

**MID-MINNESOTA
LEGAL ASSISTANCE
AUDITED CONSOLIDATED
FINANCIAL STATEMENTS
December 31, 2021**

MID-MINNESOTA LEGAL ASSISTANCE
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Mid-Minnesota Legal Assistance
Minneapolis, Minnesota

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Mid-Minnesota Legal Assistance (including its subsidiary, The Fund for Legal Aid) (a non-profit organization), which comprise the consolidated statement of financial position as of December 31, 2021, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Mid-Minnesota Legal Assistance as of December 31, 2021, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Mid-Minnesota Legal Assistance 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 opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; 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 Mid-Minnesota Legal Assistance'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 from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government 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 audit 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 the Mid-Minnesota Legal Assistance'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 Mid-Minnesota Legal Assistance’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Mid-Minnesota Legal Assistance’s 2020 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated March 5, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2022, on our consideration of Mid-Minnesota Legal Assistance’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on Mid-Minnesota Legal Assistance’s internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Mid-Minnesota Legal Assistance’s internal control over financial reporting and compliance.

Hamington Langer & Associates

March 10, 2022

MID-MINNESOTA LEGAL ASSISTANCE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
December 31, 2021
(With Comparative Totals for 2020)

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 5,166,715	\$ 6,618,001
Client escrow funds	222,104	35,387
Promises to give:		
Governmental support and other grants	2,117,126	2,334,508
Contributions	208,453	230,336
Prepaid expenses	63,475	41,936
TOTAL CURRENT ASSETS	7,777,873	9,260,168
PROPERTY AND EQUIPMENT, at cost	2,252,112	2,018,673
Less: accumulated depreciation	(756,080)	(471,603)
TOTAL PROPERTY AND EQUIPMENT, net	1,496,032	1,547,070
OTHER LONG-TERM ASSETS		
Investments held at Community Foundation	3,740,375	3,115,794
Interest in charitable trust	105,501	-
TOTAL OTHER LONG-TERM ASSETS	3,845,876	3,115,794
TOTAL ASSETS	\$ 13,119,781	\$ 13,923,032

MID-MINNESOTA LEGAL ASSISTANCE
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021
(With Comparative Totals for 2020)

	Without Donor Restrictions							
	Government	The Fund for Legal Aid	Property, Equipment and Law Library	Other	Total Without Donor Restrictions	With Donor Restrictions	Total 2021	Total 2020
SUPPORT AND REVENUE								
Support:								
Governmental support	\$ 13,130,900	\$ -	\$ -	\$ -	\$ 13,130,900	\$ -	\$ 13,130,900	\$ 12,351,074
Other grants	-	-	-	1,978,353	1,978,353	998,476	2,976,829	5,415,147
Contributions	600	1,053,968	-	860,468	1,915,036	-	1,915,036	1,760,986
Special events	-	407,755	-	-	407,755	-	407,755	348,445
Total Support	<u>13,131,500</u>	<u>1,461,723</u>	<u>-</u>	<u>2,838,821</u>	<u>17,432,044</u>	<u>998,476</u>	<u>18,430,520</u>	<u>19,875,652</u>
Revenue:								
Training and other revenue	-	-	-	9,844	9,844	-	9,844	6,031
Interest income	-	139	-	121	260	-	260	3,417
Attorney fees	219,600	-	-	64,233	283,833	-	283,833	128,019
Gain on disposal of equipment	-	-	-	2,318	2,318	-	2,318	-
Change in value of investments held at Community Foundation	-	-	-	182,426	182,426	442,320	624,746	282,564
Total Revenue	<u>219,600</u>	<u>139</u>	<u>-</u>	<u>258,942</u>	<u>478,681</u>	<u>442,320</u>	<u>921,001</u>	<u>420,031</u>
Net Assets Released from Restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,148,085</u>	<u>1,148,085</u>	<u>(1,148,085)</u>	<u>-</u>	<u>-</u>
TOTAL SUPPORT AND REVENUE	<u>13,351,100</u>	<u>1,461,862</u>	<u>-</u>	<u>4,245,848</u>	<u>19,058,810</u>	<u>292,711</u>	<u>19,351,521</u>	<u>20,295,683</u>
EXPENSES								
Program Services	<u>13,008,670</u>	<u>-</u>	<u>264,139</u>	<u>3,282,004</u>	<u>16,554,813</u>	<u>-</u>	<u>16,554,813</u>	<u>14,759,320</u>
Supporting Services:								
Management and general	-	19,046	32,893	1,842,266	1,894,205	-	1,894,205	1,860,404
Fundraising	-	161,884	6,977	351,224	520,085	-	520,085	473,583
Total Supporting Services	<u>-</u>	<u>180,930</u>	<u>39,870</u>	<u>2,193,490</u>	<u>2,414,290</u>	<u>-</u>	<u>2,414,290</u>	<u>2,333,987</u>
TOTAL EXPENSES	<u>13,008,670</u>	<u>180,930</u>	<u>304,009</u>	<u>5,475,494</u>	<u>18,969,103</u>	<u>-</u>	<u>18,969,103</u>	<u>17,093,307</u>
CHANGE IN NET ASSETS	<u>342,430</u>	<u>1,280,932</u>	<u>(304,009)</u>	<u>(1,229,646)</u>	<u>89,707</u>	<u>292,711</u>	<u>382,418</u>	<u>3,202,376</u>
NET ASSETS, BEGINNING	-	1,224,892	1,547,070	4,670,867	7,442,829	3,689,927	11,132,756	7,930,380
TRANSFERS								
Furniture and Equipment Changes:								
Acquisitions	(228,101)	-	259,477	(31,376)	-	-	-	-
Disposal of equipment	-	-	(6,506)	6,506	-	-	-	-
Transfers to (from) Other	<u>(114,329)</u>	<u>(1,579,000)</u>	<u>-</u>	<u>1,693,329</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS, ENDING	<u>\$ -</u>	<u>\$ 926,824</u>	<u>\$ 1,496,032</u>	<u>\$ 5,109,680</u>	<u>\$ 7,532,536</u>	<u>\$ 3,982,638</u>	<u>\$ 11,515,174</u>	<u>\$ 11,132,756</u>

MID-MINNESOTA LEGAL SERVICES
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2021
(With Comparative Totals for 2020)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 382,418	\$ 3,202,376
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	304,009	181,865
Change in value of Community Foundation investments	(624,746)	(282,564)
Gain on disposal of equipment	(2,318)	-
Donation of interest in Charitable Trust	(105,501)	-
Decrease (increase) in:		
Client escrow funds	(186,717)	(6,260)
Promises to give	239,265	(361,242)
Prepaid expenses	(21,539)	41,973
Increase (decrease) in:		
Accounts payable	(31,570)	555,468
Client trust deposits	186,718	6,260
Accrued expenses	15,140	91,397
Grant advances	(1,355,957)	1,355,957
	(1,200,798)	4,785,230
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Contributions to Community Foundation	(260,940)	-
Distributions from Community Foundation	261,105	78,998
Proceeds from disposal of equipment	8,824	-
Purchase of property and equipment	(259,477)	(1,139,686)
	(250,488)	(1,060,688)
NET CASH USED IN INVESTING ACTIVITIES		
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,451,286)	3,724,542
CASH AND CASH EQUIVALENTS, BEGINNING	6,618,001	2,893,459
CASH AND CASH EQUIVALENTS, ENDING	\$ 5,166,715	\$ 6,618,001

MID-MINNESOTA LEGAL ASSISTANCE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2021
(With Comparative Totals for 2020)

