



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*, a blog, an e-newsletter, onsite presentations, the SPLC website and social media.

Despite the Project documenting a decline in far-right extremist groups in 2014, it found that extremist violence and plots had not abated. The year offered several tragic examples of extremists acting alone or in small numbers to carry out deadly violence.

In April, a man identified as Frazier Glenn Cross went on a shooting rampage that killed three people at Jewish sites in Overland Park, Kansas. The Project quickly alerted the media and the public that the suspect was the same person as Frazier Glenn Miller, a longtime neo-Nazi and Klan leader who once plotted to assassinate SPLC founder Morris Dees following an SPLC lawsuit against his organization.

In Nevada, a couple with antigovernment extremist views killed two police officers and another man in an attempt to spark a revolution. In the aftermath, the Project provided the media with information about the world of antigovernment extremists. And throughout 2014, the Project provided face-to-face training to thousands of law enforcement officers across the country.

It also issued a report examining how registered users of the leading neo-Nazi web forum have been disproportionately responsible for some of the most lethal hate crimes and mass killings. Another report revealed how a standoff between federal agents and armed supporters of a Nevada rancher was a coordinated effort by radical-right militiamen. Other reports examined

how radical-right conspiracy theories and propaganda had infiltrated various public policy debates.

Extremist groups decline, violence continues

Despite a decline in the number of far-right extremist groups in the United States in 2014, the Intelligence Project found that terrorist plots and other acts of deadly violence committed by the radical right had not abated.

The Intelligence Project found in its annual census that the number of hate groups operating in 2014 was 17 percent lower than in 2013. Antigovernment “Patriot” groups – armed militias and others animated by conspiracy theories about the federal government – fell by 20 percent during the same period.

But the drop in the number of extremist groups didn’t tell the entire story. It appears that extremists are leaving these groups for the echo chamber of the Internet, which allows their message to reach a huge audience and for them to network and communicate with other extremists anonymously. Domestic terrorists and other extremists with criminal intentions also are increasingly acting alone, choosing to commit lethal attacks without the help of an organized group.

The Intelligence Project determined that extremist violence, in fact, is continuing at levels comparable to the 1990s, at the height of that decade’s militia movement. But rather than coming from organized groups, fully 90 percent of domestic terrorist attacks in recent years have been carried out by “lone wolves” or pairs of extremists who don’t belong to any organization.

Over the last six years, a domestic terrorist incident (an attack or foiled plot) has occurred, on average, every 34 days, the SPLC found. These leaderless attacks have claimed 63 lives. Plots concocted by extremists working alone or in pairs are the hardest for law enforcement to penetrate and the most likely to succeed.

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This violence comes as extremists have migrated toward online networks like Stormfront. The neo-Nazi forum, founded by former Alabama Klan leader Don Black, has nearly 300,000 registered users – a nearly 40 percent increase in the last five years.

In contrast, the SPLC found that hate groups declined from 939 groups in 2013 to 784 groups in 2014, bringing that number to its lowest level since 2005. The number peaked at 1,018 in 2011.

Antigovernment “Patriot” groups fell even more. They dropped from 1,096 groups in 2013 to 874 in 2014. The 2014 number still represents an almost 500 percent increase from the 149 groups operating in 2008, when the antigovernment movement began a dramatic resurgence following the election of President Obama.

In addition to extremists favoring the Internet over organized groups, the declining number of groups appears to be a result of factors such as a strengthening economy, law enforcement crackdowns and the fact that many extremist ideas have been co-opted by mainstream politicians.

‘White Homicide Worldwide’

Even before the annual hate group census had been completed, the Intelligence Project was examining the migration of dangerous extremists to Internet forums, such as Stormfront. In April, it released *White Homicide Worldwide*, a report that found nearly 100 people in the last five years have been murdered by active users of the leading racist website. The report confirmed that Stormfront is the murder capital of the racist Internet.

