

**MID-MINNESOTA  
LEGAL ASSISTANCE  
AUDITED CONSOLIDATED  
FINANCIAL STATEMENTS  
December 31, 2023**

**MID-MINNESOTA LEGAL ASSISTANCE**  
**TABLE OF CONTENTS**  
For the Year Ended December 31, 2023

INDEPENDENT AUDITOR'S REPORT	1
CONSOLIDATED FINANCIAL STATEMENTS	
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	4
CONSOLIDATED STATEMENT OF ACTIVITIES	6
CONSOLIDATED STATEMENT OF CASH FLOWS	7
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES	8
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	9
INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION	20
SUPPLEMENTARY INFORMATION	
CONSOLIDATING STATEMENT OF FINANCIAL POSITION	21
CONSOLIDATING STATEMENT OF ACTIVITIES	22
SUPPLEMENTARY SCHEDULE OF GRANT SOURCES	23
SUPPLEMENTARY SCHEDULE OF FEDERAL ASSISTANCE	24
SUPPLEMENTARY SCHEDULE OF STATE AND COUNTY FUNDING	26
SUPPLEMENTARY SCHEDULE OF OTHER FUNDING	28
SUPPLEMENTARY SCHEDULE OF RESTRICTED FUNDS	29
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	31
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	33
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	36
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	39
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	40



**Harrington Langer & Associates**  
**Certified Public Accountants**  
**563 Phalen Boulevard, St. Paul, MN 55130**  
**651-481-1128 Phone | 651-481-0982 Fax**  
[www.hlaccountants.com](http://www.hlaccountants.com)

## **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, 2023, 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, 2023, 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 opinion.

## ***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 2022 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated March 10, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, 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 12, 2024, 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 12, 2024

**MID-MINNESOTA LEGAL ASSISTANCE**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
December 31, 2023  
(With Comparative Totals for 2022)

	2023	2022
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 5,776,907	\$ 4,773,839
Client escrow funds	48,493	104,683
Promises to give:		
Governmental support and other grants	2,165,217	2,429,223
Contributions	111,785	197,066
Prepaid expenses	142,163	56,741
	8,244,565	7,561,552
<b>PROPERTY AND EQUIPMENT, at cost</b>	1,900,985	1,819,498
Less: accumulated depreciation	(1,062,062)	(840,043)
	838,923	979,455
<b>OTHER ASSETS</b>		
Investments held at Community Foundation	4,104,605	3,803,477
Operating lease right-of-use assets	6,014,073	6,640,864
	10,118,678	10,444,341
<b>TOTAL ASSETS</b>	\$ 19,202,166	\$ 18,985,348

	<u>2023</u>	<u>2022</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 369,431	\$ 273,209
Client trust deposits	48,493	104,683
Accrued expenses	719,359	514,184
Deferred revenue	512,358	329,851
Operating lease liabilities, current portion	<u>506,431</u>	<u>585,954</u>
TOTAL CURRENT LIABILITIES	2,156,072	1,807,881
<b>LONG-TERM LIABILITIES</b>		
Operating lease liabilities, net of current portion	<u>6,077,756</u>	<u>6,584,187</u>
TOTAL LIABILITIES	<u>8,233,828</u>	<u>8,392,068</u>
<b>NET ASSETS</b>		
Net assets without donor restrictions	7,922,181	6,611,052
Net assets with donor restrictions	<u>3,046,157</u>	<u>3,982,228</u>
TOTAL NET ASSETS	<u>10,968,338</u>	<u>10,593,280</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 19,202,166</u></u>	<u><u>\$ 18,985,348</u></u>

**MID-MINNESOTA LEGAL ASSISTANCE**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
For the Year Ended December 31, 2023  
(With Comparative Totals for 2022)

