



2014 Annual Report

**A MESSAGE FROM
MORRIS DEES AND RICHARD COHEN**

IN 2014, WE SAW CONTINUING RAGE ON the radical right and continuing oppression of those at the bottom of the economic and social ladder. But backed by our dedicated supporters across the country, we pushed back on both fronts.

Our investigative team exposed the growing threat from the radical right, trained thousands of law enforcement officials to counter the threat, and pushed the federal government to open its eyes to domestic terrorism.

As our political leaders increasingly turned their backs on the most vulnerable among us, our legal team litigated path-breaking lawsuits on behalf of the poor, the powerless and others victimized by discrimination or abuse.

At the same time, we reached out to the next generation through our Teaching Tolerance project – arming educators with anti-bias resources and strategies to combat prejudice and foster respect among our nation’s schoolchildren.

Here are some of the major highlights of our work in 2014:

- We exposed the leading neo-Nazi web forum as an echo chamber of hate whose users committed scores of racially motivated murders in recent years. We went behind the scenes to reveal the extremist militiamen who planned a military-style standoff with federal officials in the Nevada desert. And we successfully pushed the federal

government to reinstate a high-level task force on domestic terrorism.

- We launched a new campaign to rid the Deep South of modern-day debtors’ prisons. After the first in a series of strategic lawsuits, the city of Montgomery, Alabama, agreed to stop jailing people who are too poor to pay traffic fines and to stop using a for-profit “probation” company to extort payments from the poor.
- We stood up for impoverished Tennesseans who were shut out of the state’s Medicaid program by state officials who erected barriers because of their ideological opposition to “Obamacare.” We won a federal court order helping thousands gain access to health care.
- In our fight for education equality, we reached a landmark settlement to ensure that children with disabilities in New Orleans’ public schools will no longer be denied enrollment and essential services. And, in Mobile, Alabama, we saw the results of our case against the school district for overzealous discipline: a 75 percent reduction in academic days lost to student suspensions.
- We challenged our country’s racially biased mass incarceration system. In response to needless deaths and suffering in Alabama prisons, we filed suit to force reform of the state’s dangerously flawed medical and mental health care system.

And in Mississippi, we litigated a case against a privatized prison that denies inmates even the most rudimentary health care.

- We addressed the widespread bullying of LGBT children in school – providing our anti-bullying classroom documentary to thousands of educators and representing a Mississippi teen subjected to pervasive abuse by both students and faculty members.
- Our Teaching Tolerance project once again reached deep into America's schools to nurture caring, inclusive classrooms. We released *Perspectives for a Diverse America*, an innovative online curriculum to help teachers ensure that literacy lessons reflect our nation's diversity. And, we produced a new classroom documentary, for release in 2015, to educate students about the struggle for voting rights.
- We won an important victory for low-income workers in poultry plants by leading a campaign to defeat a federal proposal to increase the speed of processing lines that already cause crippling injuries.
- In our campaign to limit the influence of the radical right, we debunked conspiracy theories that animate antigovernment reactionaries. In one study, we exposed the disinformation campaign

behind the most fierce opposition to the Common Core school standards. In another, we unraveled the baseless claims about Agenda 21, a UN environmental sustainability plan.

These are just a few of our important accomplishments in 2014.

Please take a few moments to read our annual report and see the many ways we are combating hate and injustice.

Our accomplishments have been possible only because of the generosity of thousands of people across America who share a commitment to justice and tolerance. We're deeply grateful for their financial and moral support – and inspired by their dedication to the promise of our nation's democracy.

Many challenges await in the year ahead.

Our country remains deeply polarized by political, economic and racial divisions – and the hard-fought progress we've made toward equality is under attack by those who seek to turn back the clock.

We promise to continue our work in the courts and classrooms across America in 2015 and beyond. We remain committed to fighting hate, teaching tolerance and seeking justice for the most vulnerable members of society.

Very truly yours,



Morris Dees, *Chief Trial Counsel*



J. Richard Cohen, *President*

Fighting Hate

The Intelligence Project monitors hate groups and extremist activity in all 50 states and provides comprehensive updates to law enforcement, government agencies, the media, scholars, policymakers and the general public through its quarterly investigative journal *Intelligence Report*, an e-newsletter, onsite presentations, the SPLC website, social media and a blog. The Intelligence Project also helped ensure its work is accessible through the latest technology by instituting an iPad version of *Intelligence Report* this year.