EXPENSES	Support Services						Total 2021	Total 2020
	Program Services	Mid-Minnesota Legal Assistance		The Fund for Legal Aid		Consolidated Support Services		
		Management and General	Fundraising	Management and General	Fundraising			
Personnel salaries								
Lawyers	\$ 5,636,848	\$ 445,913	\$ 91,124	\$ -	\$ 43,247	\$ 580,284	\$ 6,217,132	\$ 5,640,844
Non-lawyers	3,586,030	695,724	119,434	-	-	815,158	4,401,188	3,842,668
Total salaries	9,222,878	1,141,637	210,558	-	43,247	1,395,442	10,618,320	9,483,512
Payroll taxes and employee benefits	3,312,110	345,350	66,733	-	12,061	424,144	3,736,254	3,489,103
Contract services	2,219,577	98,459	20,489	6,500	-	125,448	2,345,025	2,170,676
Travel	32,125	1,881	392	-	-	2,273	34,398	38,925
Space and occupancy	908,593	157,037	32,679	-	-	189,716	1,098,309	979,199
Office expenses	146,504	17,994	3,745	-	57,259	78,998	225,502	306,696
Equipment rental	82,465	5,821	1,211	-	-	7,032	89,497	76,249
Litigation costs	84,140	8,363	1,740	-	-	10,103	94,243	43,787
Library maintenance	57,835	318	66	-	-	384	58,219	49,725
Other direct expenses	224,447	65,406	13,611	12,546	49,317	140,880	365,327	273,570
Total expenses before depreciation	16,290,674	1,842,266	351,224	19,046	161,884	2,374,420	18,665,094	16,911,442
Depreciation	264,139	32,893	6,977	-	-	39,870	304,009	181,865
TOTAL EXPENSES	\$ 16,554,813	\$ 1,875,159	\$ 358,201	\$ 19,046	\$ 161,884	\$ 2,414,290	\$ 18,969,103	\$ 17,093,307

See notes to consolidated financial statements

MID-MINNESOTA LEGAL ASSISTANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities:

Mid-Minnesota Legal Assistance (MMLA or the Organization) is a non-profit corporation organized for the purpose of providing legal assistance throughout central Minnesota in non-criminal matters or proceedings to persons financially unable to afford legal assistance.

MMLA was incorporated in 1981 and on January 1, 1982, assumed the operations of three similar entities operating in western and central Minnesota: Legal Aid Society of Minneapolis, St. Cloud Area Legal Services Association, and Western Minnesota Legal Services, who were members of MMLA. During the year ended December 31, 2012, these entities were formally merged into MMLA.

Basis of Consolidation:

The Board of Directors of MMLA controls the appointment of the Board of Directors of The Fund for Legal Aid (FLA). Due to the Organization's control over FLA, and an economic relationship, FLA accounts are included in the consolidated financial statements. All funds raised by FLA can only be spent within the programs of Mid-Minnesota Legal Assistance. All intercompany transactions and accounts have been eliminated in consolidation.

Basis of Presentation:

The financial statements of MMLA have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require MMLA to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of MMLA's management and the board of directors.

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

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

MID-MINNESOTA LEGAL ASSISTANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition:

The Organization recognizes revenue from attorney fees when the fees are awarded, unless related to federal program funding, in which case the attorney fees are recognized as revenue when expended in the program.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization received cost-reimbursable grants of approximately \$5,800,000 that have not been recognized at December 31, 2021 because qualifying expenditures have not yet been incurred.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Cash and Cash Equivalents:

For the purpose of the consolidated statement of cash flows, the Organization considers all cash and investments which are intended to be held for less than three months as cash and cash equivalents. The Organization maintains its cash balances in financial institutions insured by the FDIC. At December 31, 2021, the Organization's uninsured cash balances totaled approximately \$4,400,000.

Client Escrow Funds:

The Organization holds funds for clients for various legal fees. A separate checking account is maintained for these funds.

MID-MINNESOTA LEGAL ASSISTANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments:

Investments are stated at fair value in the consolidated statements of financial position. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in the increase (decrease) in net assets without donor restrictions unless the income or loss is restricted by donor or law.

Promises to Give:

Unconditional promises to give are recognized as revenue in the period promised and as assets, decreases of liability or expenses depending on the form of benefit received. The Organization records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset if the discount rates materially affect the amounts expected to be collected. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. Management determine the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. An allowance for doubtful accounts was not considered necessary at December 31, 2021.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met. Intentions to give are not recognized as revenues unless they are legally enforceable.

Property and Equipment:

Expenditures for property and equipment in excess of \$500 are capitalized. Contributed items are recorded at fair value at the date of donation. Amortization of leasehold improvements is computed using the straight-line method over the terms of the leases, since such periods are shorter than the estimated service lives. Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the assets as follows:

	<u>Years</u>
Building and improvements	40
Furniture and equipment	5- 10
Law library	5

MID-MINNESOTA LEGAL ASSISTANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses:

Expenses identified with a specific grant or contract are recorded under that grant or contract when incurred. Expenses incurred to support the work performed under more than one grant or contract are allocated using methods which most fairly allocate each expense. Expenses are allocated to functional categories using an apportionment of total overhead between management and general and fundraising expenses. All direct expenses are charged to program services.

Income Taxes:

Both MMLA and FLA have been granted tax exempt status under Section 501(c)(3) of the Internal Revenue Code and similar Minnesota statutes. They are classified as organizations that are not private foundations and charitable contributions by donors are tax deductible.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) for any uncertain position that more likely than not would not be sustained upon examination by the applicable tax authorities. The Organization is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in progress.

Comparative Financial Information:

The consolidated 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 the Organization's consolidated financial statements from the year ended December 31, 2020, from which the summarized information was derived.

Subsequent Events:

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through March 10, 2022, the date the consolidated financial statements were available to be issued.

MID-MINNESOTA LEGAL ASSISTANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2. AVAILABILITY AND LIQUIDITY

The following represents MMLA’s financial assets available for general expenditure within one year of December 31, 2021:

	Amount
Financial Assets at Year-end	
Cash and cash equivalents	\$ 5,166,715
Promises to give	2,325,579
Interest in charitable trust	105,501
Investments Held at Community Foundation	3,740,375
Total financial assets	11,338,170
Less amounts not available to be used within one year	
Net assets with donor restrictions	3,982,638
Less net assets with restrictions to be met in less than one year	(1,229,817)
Quasi endowment established by the board	987,554
Financial assets available to meet general expenditures within one year	\$ 7,597,795

MMLA’s goal is generally to maintain financial assets to meet 60 days of operating expenses. As part of its liquidity plan, excess cash is invested in money market accounts. The Organization’s Board of Directors has designated a portion of its net assets for endowment purposes. Those amounts are identified as quasi endowment in the table above. These funds are invested for long-term appreciation and current income but remain available and may be spent at the discretion of the Board.

NOTE 3. PROPERTY AND EQUIPMENT

At December 31, 2021, property and equipment consisted of the following:

	Amount
Furniture and equipment	\$ 1,843,206
Building and improvements	401,915
Law library	6,991
	2,252,112
Accumulated depreciation	(756,080)
	\$ 1,496,032

MID-MINNESOTA LEGAL ASSISTANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4. INTEREST IN CHARITABLE TRUST

The Organization is a 25% remainder beneficiary of the Marvel L. Norton Revocable Trust. The Organization reports its beneficial interest in the assets of the Trust at fair value. The change in the fair value is included in realized and unrealized investment gain (loss) on the accompanying statement of activities. As of December 31, 2021, the Organization's beneficial interest amounted to \$105,501.

