, which can initially be seen as controversial, and create opportunities to dismantle institutionalized power while building the power of social movements.

Management and general activities include the functions necessary to provide support for CCR's program activities. They include activities that provide governance (Board of Trustees), oversight, business management, financial recordkeeping, budgeting, legal services, human resource management, and similar functions that ensure an adequate working environment and an equitable employment program.

Fund raising activities include publicizing and conducting fund raising campaigns; maintaining donor lists; and other activities involved with soliciting contributions from foundations, individuals, and others.

**CENTER FOR CONSTITUTIONAL RIGHTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

CCR prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America for not-for-profit entities. The significant accounting and reporting policies used by CCR are described below to enhance the usefulness and understandability of the financial statements.

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting.

Support and Revenue

CCR recognizes private grants as either contributions or exchange transaction revenues, depending on whether the transaction is reciprocal or not. For those recognized as contributions, revenue is recognized when a contract or grant becomes unconditional, that is, when the conditions on which they depend are substantially met. Contracts and grants may be conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Contracts and grants that are treated as exchange transactions are reported as revenue without donor restrictions when expenses are incurred in accordance with the terms of the agreement. The excess of amounts received in exchange transactions over the amount of expenditures incurred is classified as deferred revenue in the statement of financial position.

If a contract or grant agreement contains a right of release from the respective obligation provision on the part of the grantor, and the agreement also contains a barrier to overcome, CCR recognizes revenue for these conditional contributions when the related barrier to entitlement has been overcome.

Grants and contributions receivable are unconditional promises to give that are recognized as contributions when the promise is received. Unconditional promises to give that are expected to be collected in less than one year are reflected as current promises to give and are reported at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are reflected as long-term promises to give and are recorded at fair value at the date of promise. That fair value is computed using a present value technique applied to anticipated cash flows. Amortization of the resulting discount is recognized as additional contribution revenue.

The allowance for uncollectible contributions receivable is determined based on management's evaluation of the collectibility of individual promises. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed.

Cash and Cash Equivalents

Cash consist of cash held in checking and money market accounts. CCR considers all highly liquid instruments purchased with a maturity of three months or less and money market funds to be cash equivalents.

(Continue)

**CENTER FOR CONSTITUTIONAL RIGHTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Short Term Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statement of financial position. The basis of determining the fair value of investments is the readily determinable sales price of the investments based on prices or quotations from over-the-counter markets.

Investment income or loss (including gains and losses on investments, interest and dividends) is included in the statement of activities. Realized and unrealized gains and losses are recognized as incurred. They are recorded in the Statement of Activities as income or loss in accordance with donors' restrictions.

Endowment and Long-term Investments

Endowment investments consist of investments purchased with the following resources:

- Donor-restricted perpetual endowments, which are contributions restricted by donors to investment in perpetuity with only investment income and appreciation being used to support CCR's activities.
- Board designated endowments, which are resources set aside by the Board of Trustees for an indeterminate period to operate in a manner similar to a donor-restricted perpetual endowment. Because a board designated endowment results from an internal designation, it can be spent upon action of the Board of Trustees.

Endowment investments also include investments purchased with unspent investment income and net gains on these resources. Endowment investments are reported at fair value with changes to fair value reported as investment return in the statement of activities. The investment and spending policies for the Endowment Funds are discussed in Note 10.

Fixed Assets

CCR capitalizes all significant expenditures for furniture, equipment, building and improvements. These assets are recorded at cost. Equipment is capitalized if it has a cost of \$5,000 or more and a useful life when acquired of more than 1 year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Depreciation of furniture and equipment are provided for on a straight line basis over the estimated useful lives of the assets. Building and improvements are amortized over the estimated useful lives of the assets.

Charitable Gift Annuities

Annuity agreements are issued in exchange for a payment that constitutes part charitable contribution and part purchase of an annuity, providing for payments to the stated annuitant(s) during their lifetime(s). These agreements constitute a general obligation of CCR. Contribution revenues are recognized when annuity agreements are established, after recording liabilities for the present value of the estimated future payments to be made to beneficiaries.