Though the Project documented a slight decline in the number of hate groups and antigovernment groups in 2013, it remained vigilant as this slide came only after several years of record growth propelled by the nation's changing demographics and the election of President Obama. The radical right remains sizeable and highly active.

In 2013, the Project documented 939 hate groups and 1,096 antigovernment "Patriot" groups, including armed militias. In addition, it fought the mainstreaming of hate and extremist propaganda by shining a spotlight on public officials who help legitimize groups such as the Family Research Council (FRC) and the American Family Association (AFA) – groups with a history of demonizing the LGBT community with falsehoods. The Project also exposed extremists throughout the radical right, including a major funder of several white nationalist groups as well as the leader of a major anti-Semitic radio program.

It issued a report exposing the efforts of several U.S.-based religious-right groups to support a criminal statute barring LGBT sex in the Central American country of Belize – a legal fight that could affect similar laws in other Caribbean countries. The SPLC also released

a new training video to protect law enforcement officers and communities from white-supremacist prison gangs. And, throughout 2013, the Project provided face-to-face training to thousands of law enforcement officers across the country.

Radical-right groups decline

In its annual count, the Project found that the American radical right continued to operate at near-record levels in 2013, despite the first significant decline in the number of hate and antigovernment "Patriot" groups since the 2008 election of President Obama.

The number of hate groups dropped for the second year in a row – down 7 percent, from 1,007 in 2012 to 939. Hate groups reached a peak in 2011 with 1,018 groups.

The more significant decline came within the Patriot movement, composed of armed militias, "sovereign citizens," and other conspiracy-minded organizations that see the federal government as their enemy. These groups fell 19 percent – from 1,360 group in 2012 (an all-time high) to 1,096 in 2013. The decline followed an unprecedented rise since 2008, the year Obama was elected, when a mere 149 Patriot groups were operating.

The decline appears to be the result of a host of factors including an improving economy, crackdowns by law enforcement, and the co-opting of extremist ideas by mainstream politicians. The president's 2012 re-election – unexpected by many on the right – also appears to have drained energy from the movement, which was galvanized by Obama's first election.

The Project, however, warned against assuming that violence emanating from the move would also decline. A number of extremist plots of terrorism were disrupted during the previous year, including a Klansman's plan to build a radiation weapon to kill Muslims.

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Law enforcement agencies have cracked down on other illegal activities by extremist groups as well. Last year, the leader of the largest group of antigovernment “sovereign citizens” – people who believe they don’t have to follow most tax and criminal law – was sentenced to 18 years in federal prison for tax fraud.

The Project also counted 33 “nativist extremist” groups, the vigilante groups that patrol the border or otherwise harass those they suspect of being undocumented immigrants. These groups have fallen dramatically after reaching a peak of 319 in 2010.

Fighting the mainstreaming of hate

In October, the Intelligence Project and a coalition of human rights groups called on members of Congress and other public officials not to speak at the Values Voter Summit in Washington, D.C., because the event host and its key co-sponsor – the Family Research Council (FRC) and the American Family Association (AFA) – have long records of vilifying the LGBT community and spreading other forms of bigotry.

A letter to the event’s speakers described how the FRC has repeatedly portrayed gay men and lesbians as sick, evil, incestuous, violent, perverted and a threat to the nation. The letter also pointed out that Bryan Fischer, AFA spokesman and director of issue analysis, has blamed gay men for the Holocaust and the Nazi Party.

After the coalition sent letters urging speakers to forego the event, Louisiana Gov. Bobby Jindal backed out. U.S. Rep. Randy Forbes of Virginia also canceled his appearance at the Values Voter Summit, where he was set to headline a fundraising luncheon for the AFA.

Exposing U.S. groups’ anti-LGBT efforts abroad

In July, the Intelligence Project exposed how hardline U.S. religious-right groups that have spent decades demonizing LGBT people are focusing their attention – and propaganda – on a legal battle over the criminalization of LGBT sex in Belize. The outcome of this fierce battle will likely affect criminal statutes in as many as a dozen other Caribbean countries.

The report – *Dangerous Liaisons: The American Religious Right & the Criminalization of Homosexuality*

in Belize – examined how the U.S. groups are working in countries such as Belize where anti-gay attitudes are strong and violence against the LGBT community is common. Several prominent groups have descended on the tiny Central American country to prevent Section 53, a statute criminalizing gay sex, from being struck down in court.