NOTE 5. INVESTMENTS HELD AT COMMUNITY FOUNDATION

The Organization's agreement with the Community Foundation requires that the principal in the Endowment Fund be maintained as an endowment with the income available for distribution to MMLA subject to the Foundation's Board of Trustees' approval and subject to their "variance powers" to redirect such gifts. The Opportunities Fund is similarly structured except the principal contributed by MMLA (at the request of MMLA) can be distributed back to MMLA subject to the Foundation's discretion. Management determined that this Board designated endowment should be included in net assets without donor restrictions. Although the Foundation has "variance powers" to alter the recipient of the gifts in the donor-advised fund, the Organization still retains a future economic interest in the net assets of the Community Foundation and should record the fair value of its share of the Foundation's holdings on its financial statements.

NOTE 6. FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). MMLA groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

These levels include:

- | | |
|---------|---|
| Level 1 | Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date. |
| Level 2 | Other observable inputs, either directly or indirectly, including: <ul style="list-style-type: none">• Quoted prices for similar assets/liabilities in active markets;• Quoted prices for identical or similar assets in non-active markets;• Inputs other than quoted prices that are observable for the asset/liability; and,• Inputs that are derived principally from or corroborated by other observable market data. |

MID-MINNESOTA LEGAL ASSISTANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6. FAIR VALUE MEASUREMENTS (continued)

Level 3 Unobservable inputs that cannot be corroborated by observable market data.

As of December 31, 2021, all of the Organization’s investments are included in Investments held at the Community Foundation. Investments held at the Community Foundation are pooled with other organizations’ funds and invested in a diversified portfolio of marketable equity and fixed income securities, as well as limited marketability investments, including private equities, absolute return investments, and real estate. A substantial portion of the underlying assets at the foundation is measured at fair value using Level 1 and Level 2 inputs. MMLA’s ownership in such investments is represented by an undivided interest in investment portfolios managed by the foundation, not in the underlying assets themselves. The undivided interests in these portfolios are not themselves publicly traded nor can they be valued based on observable direct or indirect inputs. Accordingly, they are reported as Level 3 measurements. See Note 7 for the change in value of these Level 3 investments.

NOTE 7. ENDOWMENT FUNDS

The Organization’s endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as an endowment. As required by GAAP, net assets associated with the endowment funds, including funds designated by the Board, are classified and reported based on the existence or absence of donor-imposed restrictions. All of the Organization’s endowment funds are held by the Community Foundation, the investment of which is determined by the Foundation rather than the Organization. See Note 5.

Endowment net asset composition by type of fund at December 31, 2021 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted	\$ -	\$ 2,752,821	\$ 2,752,821
Board designated	987,554	-	987,554
	\$ 987,554	\$ 2,752,821	\$ 3,740,375

MID-MINNESOTA LEGAL ASSISTANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7. ENDOWMENT FUNDS (continued)

Changes in endowment net assets for the year ended December 31, 2021 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment, 1/1/21	\$ 926,026	\$ 2,189,768	\$ 3,115,794
Contributions	60,102	200,838	260,940
Investment return:			
Management fees	(8,279)	(20,429)	(28,708)
Realized and unrealized gains	190,705	462,749	653,454
Appropriation of endowment assets for expenditure	(181,000)	(80,105)	(261,105)
Endowment, 12/31/21	<u>\$ 987,554</u>	<u>\$ 2,752,821</u>	<u>\$ 3,740,375</u>

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31, 2021, consisted of the following:

	Amount
Purpose Restricted	
Immigration	\$ 92,942
Law Fellows	21,532
Affordable Rental Housing	248,408
Housing Services	388,732
MN Asset Building Coalition	101,725
Medical Legal Partnership	81,798
Seniors	18,959
Fellowships	190,627
Navigator Coalition	85,094
Investments to be held in perpetuity	<u>2,752,821</u>
Total Net Assets With Donor Restrictions	<u>\$ 3,982,638</u>

MID-MINNESOTA LEGAL ASSISTANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS (continued)

Net assets were released from restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of the passage of time or other events specified by the donors as follows for the year ended December 31, 2021:

	Amount
Purpose Restricted	
Immigration	\$ 68,121
Law Fellows	8,188
Affordable Rental Housing	692,384
Access to Coverage	21,377
Medical Legal Partnership	242,830
Seniors	3,041
General operations	32,039
Appropriation of endowment assets for expenditure	80,105
Total Released from Restrictions	\$ 1,148,085

NOTE 9. LEASED FACILITIES

MMLA leases office space under non-cancelable leases that expire through February 2035. Future commitments under these leases as of December 31, 2021 were as follows:

Year Ending December 31,	Amount
2022	\$ 697,839
2023	715,211
2024	611,430
2025	569,505
2026	586,421
Thereafter	5,421,578
	\$ 8,601,984

Rental expense for the year ended December 31, 2021 was \$1,047,800. Rental expense was reduced by \$197,860 as a result of an annually renewable sublease from Central Minnesota Legal Services.

MID-MINNESOTA LEGAL ASSISTANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10. RETIREMENT PLAN

The Organization participates in a Section 403(b) retirement savings plan (the Plan) covering all employees who meet eligibility requirements and elect to participate in the Plan. The Plan also has an employer only contribution component. To be eligible for the employer only contribution, an employee has to work one year, and if they work part time, the contribution is prorated to the percentage of time worked. The employer only contribution was \$1,000 per year; the match was at 25% of the employee's contribution, not to exceed 6% of the employee's salary. Contributions for 2021 were \$357,259.

NOTE 11. IN-KIND CONTRIBUTIONS

Donated services are recognized as contributions in accordance with generally accepted accounting principles, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

In-kind contributions for the year ended December 31, 2021 consisted of services of \$230,642.

Mark D. Harrington, CPA
Wayne A. Langer, CPA
Nichole Fairbanks, CPA
Jesse Fraley, CPA
Anna Anderson, CPA



Gregory W. Heck, CPA, CVA
Greg L. Emmerich, CPA
Michael Belknap, CPA
Benjamin J. Roff, CPA, CVA

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**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION**

To the Board of Directors
Mid-Minnesota Legal Assistance
Minneapolis, Minnesota

We have audited the consolidated financial statements of Mid-Minnesota Legal Assistance (including its subsidiary, The Fund for Legal Aid) as of and for the year ended December 31, 2021, and our report thereon dated March 10, 2022, which expressed an unmodified opinion on those consolidated financial statements, appears on pages 1-3. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The following supplementary information on pages 20-28, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Harrington Langer & Associates

March 10, 2022

MID-MINNESOTA LEGAL ASSISTANCE
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2021
(With Comparative Totals for 2020)