	Without Donor Restrictions	With Donor Restrictions	Total 2023	Total 2022
<b>SUPPORT AND REVENUE</b>				
Support:				
Governmental support	\$ 15,138,164	\$ -	\$ 15,138,164	\$ 12,038,324
Other grants	740,588	1,055,484	1,796,072	3,498,443
Contributions	1,810,099	7,000	1,817,099	2,047,153
In-kind contributions	2,256,282	-	2,256,282	488,004
Miscellaneous	61,027	-	61,027	-
Special events	330,366	-	330,366	400,312
Total Support	<u>20,336,526</u>	<u>1,062,484</u>	<u>21,399,010</u>	<u>18,472,236</u>
Revenue:				
Training and other revenue	12,238	-	12,238	61,054
Interest income	61,262	-	61,262	689
Attorney fees	1,193,066	-	1,193,066	112,573
Change in value of investments held at Community Foundation, net	194,330	197,149	391,479	(518,783)
Total Revenue	<u>1,460,896</u>	<u>197,149</u>	<u>1,658,045</u>	<u>(344,467)</u>
Net Assets Released from Restrictions	<u>2,195,704</u>	<u>(2,195,704)</u>	<u>-</u>	<u>-</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>23,993,126</u>	<u>(936,071)</u>	<u>23,057,055</u>	<u>18,127,769</u>
<b>EXPENSES</b>				
Program Services	<u>19,997,405</u>	<u>-</u>	<u>19,997,405</u>	<u>16,449,825</u>
Supporting Services:				
Management and general	2,142,262	-	2,142,262	2,121,300
Fundraising	542,330	-	542,330	478,538
Total Supporting Services	<u>2,684,592</u>	<u>-</u>	<u>2,684,592</u>	<u>2,599,838</u>
<b>TOTAL EXPENSES</b>	<u>22,681,997</u>	<u>-</u>	<u>22,681,997</u>	<u>19,049,663</u>
<b>CHANGE IN NET ASSETS</b>	1,311,129	(936,071)	375,058	(921,894)
NET ASSETS, BEGINNING	<u>6,611,052</u>	<u>3,982,228</u>	<u>10,593,280</u>	<u>11,515,174</u>
<b>NET ASSETS, ENDING</b>	<u>\$ 7,922,181</u>	<u>\$ 3,046,157</u>	<u>\$ 10,968,338</u>	<u>\$ 10,593,280</u>

**MID-MINNESOTA LEGAL SERVICES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the Year Ended December 31, 2023  
(With Comparative Totals for 2022)

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 375,058	\$ (921,894)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	222,019	213,058
Change in value of Community Foundation investments, net	(391,479)	518,783
Donations of property and equipment	-	320,535
Change in value of interest in charitable trust	-	7,847
Change in:		
Promises to give	349,287	(300,710)
Prepaid expenses	(85,422)	6,734
Operating lease assets and liabilities	40,838	529,277
Accounts payable	96,222	(589,273)
Client trust deposits	(56,190)	(117,417)
Accrued expenses	205,175	(5,841)
Deferred revenue	182,507	329,851
	<b>938,015</b>	<b>(9,050)</b>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Contributions to Community Foundation	(7,000)	(724,988)
Distributions from Community Foundation	97,350	143,103
Proceeds from interest in charitable trust	-	97,654
Purchase of property and equipment	(81,487)	(17,016)
	<b>8,863</b>	<b>(501,247)</b>
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>		
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH</b>	<b>946,878</b>	<b>(510,297)</b>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, BEGINNING</b>	<b>4,878,522</b>	<b>5,388,819</b>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, ENDING</b>	<b>\$ 5,825,400</b>	<b>\$ 4,878,522</b>
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>		
Cash and cash equivalents	\$ 5,776,907	\$ 4,773,839
Client escrow funds	48,493	104,683
	<b>\$ 5,825,400</b>	<b>\$ 4,878,522</b>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, ENDING</b>	<b>\$ 5,825,400</b>	<b>\$ 4,878,522</b>

**MID-MINNESOTA LEGAL ASSISTANCE**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended December 31, 2023  
(With Comparative Totals for 2022)