Their efforts already have intensified anti-LGBT attitudes in the country, where the plaintiff in the case has been threatened and physically assaulted. The legal contest in Belize is only the latest in a wider struggle that is simultaneously being waged in Africa, Eastern Europe, Latin America and elsewhere.

Extremist link to LAX shooting revealed

Shortly after a gunman launched a deadly attack on Transportation Security Administration officers at the Los Angeles airport in November, the SPLC revealed that the attack may be another in a long series of terrorism incidents linked to far-right extremism. Immediately after the shooting, the SPLC revealed on its Hatewatch blog that the suspected gunman was carrying a note that mentioned the “New World Order,” the Federal Reserve and “fiat currency” – references from the conspiracy-mongering world of the antigovernment “Patriot” movement.

Unmasking extremists

The Intelligence Project exposed purveyors of hate and extremism throughout 2013, severely damaging radical-right groups. An exposé about the oldest hate site on the Web – Stormfront – drove out several of its funders following its publication in January.

More fallout occurred when the site founder’s son, Derek Black, publicly left the white supremacist movement in July after writing a candid letter to the SPLC about his past and the errors of white nationalism. Black, the son of longtime Klan leader Don Black, had been active in the movement since childhood, and his renunciation, which was reported by the Intelligence Project, sent shockwaves through white supremacist circles.

The Intelligence Project also published a major exposé of Volksfront, a neo-Nazi skinhead organization. It documented how the Oregon-based group is

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on the brink of collapse as it approaches its 20th anniversary. Volksfront's European and Australian chapters also may have crashed as a result of the SPLC's exposure of the group's personnel and operations.

In April, the Project exposed a major funder of several white nationalist groups as an Idaho accountant who performed work for a number of public entities. He quit the movement and removed all of his white supremacist materials from the Internet. The Project also identified the leader of a major anti-Semitic radio program who had been hiding behind the pseudonym "The White Rabbit."

Project provides expertise to law enforcement

After a member of a white supremacist prison gang assassinated Colorado's prison chief in early 2013, the Intelligence Project produced a training video to help law enforcement officers combat these violent extremists. More than 60,000 officers received *Understanding the Threat: Aryan Prison Gangs* – free of charge – along with the law enforcement edition of the SPLC's quarterly investigative journal, *Intelligence Report*. The 15-minute video, designed to be shown to officers during roll call, also was distributed to prison officials in all 50 states.

The video, which features correctional and law enforcement officers from California, Ohio and

Texas, examines some of the most dangerous white supremacist prison gangs in America, including the Aryan Brotherhood, whose members or associates are believed to have killed at least four police officers and five correctional officers since 1983. It is the third roll call video produced by the SPLC.

The Intelligence Project also provides in-person training sessions to law enforcement officers to ensure they not only understand hate-related issues but are equipped with the latest intelligence on the radical right. In 2013, the Project provided training to more than 5,000 officers. Its staffers traveled extensively to share their expertise on hate groups and domestic terrorism with local, state and federal government agencies. There is high demand for the SPLC's law enforcement training, which consistently earns excellent reviews.

Hatewatch connects supporters with latest news

The Intelligence Project's Hatewatch blog remains a vital tool with a considerable impact on developing events. It provides a venue for releasing breaking news and bringing more people into contact with the Project's investigative work. Hatewatch also has allowed the SPLC's audience to comment on the matters the organization examines and discuss those issues.

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Teaching Tolerance

The Teaching Tolerance project aims to reduce prejudice among youth and improve inter-group relations in our schools. It is among the nation's leading providers of anti-bias resources, and its magazine, *Teaching Tolerance*, reaches approximately 450,000 educators.

In 2014, Teaching Tolerance launched a first-of-its-kind literacy curriculum to help teachers from kindergarten through 12th grade better engage a diverse student population. The curriculum is designed to make all students feel welcome and supported, a critical goal for teachers as classrooms become more diverse.

Teaching Tolerance also created an exciting new classroom film about the hard-fought struggle for voting rights that was distributed to more than 50,000 schools in 2015. It also reached an estimated 1 million students across the country with Mix It Up at Lunch Day, which encourages students to step out of their cliques for one day and meet someone new. *Teaching Tolerance* magazine provided teachers across the nation with highly effective strategies to fight prejudice.