	Mid-Minnesota Legal Assistance	The Fund for Legal Aid	Eliminations	Total 2021	Total 2020
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 3,733,994	\$ 1,432,721	\$ -	\$ 5,166,715	\$ 6,618,001
Client escrow funds	222,104	-	-	222,104	35,387
Promises to give:					
Government support and other grants	2,831,476	-	(714,350)	2,117,126	2,334,508
Contributions	-	208,453	-	208,453	230,336
Net assets of The Fund for Legal Aid	926,824	-	(926,824)	-	-
Prepaid expenses	63,475	-	-	63,475	41,936
	<u>7,777,873</u>	<u>1,641,174</u>	<u>(1,641,174)</u>	<u>7,777,873</u>	<u>9,260,168</u>
TOTAL CURRENT ASSETS					
PROPERTY AND EQUIPMENT, at cost	2,252,112	-	-	2,252,112	2,018,673
Less: accumulated depreciation	(756,080)	-	-	(756,080)	(471,603)
	<u>1,496,032</u>	<u>-</u>	<u>-</u>	<u>1,496,032</u>	<u>1,547,070</u>
TOTAL PROPERTY AND EQUIPMENT, net					
OTHER LONG-TERM ASSETS					
Investments held at Community Foundation	3,740,375	-	-	3,740,375	3,115,794
Interest in charitable trust	105,501	-	-	105,501	-
	<u>3,845,876</u>	<u>-</u>	<u>-</u>	<u>3,845,876</u>	<u>3,115,794</u>
TOTAL OTHER LONG-TERM ASSETS					
TOTAL ASSETS	<u>\$ 13,119,781</u>	<u>\$ 1,641,174</u>	<u>\$ (1,641,174)</u>	<u>\$ 13,119,781</u>	<u>\$ 13,923,032</u>
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable	\$ 862,482	\$ 714,350	\$ (714,350)	\$ 862,482	\$ 894,052
Client trust deposits	222,100	-	-	222,100	35,382
Accrued expenses	520,025	-	-	520,025	504,885
Grant advances	-	-	-	-	1,355,957
	<u>1,604,607</u>	<u>714,350</u>	<u>(714,350)</u>	<u>1,604,607</u>	<u>2,790,276</u>
TOTAL CURRENT LIABILITIES					
NET ASSETS					
Net assets without donor restrictions	7,532,536	926,824	(926,824)	7,532,536	7,442,829
Net assets with donor restrictions	3,982,638	-	-	3,982,638	3,689,927
	<u>11,515,174</u>	<u>926,824</u>	<u>(926,824)</u>	<u>11,515,174</u>	<u>11,132,756</u>
TOTAL NET ASSETS					
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 13,119,781</u>	<u>\$ 1,641,174</u>	<u>\$ (1,641,174)</u>	<u>\$ 13,119,781</u>	<u>\$ 13,923,032</u>

See independent auditor's report
on supplementary information

MID-MINNESOTA LEGAL ASSISTANCE
CONSOLIDATING STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021
(With Comparative Totals for 2020)

	Mid-Minnesota Legal Assistance	The Fund for Legal Aid	Eliminations	Total 2021	Total 2020
SUPPORT AND REVENUE					
Support:					
Governmental support	\$ 13,130,900	\$ -	\$ -	\$ 13,130,900	\$ 12,351,074
Other grants	4,555,829	-	(1,579,000)	2,976,829	5,415,147
Contributions	861,068	1,053,968	-	1,915,036	1,760,986
Special events	-	407,755	-	407,755	348,445
Total Support	<u>18,547,797</u>	<u>1,461,723</u>	<u>(1,579,000)</u>	<u>18,430,520</u>	<u>19,875,652</u>
Revenue:					
Training and other revenue	9,844	-	-	9,844	6,031
Interest income	121	139	-	260	3,417
Attorney fees	283,833	-	-	283,833	128,019
Gain on disposal of equipment	2,318	-	-	2,318	-
Change in value of investments held at Community Foundation	624,746	-	-	624,746	282,564
Total Revenue	<u>920,862</u>	<u>139</u>	<u>-</u>	<u>921,001</u>	<u>420,031</u>
TOTAL SUPPORT AND REVENUE	<u>19,468,659</u>	<u>1,461,862</u>	<u>(1,579,000)</u>	<u>19,351,521</u>	<u>20,295,683</u>
EXPENSES					
Program Services	<u>16,554,813</u>	<u>-</u>	<u>-</u>	<u>16,554,813</u>	<u>14,759,320</u>
Supporting Services:					
Management and general	1,875,159	19,046	-	1,894,205	1,860,404
Fundraising	358,201	161,884	-	520,085	473,583
Total Supporting Services	<u>2,233,360</u>	<u>180,930</u>	<u>-</u>	<u>2,414,290</u>	<u>2,333,987</u>
TOTAL EXPENSES	<u>18,788,173</u>	<u>180,930</u>	<u>-</u>	<u>18,969,103</u>	<u>17,093,307</u>
CHANGE IN NET ASSETS	680,486	1,280,932	(1,579,000)	382,418	3,202,376
NET ASSETS, BEGINNING	11,132,756	1,224,892	(1,224,892)	11,132,756	7,930,380
OTHER CHANGES IN NET ASSETS					
Increase in net assets of The Fund for Legal Aid	(298,068)	-	298,068	-	-
Equity transfer to Mid-Minnesota Legal Assistance	-	(1,579,000)	1,579,000	-	-
NET ASSETS, ENDING	<u>\$ 11,515,174</u>	<u>\$ 926,824</u>	<u>\$ (926,824)</u>	<u>\$ 11,515,174</u>	<u>\$ 11,132,756</u>

See independent auditor's report
on supplementary information

MID-MINNESOTA LEGAL ASSISTANCE
SUPPLEMENTARY SCHEDULE OF GRANT SOURCES
For the Year Ended December 31, 2021
(With Comparative Totals for 2020)

	Federal Assistance	State and County	Foundations	General	Property, Equipment, and Law Library	Total 2021	Total 2020
SUPPORT AND REVENUE							
Governmental Support and Other Grants	\$ 5,530,377	\$ 7,600,523	\$ 4,555,829	\$ -	\$ -	\$ 17,686,729	\$ 18,466,221
Contributions	600	-	-	860,468	-	861,068	477,692
Training and other events	-	-	9,844	-	-	9,844	6,031
Attorney fees	219,600	-	-	64,233	-	283,833	128,019
Interest	-	-	-	121	-	121	2,906
Gain on disposal of equipment	-	-	-	2,318	-	2,318	-
Change in value of investments held at Community Foundation	-	-	-	624,746	-	624,746	282,564
TOTAL SUPPORT AND REVENUE	5,750,577	7,600,523	4,565,673	1,551,886	-	19,468,659	19,363,433
EXPENSES							
Personnel salaries							
Lawyers	2,144,190	2,422,954	1,538,952	67,789	-	6,173,885	5,596,828
Non-lawyers	896,256	2,306,340	1,041,061	157,531	-	4,401,188	3,842,668
Total salaries	3,040,446	4,729,294	2,580,013	225,320	-	10,575,073	9,439,496
Payroll taxes and employee benefits	968,909	1,627,408	938,819	189,057	-	3,724,193	3,477,428
Contract services	1,015,139	426,148	571,185	326,053	-	2,338,525	2,164,176
Travel	5,703	15,478	11,758	1,459	-	34,398	38,925
Space and occupancy	269,840	428,294	262,646	137,529	-	1,098,309	979,199
Office expenses	61,516	55,499	42,259	8,969	-	168,243	289,971
Equipment rental	19,977	34,854	26,967	7,699	-	89,497	76,249
Depreciation	-	-	-	-	304,009	304,009	181,865
Litigation costs	39,267	30,559	20,997	3,420	-	94,243	43,787
Library maintenance	14,582	29,036	13,661	940	-	58,219	49,725
Other direct expenses	72,822	123,899	97,225	9,518	-	303,464	232,996
TOTAL EXPENSES	5,508,201	7,500,469	4,565,530	909,964	304,009	18,788,173	16,973,817
CHANGE IN NET ASSETS	242,376	100,054	143	641,922	(304,009)	680,486	2,389,616
NET ASSETS, BEGINNING	-	-	1,942,148	7,643,538	1,547,070	11,132,756	7,930,380
Other Changes in Net Assets:							
Furniture and equipment:							
Acquisitions	(226,059)	(2,042)	(31,376)	-	259,477	-	-
Gain on disposal of equipment	-	-	-	6,506	(6,506)	-	-
Transfers to General Fund	(16,317)	(98,012)	(237,461)	351,790	-	-	-
Decrease in net assets of The Fund for Legal Aid	-	-	-	(298,068)	-	(298,068)	812,760
NET ASSETS, ENDING	\$ -	\$ -	\$ 1,673,454	\$ 8,345,688	\$ 1,496,032	\$ 11,515,174	\$ 11,132,756