EXPENSES	Support Services						Total 2023	Total 2022
	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	\$ 5,954,433	\$ 496,986	\$ 107,923	\$ -	\$ 54,915	\$ 659,824	\$ 6,614,257	\$ 5,683,998
Non-lawyers	4,171,338	660,903	129,422	-	-	790,325	4,961,663	4,530,426
Total salaries	10,125,771	1,157,889	237,345	-	54,915	1,450,149	11,575,920	10,214,424
Payroll taxes and employee benefits	3,786,063	364,196	87,343	-	15,655	467,194	4,253,257	3,986,674
Contract services	1,743,353	360,621	70,047	6,500	-	437,168	2,180,521	2,215,858
Contributed legal services	2,256,282	-	-	-	-	-	2,256,282	488,004
Equipment purchase	98,360	-	-	-	-	-	98,360	-
Travel	73,052	1,555	302	-	-	1,857	74,909	52,116
Space and occupancy	941,539	95,690	18,587	-	-	114,277	1,055,816	1,069,290
Office expenses	131,232	21,548	4,185	-	4,849	30,582	161,814	164,148
Equipment rental	69,755	6,342	1,232	-	-	7,574	77,329	87,633
Litigation costs	160,766	-	-	-	-	-	160,766	57,091
Library maintenance	58,851	109	21	-	-	130	58,981	53,701
Other direct expenses	352,640	93,089	18,081	16,068	26,145	153,383	506,023	447,666
Total expenses before depreciation	19,797,664	2,101,039	437,143	22,568	101,564	2,662,314	22,459,978	18,836,605
Depreciation	199,741	18,655	3,623	-	-	22,278	222,019	213,058
TOTAL EXPENSES	<u>\$ 19,997,405</u>	<u>\$ 2,119,694</u>	<u>\$ 440,766</u>	<u>\$ 22,568</u>	<u>\$ 101,564</u>	<u>\$ 2,684,592</u>	<u>\$ 22,681,997</u>	<u>\$ 19,049,663</u>

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.

**Recently Adopted Accounting Pronouncements:**

In June 2016, the FASB issued guidance (FASB ASC 326) which significantly changed how the Organization will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through change in net assets. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under this standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 were trade accounts receivable.

MMLA adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

**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.

**MID-MINNESOTA LEGAL ASSISTANCE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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.

**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, 2023, the Organization's uninsured cash balances totaled approximately \$4,180,000.

**Client Escrow Funds:**

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

**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.

**MID-MINNESOTA LEGAL ASSISTANCE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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 uncollectible promises to give was not considered necessary at December 31, 2023.

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

**Leases:**

The Organization accounts for leases in accordance with FASB ASC 842. The Organization is a lessee in several non-cancelable operating leases for office space. Leases for other equipment are evaluated using the criteria outlined in FASB ASC 842 to determine whether they will be classified as operating or finance leases. The Organization determines if an arrangement is a lease, or contains a lease, at inception of a contract and when terms of an existing contract are changed. The Organization determines if an arrangement conveys the right to use an identified asset and whether the Organization obtains substantially all of the economic benefits from and has the ability to direct the use of the asset. The Organization recognizes a lease liability and ROU asset at the commencement date of the lease. Operating lease ROU assets and related current and long-term portions of operating lease liabilities have been presented in the statement of financial position.

**MID-MINNESOTA LEGAL ASSISTANCE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Lease Liabilities:**

A lease liability is measured on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or rate and are measured using the index or rate at the commencement date. Lease payments, including variable payments made based on an index rate, are remeasured when any of the following occur: (1) the lease is modified (and the modification is not accounted for as a separate contract), (2) certain contingencies related to variable lease payments are resolved, or (3) there is a reassessment of any of the following: the lease term, purchase options, or amounts that are probable of being owed under a residual value guarantee. The discount rate is the rate implicit in the lease if it is readily determinable. The implicit rates of the Organization's leases are not readily determinable; accordingly, the Organization has made the election to use a risk-free rate in lieu of its incremental borrowing rate using a period comparable with that of the individual lease term based on the information available at the commencement date for each lease. For existing leases at implementation date of ASC 842, the risk-free rate used is the rate comparable with the remaining lease term as of the implementation date.

**ROU Assets:**

A ROU asset is measured at the commencement date at the amount of the initially measured liability plus any lease payments made to the lessor before or after commencement date, minus any lease incentives received, plus any initial direct costs. Unless impaired, the ROU asset is subsequently measured throughout the lease term at the amount of the lease liability (that is the present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received. Lease cost for lease payments is recognized on a straight-line basis over the term of the lease. Finance lease ROU assets are amortized on a straight-line basis over the shorter of the lease term or the remaining useful life of the asset.