Perspectives for a Diverse America

As school leaders, teachers and department heads began to turn their attention to the 2014-15 school year, Teaching Tolerance offered *Perspectives for a Diverse America*, a literacy curriculum designed to help teachers from kindergarten to high school ensure that classroom lessons provide perspectives that reflect our nation's diversity.

The curriculum, available online, meets Common Core Standards and includes an anthology of nonfiction essays and speeches, literature, songs, video clips and maps that will provide students with multiple points of view from people of various racial and ethnic

backgrounds. Thousands of educators have registered to use the curriculum, which has proven effective in the piloting stages. One teacher reported that *Perspectives* has helped her students socially and emotionally as well as academically.

New Teaching Tolerance film

Teaching Tolerance also developed a new classroom documentary in 2014 to help educate students about the long and bloodstained fight for the right to vote and to inspire young people to become more civically engaged in their communities.

The film, *Selma: The Bridge to the Ballot*, was scheduled for release in 2015, in time for teachers to plan lessons to coincide with the 50th anniversary of the Selma-to-Montgomery March led by Dr. Martin Luther King Jr. Teaching Tolerance planned to distribute 50,000 copies of the film to schools across America, free of charge.

It will guide students through a series of pivotal events that culminated in the voting rights march on March 25, 1965. The film offers first-person perspectives of brave young activists present on Bloody Sunday, the day marchers were beaten by state troopers. Aligning the visuals of history with current discussion and study guides, *Selma: The Bridge to the Ballot* will show students the human cost of the fight for equal voting rights and the importance of making their own voices heard.

'Teaching the Movement'

Teaching Tolerance's latest film comes on the heels of the project's third report examining civil rights education. It found that coverage of the movement in U.S. classrooms remains woefully inadequate. The report, *Teaching the Movement 2014: The State of Civil Rights*

Education in the United States was released in March – three years after a Teaching Tolerance study found that more than half of the states failed at teaching the civil rights movement to students.

The project also released a best practices guide for civil rights education in March. *The March Continues: Five Essential Practices for Teaching the Civil Rights Movement* is designed to help teachers and school leaders ensure their lessons about the movement are robust and meaningful to students.

Students ‘Mix It Up’

An estimated 1 million students across the country stepped out of their cliques and challenged stereotypes in 2014 as part of Teaching Tolerance’s National Mix It Up at Lunch Day – an event designed to foster respect among students by asking them to sit with someone new at lunch for just one day.

The October event is designed to help educators create schools where students see each other as individuals – not just members of separate groups. Breaking down these barriers can help reduce bullying and create schools that are safe and welcoming for all students. Cafeterias are the focus of the program because that’s where a school’s social boundaries are most obvious. Many schools plan similar barrier-breaking activities outside the lunchroom, using Mix It Up to kick off yearlong explorations of social divisions.

‘Public Schools in the Crosshairs’

Teaching Tolerance collaborated with the SPLC’s Intelligence Project to examine how extremist propaganda is distorting the debate over the Common Core State Standards, a set of learning standards that establish the literacy and math skills that children in America’s public schools, wherever they live, should master at each grade level.

The report – *Public Schools in the Crosshairs: Far-Right Propaganda and the Common Core State Standards* – found that legitimate concerns about the Common Core are being obscured and distorted by the claims of extremists.

To Christian right, Tea Party and antigovernment activists, the state-driven effort to lift student achievement is actually “Obamacore,” a nefarious, left-wing plot to wrest control of education from local school systems and parents. Instead of the “death panels” of “Obamacare,” the fear is “government indoctrination camps.”

The report, which was released in May, noted how some Common Core opponents, including national groups associated with the billionaire industrialist Koch brothers, are exploiting the Common Core in their broader fight against the public education system in an effort to promote school privatization measures.

Magazine, website provide classroom tools

Educators also found the tools they needed to address timely issues in their schools within the pages of *Teaching Tolerance* magazine in 2014. The Spring issue examined the disproportionate impact of student loan debt and predatory lending practices on students of color, children of immigrants and first-generation college students. It also offered ways high school counselors and educators can help students avoid these pitfalls.

The Summer issue offered a first-of-its-kind road map from Teaching Tolerance that points the way for teachers to implement anti-bias education at every grade level and build classroom environments that encourage diversity, equity and justice. The Teaching Tolerance Anti-Bias Framework showed teachers how to address the complex concepts of identity, diversity, justice and action through a set of anchor standards and grade-level outcomes.