See independent auditor's report on supplementary information

MID-MINNESOTA LEGAL ASSISTANCE
SUPPLEMENTARY SCHEDULE OF FEDERAL ASSISTANCE
For the Year Ended December 31, 2021
(With Comparative Totals for 2020)

	Department of Health and Human Services												Social Security Administration		
	Developmental											Assistive Technology Program	PABSS	Rep Payee	
	Protection and Advocacy Voting Act	TBI Program	Disability Protection & Advocacy	Access to COVID Vaccines	Mental Health Protection & Advocacy	Metropolitan Council Older Americans	CMCOA Older Americans Act	Region 9 Older Americans Act	DHS Refugee Services	LSS Refugee Services	MN Council of Churchs				DHS
SUPPORT AND REVENUE															
Governmental support	\$ 86,937	\$ 60,846	\$ 655,266	\$ 41,176	\$ 476,018	\$ 140,000	\$ 147,083	\$ 18,615	\$ 51,191	\$ 54,759	\$ 38,333	\$ 75,456	\$ 79,747	\$ 121,727	\$ 454,920
Contributions	-	-	-	-	-	-	600	-	-	-	-	-	-	-	-
Attorney Fees	-	-	-	-	13,750	-	-	-	-	-	-	-	-	-	-
TOTAL SUPPORT AND REVENUE	86,937	60,846	655,266	41,176	489,768	140,000	147,683	18,615	51,191	54,759	38,333	75,456	79,747	121,727	454,920
EXPENSES															
Personnel salaries															
Lawyers	27,955	19,185	302,917	17,921	228,423	77,613	77,581	8,275	39,198	14,711	4,854	10,061	51,515	69,434	113,465
Non-lawyers	27,027	20,699	153,179	5,490	117,429	16,744	40,383	5,364	1,500	21,248	21,340	25,374	846	15,251	174,521
Total salaries	54,982	39,884	456,096	23,411	345,852	94,357	117,964	13,639	40,698	35,959	26,194	35,435	52,361	84,685	287,986
Payroll taxes and employee benefits	22,094	14,135	136,061	8,976	98,875	31,799	29,589	4,976	10,493	17,114	10,548	18,173	22,196	25,352	97,245
Contract services	785	329	-	1,100	928	5,601	-	-	-	-	-	419	-	806	-
Travel	24	517	839	21	1,611	-	-	-	-	-	-	-	-	162	1,551
Space and occupancy	5,746	3,019	36,091	1,938	31,517	8,243	-	-	-	1,212	1,073	3,153	3,577	7,119	50,321
Office expenses	531	240	2,677	193	2,697	-	-	-	-	168	194	535	267	764	6,301
Equipment rental	424	269	3,209	184	2,579	-	-	-	-	102	85	243	329	656	2,752
Litigation costs	828	1,795	14,274	-	619	-	-	-	619	-	-	-	342	138	-
Library maintenance	258	185	1,942	81	1,626	-	-	-	-	-	-	162	205	378	1,718
Other direct expenses	1,265	473	4,077	5,272	3,464	-	130	-	-	204	239	1,019	470	1,667	7,046
TOTAL EXPENSES	86,937	60,846	655,266	41,176	489,768	140,000	147,683	18,615	51,191	54,759	38,333	59,139	79,747	121,727	454,920
CHANGE IN NET ASSETS	-	-	-	-	-	-	-	-	-	-	-	16,317	-	-	-
NET ASSETS, BEGINNING	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Changes in Net Assets:															
Furniture and equipment:															
Acquisitions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to General Fund	-	-	-	-	-	-	-	-	-	-	-	(16,317)	-	-	-
NET ASSETS, ENDING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See independent auditor's report on supplementary information

MID-MINNESOTA LEGAL ASSISTANCE
SUPPLEMENTARY SCHEDULE OF FEDERAL ASSISTANCE (continued)
For the Year Ended December 31, 2021
(With Comparative Totals for 2020)

Department of Treasury		Department of Education		Department of Housing and Urban Development				Legal Services Corporation	Department of Justice			Total 2021	Total 2020
Low Income Tax Clinic	CARES Act State of MN	PAIR Program	Client Assistance Program	CDBG Minneapolis	CDBG City Fair Housing	FHIP Fair Housing	City of Minneapolis CARES Act	CMLS	USCIS	VAWA	OJP NQRP		
\$ 100,000	\$ 1,024,629	\$ 167,503	\$ 269,323	\$ 25,452	\$ 45,013	\$ 317,883	\$ 829,169	\$ 15,999	\$ 12,694	\$ 215,870	\$ 4,768	\$ 5,530,377	\$ 4,655,885
-	-	-	-	-	-	-	-	-	-	-	-	600	1,030
-	-	205,850	-	-	-	-	-	-	-	-	-	219,600	82,966
<u>100,000</u>	<u>1,024,629</u>	<u>373,353</u>	<u>269,323</u>	<u>25,452</u>	<u>45,013</u>	<u>317,883</u>	<u>829,169</u>	<u>15,999</u>	<u>12,694</u>	<u>215,870</u>	<u>4,768</u>	<u>5,750,577</u>	<u>4,739,881</u>
75,255	30,750	216,515	117,256	20,076	30,332	101,500	373,365	3,968	4,988	103,563	3,514	2,144,190	1,435,304
5,544	42,859	38,142	55,631	-	-	28,502	67,225	76	3,845	8,037	-	896,256	516,593
80,799	73,609	254,657	172,887	20,076	30,332	130,002	440,590	4,044	8,833	111,600	3,514	3,040,446	1,951,897
19,201	37,395	79,615	55,600	5,376	11,172	40,700	133,470	2,204	3,032	32,264	1,254	968,909	607,313
-	608,263	5,738	16,521	-	-	140,367	168,649	9,751	-	55,882	-	1,015,139	786,817
-	61	213	644	-	-	60	-	-	-	-	-	5,703	7,042
-	480	19,130	16,617	-	2,696	5,946	62,163	-	829	8,970	-	269,840	157,355
-	36,027	1,948	1,443	-	262	-	5,746	-	-	1,523	-	61,516	81,548
-	240	1,725	1,339	-	166	-	3,840	-	-	1,835	-	19,977	10,932
-	13,150	3,607	-	-	-	42	3,052	-	-	1,420	-	39,267	11,864
-	-	1,073	827	-	184	-	4,832	-	-	1,111	-	14,582	6,253
-	29,345	5,647	3,445	-	201	766	6,827	-	-	1,265	-	72,822	26,628
<u>100,000</u>	<u>798,570</u>	<u>373,353</u>	<u>269,323</u>	<u>25,452</u>	<u>45,013</u>	<u>317,883</u>	<u>829,169</u>	<u>15,999</u>	<u>12,694</u>	<u>215,870</u>	<u>4,768</u>	<u>5,508,201</u>	<u>3,647,649</u>
-	226,059	-	-	-	-	-	-	-	-	-	-	242,376	1,092,232
-	-	-	-	-	-	-	-	-	-	-	-	-	23,506
-	(226,059)	-	-	-	-	-	-	-	-	-	-	(226,059)	(1,073,865)
-	-	-	-	-	-	-	-	-	-	-	-	(16,317)	(41,873)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report on supplementary information