(Continue)

**CENTER FOR CONSTITUTIONAL RIGHTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

The liabilities are adjusted annually for changes in the value of assets, accretion of the discount, and other changes in the estimates of future benefits. Additional information about charitable gift annuities is found in Note 11.

Annuity Payment Liability

Annuity payment liability represents actuarially determined liabilities for obligations of gift annuity contracts.

Financial Statement Presentation

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting for the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the organization must continue to use the resources in accordance with the donor's instructions.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Non-Cash Contributions

Donated securities and other non-cash donations are recorded as contributions at their fair values at the time of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use are reported as restricted contributions. CCR reports expirations of donor restrictions when the donated assets are placed in service, if applicable, as instructed by the donor. CCR reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Donated services are recognized as contributions if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by individuals possessing those skills, and would otherwise be purchased by CCR.

(Continue)

**CENTER FOR CONSTITUTIONAL RIGHTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

CCR also received donated services from other contributors and volunteers that do not meet the criteria for recognition, and therefore, are excluded from the financial statements.

Revenue Recognition

CCR recognizes revenue in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 606, *Revenue from Contracts with Customers*. ASC Topic 606 requires that an organization recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the organization expects to be entitled to in exchange for those goods or services.

The guidance requires an organization to follow a five-step model to (a) identify the contract(s) with a customer, (b) identify the performance obligations in the contract, (c) determine the transaction price, (d) allocate the transaction price to the performance obligations in the contract, and (e) recognize revenue when (or as) the organization satisfies a performance obligation.

Legal Fee Awards

Pursuant to the Civil Rights Attorneys Fee Awards Act of 1976, legal fees and expenses may be awarded in certain court cases. The amounts of these awards are the result of court determinations and appellate decisions, or negotiations between the parties to the actions. Management anticipates but is unable to determine the amount or timing of receipt of legal awards with any degree of accuracy to CCR. Accordingly, its accounting policy is to accrue an award only when, in its judgement, the amount appears relatively certain of collection.

Grant Expenses

Contributions made and unconditional promises to give are recognized as expenses in the period made at their fair value.

Use of Estimates

The preparation of financial statements 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 and the reported amounts of revenues and expenses during the reporting period. On an ongoing basis, CCR’s management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. CCR’s management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Income Taxes

CCR is exempt from income taxes under Section 501(c)3 of the Internal Revenue Code and similar provisions of the State Code. Contributions to CCR are tax deductible to donors under Section 170 of the IRC. CCR is not classified as a private foundation.

(Continue)

**CENTER FOR CONSTITUTIONAL RIGHTS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with CCR's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

Accounting for Uncertainty in Income Taxes

CCR adopted *Financial Accounting Standards Board* ("FASB") guidance on uncertain income tax positions in its financial statements. CCR recognizes the effect of tax positions only when they are more likely than not of being sustained. Management is not aware of any violation of its tax status as an organization exempt from income taxes.

**NOTE 3 LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2025 are:

Financial Assets:	
Cash and cash equivalents	\$ 3,656,668
Short term investments	26,390,084
Accounts and accrued interest receivable	382,931
Pledges, grants and contributions receivable	1,731,562
Investments restricted for endowment	<u>8,473,358</u>
Total Financial Assets	40,634,603
Less financial assets not available within one year:	
Grant receivable (Note 5)	( 323,765)
Less financial assets held to meet donor-imposed restrictions:	
Purpose-restricted net assets (Note 9)	( 806,000)
Split-interest agreements (Note 11)	( 2,267,281)
Donor-restricted endowment funds (Note 10)	( 4,077,069)
Less board designated endowment fund (Note 7)	<u>( 4,103,733)</u>
Amount available for general Expenditures within one year	<u>\$ 29,056,755</u>

(Continue)

**CENTER FOR CONSTITUTIONAL RIGHTS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 LIQUIDITY AND AVAILABILITY - (Continued)**

The above table reflects donor-restricted and board designated endowment funds as unavailable because it is CCR's intention to invest those resources for the long-term support of the organization. However, in the case of need, the Board of Trustees could appropriate resources from either the donor-restricted funds available for general use (\$1,974,763, of which \$2,102,306 are the original gifts) or from its designated endowment fund (\$4,103,733). Notes 7 and 10 provides more information about these funds. As part of the liquidity management plan, CCR invests cash in excess of daily requirements in short term investments (Note 4).

**NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS**

Investments consist of the following as of June 30, 2025:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation/ (Depreciation)</u>
Certificates of deposit	\$ 24,148,801	\$ 24,072,791	(\$ 76,010)
Corporate and foreign bonds	2,167,364	2,181,452	14,088
Equity securities	4,999,218	6,942,541	1,943,323
Exchange traded funds	30,032	29,729	( 303)
Mutual funds - fixed income	280,586	270,851	( 9,735)
Mutual funds - domestic equity	904,414	1,291,878	387,464
U.S. Government obligations	<u>71,110</u>	<u>74,200</u>	<u>3,090</u>
Total	<u>\$ 32,601,525</u>	34,863,442	<u>\$ 2,261,917</u>
Investments restricted for endowment		<u>8,473,358</u>	
Investments		<u>\$ 26,390,084</u>	

Total investment earnings consist of the following:

Interest and dividends	\$ 1,291,595
Investment expenses	( 82,575)
Net investment income	1,209,020
Net realized loss on investment transactions	( 60,976)
Net unrealized gains on investments	<u>983,625</u>
Net investment return	<u>\$ 2,131,669</u>

(Continue)

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**NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS - (Continued)**

Investments are measured at fair value. Generally accepted accounting principles establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The three levels of the fair value hierarchy are as follows:

- Level 1: Unadjusted quoted market prices in active markets for identical assets and liabilities. The types of investments in Level 1 generally include listed equities, and mutual funds and exchange-traded funds that hold equities.
- Level 2: Significant observable inputs, other than those included in Level 1, such as unadjusted quoted market prices for similar assets or liabilities in active markets, unadjusted quoted prices for identical or similar assets and liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability. Investments in this category generally include certificates of deposit, corporate debt, U.S. government debt, and fixed income mutual funds.
- Level 3: Significant unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. The following table sets forth by level, within the fair value hierarchy, CCR's financial instruments at fair value as of June 30, 2025:

	<u>Fair Value Measurements at Reporting Date Using</u>		
	<u>Fair Value</u>	<u>Quoted Prices In Active Markets for Identical Assets (Level 1)</u>	<u>Other Observable Inputs (Level 2)</u>
Certificates of deposit	\$ 24,072,791		\$ 24,072,791
Corporate and foreign bonds	2,181,452		2,181,452
Equity securities	6,942,541	\$ 6,942,541	
Exchange traded funds	29,729	29,729	
Mutual funds - fixed income	270,851		270,851
Mutual funds - domestic equity	1,291,878	1,291,878	
U.S. Government obligations	<u>74,200</u>		<u>74,200</u>
<b>Total Investments</b>	<u>\$ 34,863,442</u>	<u>\$ 8,264,148</u>	<u>\$ 26,599,294</u>

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**NOTE 5 PROMISES TO GIVE**

Unconditional promises to give as of June 30, 2025 are as follows:

Receivable in less than one year	\$ 1,407,797
Receivable in one to five years	<u>350,000</u>
Total unconditional promises to give	1,757,797
Less: net present value discount	<u>(26,235)</u>
Net unconditional promises to give	<u>\$ 1,731,562</u>
Current	\$ 1,407,797
Non-current	<u>323,765</u>
Net unconditional promises to give	<u>\$ 1,731,562</u>

Long-term promises to give are recognized at fair value, using present value techniques and various discount rates in the range of 3.65% to 3.75%.