The Fall issue explored how cafeteria practices can stigmatize low-income students receiving free or reduced-price lunch. It also showed how thoughtful policies and practices can help ensure these students get the help they need without being stigmatized.

Teaching Tolerance’s website, Tolerance.org, provided teachers with even more classroom tips and tools. It also continued to serve as a venue for educators to discuss current events and how to turn these events into teachable moments.

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Seeking Justice

SPLC attorneys fight to protect society's most vulnerable members, handling important civil rights cases that few lawyers are willing to take. The SPLC has remained in the vanguard of efforts to defend victims of injustice, continuing its commitment to juvenile justice and education reform while vigorously protecting the rights of the LGBT community, the poor, and exploited immigrants. The SPLC maintains a presence with juvenile justice and education projects in four states: Alabama, Mississippi, Louisiana and Florida. Its immigrant justice project, based in Atlanta, covers nine Southern states.

Litigation has always been a key strategic tool in the SPLC's arsenal, and it continues to be so. But advocacy tools beyond litigation – including lobbying, community organizing and public policy advocacy – are now an integral part of the SPLC's campaigns for reform. The Legal Department is concentrating its efforts in five practice areas where there are pressing social problems and opportunities to make a significant impact: children's rights, economic justice, immigrant rights, LGBT rights and mass incarceration.

In 2014, the SPLC fought for economic justice by helping the poor get health care in Tennessee. It ended practices in Montgomery, Alabama, that sent people to jail simply because they were too poor to pay their traffic fines. It filed a lawsuit challenging the deplorable conditions in Alabama prisons that have put the health and lives of prisoners at risk. It saw groundbreaking criminal justice reforms it helped shape signed into law in Mississippi. And, it reached a landmark settlement to help children with disabilities in New Orleans gain access to an education. The SPLC also continued to fight for LGBT rights in the Deep South and stood up for the rights of immigrants.

Fighting for economic justice

SPLC attorneys pursued cases in 2014 that sought to end public and private systems that trap people in poverty and punish them simply for being poor. In September, an SPLC lawsuit helped unlock the door to Medicaid for Tennessee residents when a federal judge ordered the state to provide hearings to residents whose Medicaid applications have been unreasonably delayed.

The court rejected the state's attempt to blame the federal government for its own failings, ruling instead that the state is responsible for its administration of its Medicaid program, known as TennCare. The court also noted that "[i]f a state decides to participate in the Medicaid program, it is required to ensure that applications are adjudicated reasonably promptly."

In Montgomery, Alabama, the SPLC helped shut down a modern-day debtors' prison used to exploit and punish people too poor to pay traffic fines to the city. The SPLC's client, Harriet Cleveland, paid \$140 a month toward her traffic fines, but \$40 was going to a for-profit company overseeing the "probation" of people in her situation. After paying thousands, she had nothing left to give and was thrown in jail. The SPLC secured her release and sued the city for violating her constitutional rights.

The SPLC and Equal Justice Under Law, a civil rights organization, announced a settlement agreement in August with Montgomery. Under the agreement, the city will determine if a person is indigent and will not jail anyone who cannot afford to pay. For people who are indigent, the municipal court will create lower payment plans or give the option of performing community service. The city also decided not to renew its contract with the for-profit company, Judicial Correction Services. The company has since closed its Montgomery office.

Protecting the lives of prisoners, seeking reform

In June, the SPLC and the Alabama Disabilities Advocacy Program filed suit against the Alabama Department of Corrections (ADOC) for putting the health and lives of prisoners at risk by ignoring their medical and mental health needs and discriminating against prisoners with disabilities – violations of federal law by a prison system that has had one of the highest mortality rates in the country.

The lawsuit, filed in the U.S. District Court for the Middle District of Alabama, describes how prisoners, including those with disabilities and serious physical and mental illnesses, are confined to prisons where discrimination and dangerous – sometimes life-threatening – conditions are the norm. The suit details strokes, amputations and prisoner deaths that may have been prevented with proper care.

The lawsuit was filed after the groups released a report in June on the horrific conditions within Alabama prisons, *Cruel Confinement: Abuse, Discrimination and Death Within Alabama's Prisons*. The report's findings were based on inspections of Alabama prisons, interviews with prisoners and a review of medical records, depositions and media accounts as well as the policies, contracts and reports of the ADOC and two major contractors.

The lawsuit has already helped change a practice that allowed male prisoners, including those with a history of mental illness and suicide attempts, virtually unlimited access to razor blades. An agreement was reached that will provide inmates in the mental health units with clipper shavers. Inmates in segregation units will receive razors only during showers.