MID-MINNESOTA LEGAL ASSISTANCE
SUPPLEMENTARY SCHEDULE OF STATE AND COUNTY ASSISTANCE
For the Year Ended December 31, 2021
(With Comparative Totals for 2020)

	Supreme Court Filing Fees	Lawyers Trust Account Board (LTAB)	Supreme Court-MN Asset Bldg Coalition	Supreme Court-MN Disability Center	LSAC BOA Foreclosure Work	LSAC BOA Community Economic Development	Supreme Court Family Law	Supreme Court MLSC LSAC	VERA Ramsey County	CMHC Ramsey County	Just Tech LSAC	Hennepin County Housing Escrow
SUPPORT AND REVENUE												
Governmental support	\$ 4,470,051	\$ 795,980	\$ 58,732	\$ 191,000	\$ 39,721	\$ 47,343	\$ 449,479	\$ 525,874	\$ 54,567	\$ 913	\$ 38,206	\$ 8,775
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Attorney Fees	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL SUPPORT AND REVENUE	4,470,051	795,980	58,732	191,000	39,721	47,343	449,479	525,874	54,567	913	38,206	8,775
EXPENSES												
Personnel salaries												
Lawyers	1,246,435	283,554	5,787	30,036	21,205	28,173	237,883	259,889	34,494	652	-	-
Non-lawyers	1,484,471	306,465	33,836	88,792	-	-	86,634	104,857	542	13	-	-
Total salaries	2,730,906	590,019	39,623	118,828	21,205	28,173	324,517	364,746	35,036	665	-	-
Payroll taxes and employee benefits	952,165	167,945	13,828	35,330	9,448	13,059	85,109	156,328	11,370	248	-	-
Contract services	245,849	116	796	14,026	258	367	6,090	4,800	454	-	38,206	-
Travel	13,670	266	-	59	-	-	-	-	-	-	-	-
Space and occupancy	321,211	27,281	3,453	6,910	2,309	3,616	23,940	-	4,615	-	-	-
Office expenses	43,235	3,062	227	501	303	340	2,912	-	599	-	-	-
Equipment rental	26,513	2,281	610	617	140	223	2,382	-	281	-	-	-
Litigation costs	12,513	17	-	884	5,598	118	-	-	1,303	-	-	8,775
Library maintenance	23,406	2,046	-	440	259	305	1,710	-	421	-	-	-
Other direct expenses	100,583	2,947	195	11,363	201	1,142	2,819	-	488	-	-	-
TOTAL EXPENSES	4,470,051	795,980	58,732	188,958	39,721	47,343	449,479	525,874	54,567	913	38,206	8,775
CHANGE IN NET ASSETS	-	-	-	2,042	-	-	-	-	-	-	-	-
NET ASSETS, BEGINNING	-	-	-	-	-	-	-	-	-	-	-	-
Other Changes in Net Assets:												
Furniture and equipment:												
Acquisitions	-	-	-	(2,042)	-	-	-	-	-	-	-	-
Transfers to General Fund	-	-	-	-	-	-	-	-	-	-	-	-
NET ASSETS, ENDING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See independent auditor's report on supplementary information

MID-MINNESOTA LEGAL ASSISTANCE
SUPPLEMENTARY SCHEDULE OF STATE AND COUNTY ASSISTANCE (continued)
For the Year Ended December 31, 2021
(With Comparative Totals for 2020)

Hennepin County Welfare Advocacy	Hennepin County Housing Court	Hennepin County Defending Immigrants	MN Sure	Emergency Man. Asst.	City of Minneapolis Immigration	SSI	State of Minnesota Safe Harbor	Minor Youth Act	Total 2021	Total 2020
\$ 17,500	\$ 20,500	\$ 254,980	\$ 352,729	\$ 119,841	\$ 15,000	\$ 11,450	\$ 98,060	\$ 29,822	\$ 7,600,523	\$ 7,695,189
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
<u>17,500</u>	<u>20,500</u>	<u>254,980</u>	<u>352,729</u>	<u>119,841</u>	<u>15,000</u>	<u>11,450</u>	<u>98,060</u>	<u>29,822</u>	<u>7,600,523</u>	<u>7,695,189</u>
12,578	13,023	46,691	46,377	47,148	9,307	4,101	74,060	21,561	2,422,954	2,033,194
-	-	2,594	160,184	31,958	2,046	3,762	186	-	2,306,340	2,193,612
<u>12,578</u>	<u>13,023</u>	<u>49,285</u>	<u>206,561</u>	<u>79,106</u>	<u>11,353</u>	<u>7,863</u>	<u>74,246</u>	<u>21,561</u>	<u>4,729,294</u>	<u>4,226,806</u>
4,922	3,090	14,726	98,329	22,262	3,647	3,587	23,754	8,261	1,627,408	1,707,958
-	3,000	83,912	20,830	7,444	-	-	-	-	426,148	897,910
-	-	-	1,483	-	-	-	-	-	15,478	26,505
-	1,092	5,730	17,108	11,029	-	-	-	-	428,294	424,386
-	131	566	3,623	-	-	-	-	-	55,499	151,725
-	75	357	1,375	-	-	-	-	-	34,854	46,625
-	-	1,351	-	-	-	-	-	-	30,559	25,313
-	65	384	-	-	-	-	-	-	29,036	35,447
-	24	657	3,420	-	-	-	60	-	123,899	152,514
<u>17,500</u>	<u>20,500</u>	<u>156,968</u>	<u>352,729</u>	<u>119,841</u>	<u>15,000</u>	<u>11,450</u>	<u>98,060</u>	<u>29,822</u>	<u>7,500,469</u>	<u>7,695,189</u>
-	-	98,012	-	-	-	-	-	-	100,054	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	(2,042)	-
-	-	(98,012)	-	-	-	-	-	-	(98,012)	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report
on supplementary information

MID-MINNESOTA LEGAL ASSISTANCE
SUPPLEMENTARY SCHEDULE OF FOUNDATION AND OTHER FUNDING
For the Year Ended December 31, 2021
(With Comparative Totals for 2020)