**Accounting Policy Election for Short-term Leases:**

The Organization has elected for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less, but greater than 1 month at lease commencement, and do not include an option to purchase the underlying asset the Organization is reasonably certain to exercise. The Organization recognizes lease cost associated with its short-term leases on a straight-line basis over the lease term.

**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.

**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 \$22,500,000 that have not been recognized at December 31, 2023 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.

**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.

**MID-MINNESOTA LEGAL ASSISTANCE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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, 2022, 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 12, 2024, the date the consolidated financial statements were available to be issued.

**NOTE 2. AVAILABILITY AND LIQUIDITY**

The following represents MMLA's financial assets available for general expenditure within one year of December 31, 2023:

	Amount
Financial assets at year-end	
Cash and cash equivalents	\$ 5,776,907
Promises to give	2,277,002
Investments held at Community Foundation	4,104,605
Total financial assets	12,158,514
Less amounts not available to be used within one year	
Net assets with donor restrictions	3,046,157
Less net assets with restrictions to be met in less than one year	(586,260)
Quasi endowment established by the Board	1,644,708
Financial assets available to meet general expenditures within one year	\$ 8,053,909

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.

**MID-MINNESOTA LEGAL ASSISTANCE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 3. PROPERTY AND EQUIPMENT**

At December 31, 2023, property and equipment consisted of the following:

	Amount
Furniture and equipment	\$ 1,492,079
Building and improvements	401,915
Law library	6,991
	1,900,985
Accumulated depreciation	(1,062,062)
	\$ 838,923

**NOTE 4. INVESTMENTS HELD AT COMMUNITY FOUNDATION**

The Organization’s agreement with the Community Foundation (the 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 5. 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 U.S. 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, 2023 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted	\$ -	\$ 2,459,897	\$ 2,459,897
Board designated	1,644,708	-	1,644,708
	\$ 1,644,708	\$ 2,459,897	\$ 4,104,605

**MID-MINNESOTA LEGAL ASSISTANCE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 5. ENDOWMENT FUNDS (continued)**

Changes in endowment net assets for the year ended December 31, 2023 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment, 1/1/23	\$ 1,450,378	\$ 2,353,099	\$ 3,803,477
Contributions	-	7,000	7,000
Investment return:			
Management fees	(10,727)	(24,680)	(35,407)
Realized and unrealized gains	205,057	221,828	426,885
Appropriation of endowment assets for expenditure	-	(97,350)	(97,350)
Endowment, 12/31/23	<u>\$ 1,644,708</u>	<u>\$ 2,459,897</u>	<u>\$ 4,104,605</u>

**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:
  - 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;
  - Inputs that are derived principally from or corroborated by other observable market data.
  
- Level 3      Unobservable inputs that cannot be corroborated by observable market data.

**MID-MINNESOTA LEGAL ASSISTANCE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 6. FAIR VALUE MEASUREMENTS (continued)**

As of December 31, 2023, 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 5 for the change in value of these Level 3 investments.

**NOTE 7. IN-KIND CONTRIBUTIONS**

The Organization received donated legal services for program purposes. Donated services are recorded when there is an objective basis to measure the value of such services and the service involves specialized skills that would be purchased, if not provided by donation. Based on the current market rate for these services, the Organization would have paid \$2,256,282 for the services provided in the year ended December 31, 2023.

All gifts-in-kind received by the Organization for the year ended December 31, 2023 were considered without donor restrictions and able to be used by the Organization as determined by the Board of Directors and management.

**NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions as of December 31, 2023, consisted of the following:

	Amount
Purpose Restricted	
Affordable Rental Housing	\$ 182,875
Housing Services	21,508
Immigration	108,533
Medical Legal Partnership	53,645
MN Asset Building Coalition	165,436
Navigator Coalition	34,763
Seniors	19,500
Investments to be held in perpetuity	2,459,897
Total Net Assets With Donor Restrictions	\$ 3,046,157

**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, 2023:

	Amount
Purpose Restricted	
Affordable Rental Housing	\$ 409,147
Community Partnership	366,438
Fellowships	204,773
Housing Services	134,884
Immigration	450,237
Law Fellows	21,166
Medical Legal Partnership	297,625
MN Asset Building Coalition	45,114
Navigator Coalition	162,470
Seniors	6,500
Appropriation of endowment assets for expenditure	97,350
Total Released from Restrictions	\$ 2,195,704

**NOTE 9. LEASES**

The Organization leases office facilities and equipment under various long-term non-cancelable operating lease arrangements that expire through February 2035. Most leases include renewal options which can extend the lease term. The exercise of these renewal options is at the sole discretion of the Organization, and only lease options that the Organization believes are reasonably certain to exercise are included in the measurement of the lease assets and liabilities. The Organization subleases various leases to an unrelated entity under an annual lease agreement.

For the year ended December 31, 2023, the components of operating lease expenses, all of which is included in space and occupancy in the consolidated statement of functional expenses except for \$52,224 which is included in equipment rental, were as follow:

Operating lease cost	\$ 779,499
Short-term lease cost	\$ 173,167
Sublease income	\$ (205,931)

Supplemental cash flow information for the year ended December 31, 2023:

Operating cash flows from operating leases	\$ 689,133
--------------------------------------------	------------

Weighted average lease term and discount rate as of December 31, 2023 were as follows:

Weighted average remaining lease terms	11.09 Years
Weighted average discount rate	1.52%

**MID-MINNESOTA LEGAL ASSISTANCE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 9. LEASES (continued)**

The maturities of operating lease liabilities as of December 31, 2023 were as follows:

Year Ending December 31,	Amount
2024	\$ 601,987
2025	569,505
2026	586,421
2027	603,337
2028	620,253
Thereafter	4,197,989
Total lease payments	7,179,492
Less: interest	(595,305)
Present value of lease liability	\$ 6,584,187

**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 2023 were \$379,799.

**NOTE 11. RECLASSIFICATIONS**

Certain prior period amounts have been reclassified to conform with the current year presentation. These reclassifications had no effect on previously reported net assets.



**Harrington Langer & Associates**  
**Certified Public Accountants**  
**563 Phalen Boulevard, St. Paul, MN 55130**  
**651-481-1128 Phone | 651-481-0982 Fax**  
[www.hlaccountants.com](http://www.hlaccountants.com)

**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, 2023, and our report thereon dated March 12, 2024, 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 21-30, 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 12, 2024

**MID-MINNESOTA LEGAL ASSISTANCE**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
December 31, 2023  
(With Comparative Totals for 2022)