In March, Mississippi Gov. Phil Bryant signed into law groundbreaking reforms for the state's criminal justice system. The SPLC was represented on a task force that issued recommendations to help turn around the state's broken criminal justice system.

Mississippi has the shameful distinction of having the second-highest incarceration rate in the nation – ranking behind only Louisiana, according to the Department of Justice. The last decade has seen Mississippi's prison population swell by 17 percent to more than 22,000 prisoners in 2013. The reforms are

designed to protect communities from violent offenders but take steps to prevent low-level offenders from returning to prison. It's an important step toward ending the state's one-answer solution for crime: locking people up and throwing away the key.

In Alabama, the SPLC urged the Special Litigation Section of the Civil Rights Division of the U.S. Department of Justice to investigate deplorable conditions at the Jefferson County Jail. In a letter to the department in May, the SPLC described an overcrowded jail where violence, neglect and abuse are common – especially for children awaiting trial. The findings reported by the SPLC were based on more than 50 interviews with 20 youths under the age of 18.

The jail houses children under the age of 18 because Alabama allows teens as young as 16 to automatically be charged as an adult for certain offenses. Even children as young as 14 can be transferred to circuit court by a juvenile court judge for any offense. Their young age often makes them vulnerable to attacks by older detainees in the jail. Sometimes they're targeted for beatings. Other times, it's sexual assault.

Defending LGBT rights in the Deep South

In February, the SPLC announced a lawsuit on behalf of Paul Hard, who was legally married in Massachusetts but lives in Alabama. Hard lost his husband in a car wreck, but the state refused to recognize his marriage or his legal rights. Alabama's ban on recognizing same-sex marriages meant he wouldn't be able to get his legal share of the proceeds from a wrongful death lawsuit. It also meant that when his husband died, he was prevented from receiving information about his husband's condition at the hospital. Adding to the indignity, a funeral home director cited Alabama law in insisting that the death certificate indicate that his husband was never married.

The SPLC also represented Ashley Diamond, a transgender woman who was being held in a Georgia prison for men and had been denied the female hormones she had been receiving. The SPLC demanded that she begin receiving adequate hormone treatment and mental health care. The refusal of prison officials resulted in a lawsuit filed in early 2015.

In another case, SPLC lawyers continued to litigate a first-of-its-kind lawsuit charging that a gay conversion therapy group known as JONAH violated New Jersey's consumer fraud law by claiming its therapists could change a person's sexual orientation. That case was scheduled for trial in 2015.

Defeating state anti-immigrant laws

The SPLC's years-long fight against harsh state anti-immigrant laws in the South saw two important victories in 2014. As the result of a settlement reached in March, major elements of South Carolina's vicious anti-immigrant law were permanently blocked – provisions that criminalized routine interactions with undocumented immigrants and imposed criminal penalties on those who fail to carry immigration documents. The U.S. Department of Justice, which also challenged the law, joined the agreement.

In October, the SPLC announced that Alabama would not publish a list of supposedly “unlawfully present” immigrants – an agreement that blocked the final provision of Alabama's anti-immigrant law challenged in court. That law, known as HB 56, has been largely eviscerated by legal challenges from the SPLC and a coalition of other groups.

The SPLC and other civil rights groups filed lawsuit against the so-called “scarlet letter” law in February 2013 on behalf of four immigrants arrested for fishing without a license. The provision required the posting online of private information that the federal government has declared confidential and not subject to public disclosure.

In addition, after nearly seven years of litigation, SPLC attorneys prepared for an early 2015 trial in a federal suit charging that hundreds of Indian guest workers were defrauded and exploited in a labor-trafficking scheme engineered by Signal International, a Gulf Coast company that services offshore oil rigs, and its agents.

Standing up for immigrant workers

The SPLC continued to defend the rights of immigrant workers in 2014, workers who perform some of the hardest, most dangerous jobs in our economy – for the

least amount of pay. The SPLC's efforts to stop the U.S. Department of Agriculture (USDA) from increasing the speed of poultry processing lines paid off in July when the USDA announced that it will leave processing lines running at their current speeds – a decision that spares workers from an increase but still forces them to endure a dangerously fast pace.

The SPLC, which campaigned against the line speed increase, urged the Obama administration to take meaningful steps to protect poultry workers, including health and safety rules designed specifically for these plants.