**NOTE 6 PROPERTY AND EQUIPMENT**

As of June 30, 2025, the costs of the assets and the related accumulated depreciation and amortization were as follows:

Building and improvements	\$ 8,973,242
Computer and software	<u>186,634</u>
	9,159,876
Less: accumulated depreciation and amortization	<u>(3,546,156)</u>
Net	<u>\$ 5,613,720</u>

Depreciation and amortization expense for the year ended June 30, 2025 was \$225,580.

**NOTE 7 BOARD DESIGNATED RESERVES AND ENDOWMENT FUNDS**

Reserve funds were designated by the Board of Trustees to provide long-term support for the following purposes. Investment earnings from the endowment and reserve funds are added to the existing endowment and reserve funds.

Reserve for future programs and operations	\$ 16,775,630
Litigation fund	<u>1,563,651</u>
Total Board designated reserve funds	18,339,281
Board designated endowment fund	<u>4,103,733</u>
Total Board designated funds	<u>\$ 22,443,014</u>

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**NOTE 8 NET ASSETS RELEASED FROM RESTRICTIONS**

Net assets released from restrictions during the year ended June 30, 2025 were as follows:

Satisfaction of purpose restrictions:	
Bertha Justice Initiative Fellows	\$ 581,638
Capital Campaign	300,000
Democracy Strategic Summit	50,000
Equation Campaign	150,000
Fellowship and Internship	320,000
Gender Justice Copelon Fund	25,000
Guantanamo Bay	70,000
Information Technology Training and Cyber Security	10,000
Institutional Strengthening Project	91,656
International Detention Work	25,000
Justice Takes A Fight Campaign	250,000
Louisiana Cancer Alley Project	57,167
Palestinian Solidarity	310,000
Southern Justice Rising Initiative	<u>199,270</u>
	2,439,731
Satisfaction of time restrictions:	
General Support designated for 2025	<u>2,903,877</u>
Total	<u><u>\$ 5,343,608</u></u>

**NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS**

As of June 30, 2025, net assets with donor restrictions are available for the following:

Purpose restrictions, available for spending:	
Gender Justice Copelon Fund	\$ 175,000
Guantanamo Bay	100,000
Litigation and Advocacy	500,000
Louisiana Cancer Alley Project	<u>31,000</u>
Total purpose-restricted net assets	<u>806,000</u>
Time restrictions:	
Time restricted support, which are unavailable for spending until the time stipulated by donors	<u>2,328,193</u>
Split-interest agreements, which are unavailable for spending until the deaths of the beneficiaries	<u>2,267,281</u>

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**NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS - (Continued)**

Endowment Funds, which must be appropriated by the Board of Trustees before use:	
Donor-restricted (principal)	\$ 2,102,306
Unappropriated earnings	<u>1,974,763</u>
Total Endowment Funds	<u>4,077,069</u>
Total Net Assets with Donor Restrictions	<u>\$ 9,478,543</u>

**NOTE 10 ENDOWMENT FUNDS**

CCR's endowment consists of several individual funds established for a variety of purposes either by donors (referred to as *donor-restricted endowment funds*) and by resources set aside by the Board of Trustees to function as endowments (referred to as *board designated endowment funds*).

As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. Unless stated otherwise in the gift instrument, the assets in an endowment fund shall be donor-restricted assets until appropriated for expenditures by the board of trustees.

The Board of Trustees of CCR may appropriate for expenditures or accumulate so much of an endowment fund as CCR determines as prudent for the uses, benefits, purposes and duration for which the fund was established, subject to the intent of the donor as expressed in the gift instrument.