	Mid-Minnesota Legal Assistance	The Fund for Legal Aid	Eliminations	Total 2023	Total 2022
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	\$ 4,703,644	\$ 1,073,263	\$ -	\$ 5,776,907	\$ 4,773,839
Client escrow funds	48,493	-	-	48,493	104,683
Promises to give:					
Government support and other grants	2,964,714	-	(799,497)	2,165,217	2,429,223
Contributions	1,508	110,277	-	111,785	197,066
Net assets of The Fund for Legal Aid	384,043	-	(384,043)	-	-
Prepaid expenses	142,163	-	-	142,163	56,741
<b>TOTAL CURRENT ASSETS</b>	<b>8,244,565</b>	<b>1,183,540</b>	<b>(1,183,540)</b>	<b>8,244,565</b>	<b>7,561,552</b>
<b>PROPERTY AND EQUIPMENT, at cost</b>	<b>1,900,985</b>	<b>-</b>	<b>-</b>	<b>1,900,985</b>	<b>1,819,498</b>
Less: accumulated depreciation	(1,062,062)	-	-	(1,062,062)	(840,043)
<b>TOTAL PROPERTY AND EQUIPMENT, net</b>	<b>838,923</b>	<b>-</b>	<b>-</b>	<b>838,923</b>	<b>979,455</b>
<b>OTHER LONG-TERM ASSETS</b>					
Investments held at Community Foundation	4,104,605	-	-	4,104,605	3,803,477
Operating lease right-of-use assets	6,014,073	-	-	6,014,073	6,640,864
<b>TOTAL OTHER LONG-TERM ASSETS</b>	<b>10,118,678</b>	<b>-</b>	<b>-</b>	<b>10,118,678</b>	<b>10,444,341</b>
<b>TOTAL ASSETS</b>	<b>\$ 19,202,166</b>	<b>\$ 1,183,540</b>	<b>\$ (1,183,540)</b>	<b>\$ 19,202,166</b>	<b>\$ 18,985,348</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES</b>					
Accounts payable	\$ 369,431	\$ 799,497	\$ (799,497)	\$ 369,431	\$ 273,209
Client trust deposits	48,493	-	-	48,493	104,683
Accrued expenses	719,359	-	-	719,359	514,184
Deferred revenue	512,358	-	-	512,358	329,851
Operating lease liabilities, current portion	506,431	-	-	506,431	585,954
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,156,072</b>	<b>799,497</b>	<b>(799,497)</b>	<b>2,156,072</b>	<b>1,807,881</b>
<b>LONG-TERM LIABILITIES</b>					
Operating lease liabilities, net of current portion	6,077,756	-	-	6,077,756	6,584,187
<b>TOTAL LIABILITIES</b>	<b>8,233,828</b>	<b>799,497</b>	<b>(799,497)</b>	<b>8,233,828</b>	<b>8,392,068</b>
<b>NET ASSETS</b>					
Net assets without donor restrictions	7,922,181	384,043	(384,043)	7,922,181	6,611,052
Net assets with donor restrictions	3,046,157	-	-	3,046,157	3,982,228
<b>TOTAL NET ASSETS</b>	<b>10,968,338</b>	<b>384,043</b>	<b>(384,043)</b>	<b>10,968,338</b>	<b>10,593,280</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 19,202,166</b>	<b>\$ 1,183,540</b>	<b>\$ (1,183,540)</b>	<b>\$ 19,202,166</b>	<b>\$ 18,985,348</b>

See independent auditor's report  
on supplementary information

**MID-MINNESOTA LEGAL ASSISTANCE**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
For the Year Ended December 31, 2023  
(With Comparative Totals for 2022)

	Mid-Minnesota Legal Assistance	The Fund for Legal Aid	Eliminations	Total 2023	Total 2022
<b>SUPPORT AND REVENUE</b>					
Support:					
Governmental support	\$ 15,138,164	\$ -	\$ -	\$ 15,138,164	\$ 12,038,324
Other grants	3,446,072	-	(1,650,000)	1,796,072	3,498,443
Contributions	722,217	1,094,882	-	1,817,099	2,047,153
In-kind contributions	2,256,282	-	-	2,256,282	488,004
Miscellaneous	61,027	-	-	61,027	-
Special events	-	330,366	-	330,366	400,312
Total Support	<u>21,623,762</u>	<u>1,425,248</u>	<u>(1,650,000)</u>	<u>21,399,010</u>	<u>18,472,236</u>
Revenue:					
Training and other revenue	12,238	-	-	12,238	61,054
Interest income	57,505	3,757	-	61,262	689
Attorney fees	1,193,066	-	-	1,193,066	112,573
Change in value of investments held at Community Foundation, net	391,479	-	-	391,479	(518,783)
Total Revenue	<u>1,654,288</u>	<u>3,757</u>	<u>-</u>	<u>1,658,045</u>	<u>(344,467)</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>23,278,050</u>	<u>1,429,005</u>	<u>(1,650,000)</u>	<u>23,057,055</u>	<u>18,127,769</u>
<b>EXPENSES</b>					
Program Services	<u>19,997,405</u>	<u>-</u>	<u>-</u>	<u>19,997,405</u>	<u>16,449,825</u>
Supporting Services:					
Management and general	2,119,694	22,568	-	2,142,262	2,121,300
Fundraising	440,766	101,564	-	542,330	478,538
Total Supporting Services	<u>2,560,460</u>	<u>124,132</u>	<u>-</u>	<u>2,684,592</u>	<u>2,599,838</u>
<b>TOTAL EXPENSES</b>	<u>22,557,865</u>	<u>124,132</u>	<u>-</u>	<u>22,681,997</u>	<u>19,049,663</u>
<b>CHANGE IN NET ASSETS</b>	720,185	1,304,873	(1,650,000)	375,058	(921,894)
<b>NET ASSETS, BEGINNING</b>	10,593,280	729,170	(729,170)	10,593,280	11,515,174
<b>OTHER CHANGES IN NET ASSETS</b>					
Increase in net assets of The Fund for Legal Aid	(345,127)	-	345,127	-	-
Equity transfer to Mid-Minnesota Legal Assistance	-	(1,650,000)	1,650,000	-	-
<b>NET ASSETS, ENDING</b>	<u>\$ 10,968,338</u>	<u>\$ 384,043</u>	<u>\$ (384,043)</u>	<u>\$ 10,968,338</u>	<u>\$ 10,593,280</u>