The USDA proposed the “Modernization of Poultry Inspection” rule in January 2012. Originally, it would have allowed poultry companies to increase the processing line speed from 140 to 175 birds per minute, putting industry profits ahead of worker and consumer safety. The USDA removed the proposed increase from the final rule after significant pressure from members of Congress, the public and advocacy groups, including the SPLC, which submitted formal comments opposing the proposed rule.

In October, a Wayne Farms poultry processing plant in Alabama was fined more than \$100,000 as a result of a federal complaint by the SPLC that described how workers were forced to endure unsafe and abusive conditions.

The Occupational Safety and Health Administration (OSHA) issued 11 citations to the plant in Jack, Alabama. It found that the plant exposed workers to dangerous machinery as well as hazards that can result in falls and musculoskeletal disorders, such as carpal tunnel syndrome. It also found that the plant failed to record injuries and discouraged workers from seeking treatment. The OSHA fines totaled \$102,600.

The SPLC exposed in February how a U.S. State Department cultural exchange program had been hijacked by U.S. employers using it for cheap labor. The SPLC's findings were documented in the report, *Culture Shock: The Exploitation of J-1 Cultural Exchange Workers*. It describes how the promise of experiencing American culture is an empty one for many workers in the J-1 Visa Exchange Visitor Program, a program originally envisioned as a tool to improve U.S. diplomatic relations.

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Based on hundreds of interviews with J-1 workers in the Summer Work Travel and Trainee and Intern categories, the report found these workers, typically students, are frequently placed in low-paying jobs with long hours and few opportunities to experience cultural activities in the United States. Some workers are even at risk of human trafficking.

In April, the SPLC reported that a Kentucky tobacco farm had been fined \$3,500 for serious worker health and safety violations following an SPLC complaint that the company failed to protect employees hanging tobacco at heights as high as 30 feet. The Kentucky Occupational Safety and Health Program (OSH) levied the fine on RCB Farms, which forced workers to climb rotting barn rafters as a routine part of their job without protections such as railings, safety harnesses or ladders. On at least one occasion a rafter broke while a worker was standing on it, almost sending a worker plummeting to the ground. The agency ordered RCB Farms to address the unsafe working conditions or face more fines. The SPLC hopes the action serves as a warning to the agriculture industry to keep its workers safe by providing them with the necessary protections.

Protecting the rights of children

A four-year legal battle came to an end in December when the SPLC reached a landmark settlement agreement to help New Orleans students with disabilities. Students with disabilities were being denied access to the city's public schools and often pushed into schools unable to provide them with the educational services they deserved under federal law.

The agreement puts in place a plan to ensure that all public schools in New Orleans uphold the educational rights of students with disabilities. It includes training and technical assistance for New Orleans schools, ongoing monitoring and additions to the charter renewal and extension process that ensure all schools are ready to serve students with disabilities.

In April, the SPLC demanded that an Alabama school district end discriminatory practices that kept a Latino teen out of high school for almost an entire semester. In a letter to the district superintendent, the SPLC described how J.T., a 17-year-old Latino teen who came to the United States from Mexico when he was a year old, was denied enrollment at Fort Payne High School in January without any legal justification. He recently moved to Alabama from Colorado. The school district took immediate action and enrolled the teen the next day.

A month later, the SPLC notified the Alabama school superintendent that it had found 96 school systems had enrollment practices that violated federal laws against denying or discouraging the enrollment of immigrant children. In many cases, school enrollment forms required a Social Security number or birth certificate, without explaining that such disclosure, under federal law, is voluntary and not necessary for enrollment. After notifying the state school superintendent, the Alabama Department of Education provided detailed guidance and uniform enrollment forms to all school districts to ensure compliance.

In North Carolina, the SPLC and other civil rights groups filed a civil rights complaint in February urging the U.S. Department of Justice to launch a federal investigation into two North Carolina districts that discriminated against an immigrant youth by denying, delaying or discouraging enrollment. The incidents appear to be symptomatic of a larger problem in school districts across the state, the complaint noted.

In December, the SPLC reached a settlement agreement that will ensure a Florida pre-kindergarten program in a Miami suburb does not discriminate against children with diabetes. The agreement resolved a lawsuit filed in September on behalf of a 3-year-old girl with diabetes. The lawsuit describes how the Doral Academy refused to accommodate the girl's needs by assisting in the monitoring of her glucose levels – a violation of the Americans with Disabilities Act.