Endowment funds by net assets classification as of June 30, 2025 are as follows:

<u>Type of Endowment</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted funds		\$ 4,077,069	\$ 4,077,069
Board designated endowment fund	<u>\$ 4,103,733</u>	_____	<u>4,103,733</u>
Total	<u>\$ 4,103,733</u>	<u>\$ 4,077,069</u>	<u>\$ 8,180,802</u>

Changes in endowment net assets for the fiscal year ended June 30, 2025 are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Net Assets as of June 30, 2024	\$ 3,585,614	\$ 3,804,776	\$ 7,390,390

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**NOTE 10 ENDOWMENT FUNDS** - (Continued)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Net investment income	\$ 59,046	\$ 31,109	\$ 90,155
Net appreciation (realized and unrealized)	<u>459,073</u>	<u>241,184</u>	<u>700,257</u>
Endowment Net Assets as of June 30, 2025	<u>\$ 4,103,733</u>	<u>\$ 4,077,069</u>	<u>\$ 8,180,802</u>

**NOTE 11 CHARITABLE GIFT ANNUITY / SPLIT-INTEREST AGREEMENTS**

CCR entered into charitable gift annuity contracts with several donors. The agreements provide for, among other matters, annuity payments over the lifetime of the individual donors or their designated beneficiary or beneficiaries. Annuity payment liability represents actuarially determined liabilities for obligations of gift annuity contracts.

On August 5, 2008, State of New York Insurance Department (the “ Department”) issued a regulation regarding reserves being held by charitable organizations in support of gift annuities. The regulation requires, among other things, the minimum reserve held must be at least as great as 115% of the reserve calculated using the Department’s prescribed method.

Gift assets are separately invested by CCR in annuity and reserve accounts for New York and California. As of June 30, 2025, the annuity and reserve accounts had a balance of \$2,251,702 in the account for New York and \$267,710 in the account for California, which exceeded the States’ required reserve amounts of \$328,162 by \$2,191,250.

As of June 30, 2025, CCR held investments of \$2,519,412 relating to split-interest agreements that are classified as net assets with donor restrictions because they are unavailable for spending until the deaths of the donors or other beneficiaries.

Adjustments to the annuity payment liability to reflect amortization of discount and changes in the life expectancy of the beneficiaries are recognized in the statement of activities as changes in the value of split-interest agreements. Changes in value of split-interest agreements were \$32,351 for the year.

There was the following activity in the split-interest obligations during the year ended June 30, 2025:

Split-interest obligations as of June 30, 2024	\$ 270,691
Payments to beneficiaries	( 51,298)
Changes in value of split-interest agreements	<u>32,351</u>
Split-interest obligations as of June 30, 2025	<u>\$ 251,744</u>

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**NOTE 12 PENSION PLAN**

CCR sponsors a defined contribution pension plan where employees are vested when hired. Contribution to the plan is based on seven (7) percent of employees' salaries. Pension expenses for the year included contributions for the year ended June 30, 2025 of \$573,525.

**NOTE 13 CONCENTRATIONS OF CREDIT RISK**

Financial instruments, which potentially subject CCR to concentrations of credit risk, consist of cash, money market accounts and investment securities.

CCR maintains its cash in bank accounts in several financial institutions which, at times, may exceed federally insured limits. CCR has not experienced any losses in such accounts.

CCR maintains money market, federal credit unions, and investment accounts with various financial institutions. CCR has significant investments in stocks, bonds, mutual funds, and certificates of deposit and therefore, is subject to concentrations of credit risk. Investments in marketable securities are made by investment managers engaged by CCR and the investments are monitored for CCR by the investment advisors. Although the fair value of investments is subject to fluctuations on a year-to-year basis, management believes the investment policy is prudent for the long-term welfare of CCR.

**NOTE 14 FUNCTIONAL ALLOCATION OF EXPENSES**

The cost of providing CCR's services have been summarized on a functional basis in the statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefitted using a reasonable allocation method that is consistently applied.

Administrative and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the organization. Fund raising costs are expensed as incurred, even though they may result in contributions received in future years.

**NOTE 15 SUBSEQUENT EVENTS**

CCR evaluated subsequent events through October 14, 2025, which is the date the financial statements were available to be issued. No subsequent events were identified that required adjustment to or disclosure within the financial statements.