	CMLS	United Way of Minneapolis	United Way of Minneapolis COVID	United Way of St. Cloud	Bush Foundation	Community Giving	NCLC	Morgan Family Foundation	Wells Fargo Foundation	Bar Foundations	Pohlad Family Foundation	Bentson Foundation	New American	Student Grants	FHF - Tenant Outreach	NDRN	Stevens Square Foundation	Grossman Clinics
SUPPORT AND REVENUE																		
Grants	\$ 18,526	\$ 200,570	\$ 5,000	\$ 38,000	\$ 500,000	\$ 6,300	\$ 3,589	\$ -	\$ -	\$ 30,000	\$ -	\$ 25,000	\$ 50,000	\$ 43,178	\$ 250,000	\$ 10,393	\$ 28,000	\$ -
Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Training events	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL SUPPORT AND REVENUE	18,526	200,570	5,000	38,000	500,000	6,300	3,589	-	-	30,000	-	25,000	50,000	43,178	250,000	10,393	28,000	-
EXPENSES																		
Personnel salaries																		
Lawyers	-	(64)	3,870	-	31,450	1,677	2,110	38,559	172,218	-	236,644	19,327	36,491	-	133,175	7,480	21,507	84,734
Non-lawyers	13,519	93,361	-	30,400	32,061	2,254	-	-	36,720	-	25,422	-	247	43,178	45,378	187	2,288	-
Total salaries	13,519	93,297	3,870	30,400	63,511	3,931	2,110	38,559	208,938	-	262,066	19,327	36,738	43,178	178,553	7,667	23,795	84,734
Payroll taxes and employee benefits	5,007	51,982	581	7,600	20,138	1,688	1,479	9,950	70,985	-	64,152	3,528	12,682	-	29,887	1,840	5,204	41,598
Contract services	-	26,492	35	-	24,964	66	-	4,600	2,397	-	2,703	133	411	-	2,353	-	-	36,402
Travel	-	700	-	-	-	-	-	-	-	-	-	-	49	-	161	-	-	-
Space and occupancy	-	14,382	401	-	1,723	420	-	-	24,721	-	31,281	1,553	4,432	-	25,146	656	-	12,685
Office expenses	-	2,551	29	-	298	51	-	-	2,670	-	3,392	131	511	-	2,749	55	-	1,261
Equipment rental	-	1,377	25	-	134	39	-	-	1,567	-	1,970	90	279	-	1,616	54	-	771
Litigation costs	-	1,643	-	-	-	-	-	-	1,133	-	1,734	-	193	-	-	-	-	-
Library maintenance	-	452	30	-	105	22	-	-	1,633	-	3,500	109	279	-	1,865	46	-	1,035
Other direct expenses	-	7,694	29	-	395	83	-	-	3,340	-	4,202	129	718	-	1,806	75	-	1,343
TOTAL EXPENSES	18,526	200,570	5,000	38,000	111,268	6,300	3,589	53,109	317,384	-	375,000	25,000	56,292	43,178	244,136	10,393	28,999	179,829
CHANGE IN NET ASSETS	-	-	-	-	388,732	-	-	(53,109)	(317,384)	30,000	(375,000)	-	(6,292)	-	5,864	-	(999)	(179,829)
NET ASSETS, BEGINNING	-	545,527	-	-	-	-	-	53,109	417,153	-	375,000	-	37,558	10,000	130,275	-	22,000	179,829
Other Changes in Net Assets:																		
Furniture and equipment:																		
Acquisitions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to General Fund	-	-	-	-	-	-	-	-	-	(30,000)	-	-	-	-	-	-	-	-
NET ASSETS, ENDING	\$ -	\$ 545,527	\$ -	\$ -	\$ 388,732	\$ -	\$ -	\$ -	\$ 99,769	\$ -	\$ -	\$ -	\$ 31,266	\$ 10,000	\$ 136,139	\$ -	\$ 21,001	\$ -

See independent auditor's report on supplementary information

MID-MINNESOTA LEGAL ASSISTANCE
SUPPLEMENTARY SCHEDULE OF FOUNDATION AND OTHER FUNDING (continued)
For the Year Ended December 31, 2021
(With Comparative Totals for 2020)

Minneapolis Foundation	Law Fellows	The Fund for Legal Aid	Cargill Philanthropy	Coalition Programs Support	Other Coalition Activity	Action Now Initiative	CentraCare MLP	BCBS of MN	Children's MLP	Bremer Foundation	BCBS Nav. Coalition	Impact Fund	MN Asset Building Coalition	Revenue Adjustments	Total 2021	Total 2020
\$ 100,000	\$ 98,634	\$ 1,579,000	\$ 250,000	\$ 438,947	\$ -	\$ 50,000	\$ 300,000	\$ 2,000	\$ 100,427	\$ 215,000	\$ 192,403	\$ 17,500	\$ 14,800	\$ (11,438)	\$ 4,555,829	\$ 6,006,341
-	-	-	-	-	9,844	-	-	-	-	-	-	-	-	-	-	759
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,844	6,031
<u>100,000</u>	<u>98,634</u>	<u>1,579,000</u>	<u>250,000</u>	<u>438,947</u>	<u>9,844</u>	<u>50,000</u>	<u>300,000</u>	<u>2,000</u>	<u>100,427</u>	<u>215,000</u>	<u>192,403</u>	<u>17,500</u>	<u>14,800</u>	<u>(11,438)</u>	<u>4,565,673</u>	<u>6,013,131</u>
-	92,205	16,091	36,824	184,662	-	4,927	193,904	5,459	64,328	126,075	25,299	-	-	-	1,538,952	2,047,471
-	-	514,781	-	43,379	-	28,476	8,814	39,673	-	53,674	27,249	-	-	-	1,041,061	1,135,628
-	92,205	530,872	36,824	228,041	-	33,403	202,718	45,132	64,328	179,749	52,548	-	-	-	2,580,013	3,183,099
-	14,617	334,294	19,449	35,292	(1,468)	11,151	84,810	10,195	22,412	62,377	17,389	-	-	-	938,819	903,930
15,000	-	308,967	187	110,153	-	295	3,415	-	780	1,499	32,833	-	(2,500)	-	571,185	318,408
-	-	3,821	-	1,471	-	1,187	3,551	89	369	356	4	-	-	-	11,758	3,841
-	-	78,576	2,183	29,577	-	2,720	7,767	-	8,464	13,286	2,673	-	-	-	262,646	345,958
-	-	14,267	260	7,960	-	345	1,240	-	1,194	2,564	624	-	107	-	42,259	44,180
-	-	7,760	138	7,103	-	473	629	-	532	1,918	492	-	-	-	26,967	12,221
-	-	8,962	-	728	-	-	439	-	765	400	-	5,000	-	-	20,997	5,728
-	-	2,464	62	21	-	-	413	-	625	1,000	-	-	-	-	13,661	6,527
-	-	39,541	270	29,543	(35)	426	2,369	-	958	3,125	746	-	468	-	97,225	39,509
<u>15,000</u>	<u>106,822</u>	<u>1,329,524</u>	<u>59,373</u>	<u>449,889</u>	<u>(1,503)</u>	<u>50,000</u>	<u>307,351</u>	<u>55,416</u>	<u>100,427</u>	<u>266,274</u>	<u>107,309</u>	<u>5,000</u>	<u>(1,925)</u>	<u>-</u>	<u>4,565,530</u>	<u>4,863,401</u>
85,000	(8,188)	249,476	190,627	(10,942)	11,347	-	(7,351)	(53,416)	-	(51,274)	85,094	12,500	16,725	(11,438)	143	1,149,730
-	19,720	-	-	-	(103,538)	-	89,149	53,416	-	112,950	-	-	-	-	1,942,148	1,300,777
-	-	(30,577)	-	(799)	-	-	-	-	-	-	-	-	-	-	(31,376)	(65,395)
-	-	(218,899)	-	-	-	-	-	-	-	-	-	-	-	11,438	(237,461)	(442,964)
<u>\$ 85,000</u>	<u>\$ 11,532</u>	<u>\$ -</u>	<u>\$ 190,627</u>	<u>\$ (11,741)</u>	<u>\$ (92,191)</u>	<u>\$ -</u>	<u>\$ 81,798</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,676</u>	<u>\$ 85,094</u>	<u>\$ 12,500</u>	<u>\$ 16,725</u>	<u>\$ -</u>	<u>\$ 1,673,454</u>	<u>\$ 1,942,148</u>

See independent auditor's report on supplementary information

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Mid-Minnesota Legal Assistance
Minneapolis, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Mid-Minnesota Legal Assistance (including its subsidiary, The Fund for Legal Aid) (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2021, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated March 10, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Mid-Minnesota Legal Assistance's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Mid-Minnesota Legal Assistance's internal control. Accordingly, we do not express an opinion on the effectiveness of Mid-Minnesota Legal Assistance's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Mid-Minnesota Legal Assistance's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hamington Langer & Associates