Registered Stormfront users have been disproportionately responsible for some of the most lethal hate crimes and mass killings since the web forum became the first hate site on the Internet in 1995, a month before the Oklahoma City bombing. The report found that hate killings by Stormfront members began to accelerate rapidly in early 2009, when Barack Obama took office as the nation’s first black president.

‘War in the West’

The SPLC also investigated the standoff between federal agents and armed supporters of a Nevada rancher

in 2014. That investigation discovered that the April standoff was a highly coordinated effort by far-right militiamen that energized volatile extremists who increasingly target law enforcement officers.

The report – *War in the West* – was released in July and contained new details about the standoff between the U.S. Bureau of Land Management and militiamen sympathetic to rancher Cliven Bundy. The confrontation was seen as a victory within the antigovernment “Patriot” movement after federal agents abandoned efforts to impound Bundy’s cattle despite the rancher refusing to pay more than \$1 million in grazing fees and fines he owed to the federal government. The report describes how the incident reflects this movement’s potential for violence. When the U.S. Department of Homeland Security released a report on right-wing violence in late July, it echoed many of the conclusions reached by the SPLC in *War in the West*.

Agenda 21 and right-wing conspiracies

The SPLC examined how extremists and mainstream politicians are using Agenda 21, a nonbinding United Nations global sustainability plan signed by the United States more than 20 years ago, to stoke fears and stifle rational policymaking across the country.

Released in April, the report, *Agenda 21: The UN, Sustainability and Right-Wing Conspiracy Theory*, examines how antigovernment groups like the John Birch Society are pushing conspiracy theories that have led some states to pass resolutions condemning the document and one to enact legislation intended to outlaw its effects. The report also describes how lawmakers have been swept from office for their support of Agenda 21. In one Alabama county, an entire planning and zoning commission resigned in disgust after an award-winning smart-growth plan was killed over groundless Agenda 21 fears.

‘Public Schools in the Crosshairs’

The Intelligence Project collaborated with the SPLC’s Teaching Tolerance 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

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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.

Fighting the mainstreaming of hate

The SPLC continued to fight the mainstreaming of hate. We urged Republicans to not legitimize anti-gay hate speech by attending the Values Voter Summit in Washington, D.C., in September. The Family Research Council (FRC) and the American Family Association (AFA), both with long histories of demonizing LGBT people with false propaganda, are major sponsors of the annual political gathering.

In an open letter published in *The Washington Post* and *The Hill*, the SPLC and a coalition of other civil rights groups reminded RNC Chair Reince Priebus that 15 years ago his predecessor told GOP elected officials

to shun the Council of Conservative Citizens because of the group's “racist views,” which were exposed by the SPLC at the time. It asked the GOP to condemn anti-LGBT bigotry as vigorously as it opposed racism 15 years ago. In the end, three high-profile Republicans chose to attend the event. U.S. Sens. Rand Paul and Ted Cruz, and Louisiana Gov. Bobby Jindal were among the politicians to speak at the event.

Project provides expertise to law enforcement

The Intelligence Project continues to provide 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 2014, the Project provided training to more than 3,300 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. Readership has expanded significantly over the past year, as shown by the average number of unique monthly page views – which grew from 104,153 in 2013 to 181,083 in 2014.

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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.

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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Marsha Levick	Henry Solano
Will Little	Ellen Sudow

Founder & Chief Trial Counsel Morris Dees	President & CEO J. Richard Cohen	Founder & General Counsel Joseph J. Levin, Jr.
Deputy Legal Director LGBT Rights & Economic Justice David Dinielli	Intelligence Project Director Heidi Beirich	Chief Operating Officer Lisa Sahulka
Deputy Legal Director Children at Risk Jerri Katzerman	Intelligence Project Senior Fellow Mark Potok	Administration and Finance Director Teenie Hutchison
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>\$37,771,912</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>\$37,771,912</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>\$302,825,585</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