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CHARITABLE STATUS & MANAGEMENT

The Southern Poverty Law Center was incorporated in 1971 and is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. The SPLC tax identification number is 63-0598743. All contributions, grants and bequests to the Southern Poverty Law Center are tax deductible.

The SPLC's work is supported primarily through donor contributions. No government funds are received or used for its efforts.

During its last fiscal year, the SPLC spent approximately 66% of its total expenses on program services. At the end of the fiscal year, the SPLC's endowment — composed primarily of board-designated funds to support future work — stood at \$302.8 million. The SPLC is proud of the stewardship of its resources.

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Deputy Legal Director Immigrant Justice Project Jim Knoepp	Teaching Tolerance Director Maureen Costello	Human Resources Director Greg Lewis
	Outreach Director Lecia Brooks	Information Technology Director Hillmon Ancrum
	Design Director Russell Estes	Security Director Huey Thornton
	Chief Communications and Development Officer Wendy Via	

OPERATING FUND

ASSETS	
Cash and cash equivalents	\$994,441
Contributions receivable	3,295,618
Other receivables	1,544,715
Inventory	510,092
Prepaid expenses	1,757,000
Investments of gift annuity program and pooled income fund	9,009,114
Other investments	5,478,398
Land, buildings and equipment, at cost less accumulated depreciation	<u>15,182,534</u>
Total operating fund assets	<u><u>\$37,771,912</u></u>
LIABILITIES AND NET ASSETS	
Accounts payable and accrued liabilities	\$2,273,374
Line of Credit	2,500,000
Gift annuity liability and pooled income fund liability	6,075,992
Long Term Debt	<u>15,000,000</u>
Total operating fund liabilities	<u>25,849,366</u>
Unrestricted net assets - operating fund	9,772,431
Temporarily restricted net assets - operating fund	<u>2,150,115</u>
Total net assets - operating fund	<u>11,992,546</u>
TOTAL OPERATING FUND LIABILITIES & NET ASSETS	<u><u>\$37,771,912</u></u>

A copy of the SPLC's audited financial statement is available upon request and at splcenter.org.

ENDOWMENT FUND

The SPLC builds for the future by setting aside a certain amount of its income for an endowment, a practice begun in 1974 to plan for the day when nonprofits like the SPLC can no longer afford to solicit support through the mail because of rising postage and printing costs.

ASSETS	
Cash funds	\$11,141,745
Fixed income:	
U.S. bond funds	767,083
U.S. Treasury inflation protected securities	1,885,510
Non-U.S. bond funds	4,108,451
Public equities:	
U.S. equity funds	60,534,892
Non-U.S. equity funds	55,275,343
Private equity funds	28,809,569
Real asset funds	16,955,556
Marketable alternative funds:	
Absolute return funds	23,890,265
Arbitrage funds	20,240,133
Long-short funds	33,445,167
Multi-strategy funds	<u>45,771,871</u>
TOTAL ENDOWMENT FUND ASSETS	<u><u>\$302,825,585</u></u>

STATEMENT OF ACTIVITIES

CHANGES IN UNRESTRICTED NET ASSETS FROM OPERATING FUND

Operating support and revenue	
Contributions	\$39,186,630
Grants	1,987,373
Investment income (excluding Endowment Fund)	558,422
Net assets released from temporary restrictions	1,306,624
Other	<u>341,263</u>
Total operating fund support revenue, and net assets released from restriction	<u>43,380,312</u>
Operating fund expenses	
Program services	
Legal services	13,038,959
Public education	<u>14,918,505</u>
Total program services	<u>27,957,464</u>
Supporting services	
Management and general	5,305,503
Development	<u>8,698,356</u>
Total supporting services	<u>14,003,859</u>
Total operating fund expenses	<u>41,961,323</u>
Changes in unrestricted net assets from operating fund	1,418,989

CHANGES IN TEMPORARILY RESTRICTED NET ASSETS FROM OPERATING FUND

Operating support and revenue	
Contributions	1,235,944
Net assets released from temporary restrictions	<u>(1,306,624)</u>
Changes in temporarily restricted net assets from operating fund	(70,680)

CHANGES IN NET ASSETS FROM OPERATING FUND 1,348,309

TRANSFER TO ENDOWMENT 492,829

NET ASSETS AT BEGINNING OF YEAR 10,081,408

NET ASSETS AT END OF YEAR \$11,922,546