March 10, 2022

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Mid-Minnesota Legal Assistance
Minneapolis, Minnesota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Mid-Minnesota Legal Assistance's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Mid-Minnesota Legal Assistance's major federal programs for the year ended December 31, 2021. Mid-Minnesota Legal Assistance's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Mid-Minnesota Legal Assistance complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Mid-Minnesota Legal Assistance and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Mid-Minnesota Legal Assistance's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Mid-Minnesota Legal Assistance's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Mid-Minnesota Legal Assistance's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Mid-Minnesota Legal Assistance's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Mid-Minnesota Legal Assistance's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Mid-Minnesota Legal Assistance's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Mid-Minnesota Legal Assistance's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Hamington Langer & Associates

March 10, 2022

MID-MINNESOTA LEGAL ASSISTANCE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2021

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Entity Identifying Number	Subrecipients	Expenditures
U.S. Department of Health and Human Services				
Mental Health - Protection and Advocacy	93.138	6X98SM082563-01M001	\$	\$ 16,447
		6X98SM083870-01M001		448,602
		Attorney Fees		13,750
		6X98SM085956-01		10,969
Subtotal Mental Health - Protection and Advocacy				<u>489,768</u>
Developmental Disabilities - Protection and Advocacy	93.630	2001MNPADD-04		77,604
		2101MNPADD		523,264
		2101MNPADD		54,398
Subtotal Developmental Disabilities - Protection and Advocacy				<u>655,266</u>
COVID-19-Expanding P&As Access to Covid 19 Vaccines	93.630	2101MNPAC5-00		41,176
Voting Act - Protection and Advocacy	93.618	2101MNPAVA-00		25,812
		2101MNPAVA-00		61,125
Subtotal Voting Act - Protection and Advocacy				<u>86,937</u>
Aging Cluster				
Special Programs for the Aging - Title IIIB	93.044			
State Board on Aging through:				
Metropolitan Area Agency on Aging		311-21-003B-36		140,000
Central MN Council on Aging		315-21-003B-001		147,083
Region 9-passed through from Southern Minnesota Regional Legal Services		Unknown		18,615
Subtotal Special Programs for the Aging - Title IIIB			5,600	<u>305,698</u>
State Department of Human Services				
Refugee and Entrant Assistance-State Administered Programs	93.566	GRK%166891		33,506
Refugee and Entrant Assistance-State Administered Programs	93.566	GRK%166891		17,685
Health Insurance Assistance		Unknown		75,456
Pass-through from Lutheran Social Services		Unknown		44,507
Pass-through from Lutheran Social Services		Unknown		10,252
Pass-through from MN Council of Churches		Unknown		38,333
Subtotal Refugee and Entrant Assistance Programs				<u>219,739</u>
Assistive Technology Protection and Advocacy	93.843	2001MNPAAT-02		58,427
		2101MNPAAT-02		21,320
Subtotal Assistive Technology Protection and Advocacy				<u>79,747</u>
Traumatic Brain Injury - Protection and Advocacy	93.873	2001MNPATB-02		33,978
		2101MNPATB-00		26,868
Subtotal Traumatic Brain Injury - Protection and Advocacy				<u>60,846</u>
Total U.S. Department of Health and Human Services			5,600	<u>1,939,177</u>

See accompanying notes to schedule of expenditures of federal awards

MID-MINNESOTA LEGAL ASSISTANCE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
For the Year Ended December 31, 2021

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Entity Identifying Number	Subrecipients	Expenditures
U.S. Department of Education				
Client Assistance Program	84.161A	H161A200024-20B		101,217
		H161A210024		168,106
Subtotal Client Assistance Program				<u>269,323</u>
Protection & Advocacy of Individual Rights	84.240A	H240A200024-20B3.1		7,578
		Attorney Fees		205,850
		H240A210024		159,925
Subtotal Protection & Advocacy of Individual Rights				<u>373,353</u>
Total U.S. Department of Education				<u>642,676</u>
U.S. Social Security Administration				
Protection and Advocacy for Beneficiaries of Social Security	96.009	6 PAB1902033802-01-01		21,080
		6 PAB1902033802-01-01		100,000
		6 PAB1902033802-01-03		647
Subtotal Protection & Advocacy for Beneficiaries of Social Security				<u>121,727</u>
Strengthening Protections for Social Security Beneficiaries	96.009	SPS18000029-03-01		256,128
		SPS18000029-04-00		198,792
Subtotal Strengthening Protections for Social Security Beneficiaries				<u>454,920</u>
Total U.S. Social Security Administration				<u>576,647</u>
U.S. Department of Housing and Urban Development				
CDBG - Entitlement Grants Cluster				
Community Development Block Grants	14.218			
Pass-through from City of Minneapolis		COM0002593		10,555
Pass-through from City of Minneapolis		COM0003896		14,897
Pass-through from City of Minneapolis		COM0003042		17,673
Pass-through from City of Minneapolis		COM0003042-1		27,340
COVID-19 CARES Act Pass-through from City of Minneapolis		COM0002935	162,769	829,169
Subtotal Community Development Block Grants Cluster				<u>899,634</u>
Fair Housing Initiative Program: Private Enforcement Initiatives	14.418	FPEI190055		104,191
		FPEI190055 #2		213,692
Subtotal Fair Housing Initiative Program			140,057	317,883
Total U.S. Department of Housing and Urban Development			302,826	<u>1,217,517</u>

See accompanying notes to schedule
of expenditures of federal awards

MID-MINNESOTA LEGAL ASSISTANCE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
For the Year Ended December 31, 2021

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Entity Identifying Number	Subrecipients	Expenditures
Legal Service Corporation				
Pass-through from Central Minnesota Legal Services	09.524020	TIG #19056		15,999
Total Legal Services Corporation				<u>15,999</u>
U.S. Department of Justice				
Legal Assistance for Victims Program	16.524	2019-WL-AX-0039		215,870
	16.U01	DJJ-17-PSS-S-2757		4,768
Total U.S. Department of Justice			<u>54,394</u>	<u>220,638</u>
U.S. Department of Treasury				
Low Income Tax Clinic	21.008	20-LITC0407-03-00		100,000
COVID 19 - Coronavirus Relief Fund	21.019			
CARES Act Pass-through from State of MN		Unknown		1,024,629
Total U.S. Department of Treasury				<u>1,124,629</u>
U.S. Department of Homeland Security				
Pass-through from Pearl Crisis Center	97.010	21CICET00181-01-00		12,694
Total Expenditures of Federal Awards			<u>\$ 362,820</u>	<u>\$ 5,749,977</u>

See accompanying notes to schedule
of expenditures of federal awards

MID-MINNESOTA LEGAL ASSISTANCE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Mid-Minnesota Legal Assistance under programs of the federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Mid-Minnesota Legal Assistance, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Mid-Minnesota Legal Assistance.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3. INDIRECT COST RATE

Mid-Minnesota Legal Assistance has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

MID-MINNESOTA LEGAL ASSISTANCE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2021

Section I—Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ___ yes X no

Significant deficiency(ies) identified? ___ yes X none reported

Noncompliance material to financial statements noted? ___ yes X no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? ___ yes X no

Significant deficiency(ies) identified? ___ yes X none reported

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the 2 CFR section 200.516(a)? ___ yes X no

Major programs:

<u>CFDA Number(s):</u>	<u>Name of Federal Program or Cluster:</u>
21.019	Coronavirus Relief Fund
14.218	CDBG – Entitlement Grants Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? X yes ___ no

MID-MINNESOTA LEGAL ASSISTANCE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2021

Section II—Financial Statement Audit Findings

No matters were reported.

Section III—Findings and Questioned Costs-Major Federal Award Programs Audit

No matters were reported.

Section IV—Prior Year Findings and Questioned Costs

No matters were reported.