See independent auditor's report  
on supplementary information

**MID-MINNESOTA LEGAL ASSISTANCE**  
**SUPPLEMENTARY SCHEDULE OF GRANT SOURCES**  
For the Year Ended December 31, 2023  
(With Comparative Totals for 2022)

	Federal Assistance	State, County, and Cities	Pro Bono Services	Other	Total Without Restrictions	Total With Restrictions	Total 2023	Total 2022
<b>SUPPORT AND REVENUE</b>								
Governmental support and other grants	\$ 4,533,480	\$ 10,604,684	\$ -	\$ 2,390,588	\$ 17,528,752	\$ 1,055,484	\$ 18,584,236	\$ 17,186,767
Contributions	660	-	-	714,557	715,217	7,000	722,217	1,375,146
In-kind contributions	-	-	2,256,282	-	2,256,282	-	2,256,282	-
Training and other events	-	-	-	12,238	12,238	-	12,238	61,054
Attorney fees	582,859	-	-	610,207	1,193,066	-	1,193,066	112,573
Miscellaneous	-	-	-	61,027	61,027	-	61,027	-
Interest	-	-	-	57,505	57,505	-	57,505	193
Change in value of investments held at Community Foundation	-	-	-	194,330	194,330	197,149	391,479	(518,783)
<b>TOTAL SUPPORT AND REVENUE</b>	<b>5,116,999</b>	<b>10,604,684</b>	<b>2,256,282</b>	<b>4,040,452</b>	<b>22,018,417</b>	<b>1,259,633</b>	<b>23,278,050</b>	<b>18,216,950</b>
<b>EXPENSES</b>								
Personnel salaries								
Lawyers	2,084,766	4,070,495	-	(560,130)	5,595,131	964,211	6,559,342	5,635,990
Non-lawyers	993,868	2,740,362	-	1,020,176	4,754,406	207,257	4,961,663	4,530,426
Total salaries	3,078,634	6,810,857	-	460,046	10,349,537	1,171,468	11,521,005	10,166,416
Payroll taxes and employee benefits	1,040,236	1,980,511	-	841,559	3,862,306	375,296	4,237,602	3,973,102
Contract services	594,538	346,074	-	958,960	1,899,572	274,449	2,174,021	2,697,362
Contributed legal services	-	-	2,256,282	-	2,256,282	-	2,256,282	-
Equipment purchase	-	98,360	-	-	98,360	-	98,360	-
Travel	17,127	34,625	-	5,172	56,924	17,985	74,909	52,116
Space and occupancy	255,095	578,494	-	153,680	987,269	68,547	1,055,816	1,069,290
Office expenses	27,706	67,495	-	49,245	144,446	12,519	156,965	153,007
Equipment rental	15,388	33,915	-	22,222	71,525	5,804	77,329	87,633
Depreciation	-	-	-	222,019	222,019	-	222,019	213,058
Litigation costs	7,611	128,023	-	(708)	134,926	25,840	160,766	57,091
Library maintenance	12,890	35,167	-	5,878	53,935	5,046	58,981	53,701
Other direct expenses	67,774	107,901	-	146,735	322,410	141,400	463,810	418,414
<b>TOTAL EXPENSES</b>	<b>5,116,999</b>	<b>10,221,422</b>	<b>2,256,282</b>	<b>2,864,808</b>	<b>20,459,511</b>	<b>2,098,354</b>	<b>22,557,865</b>	<b>18,941,190</b>
<b>CHANGE IN NET ASSETS</b>	<b>-</b>	<b>383,262</b>	<b>-</b>	<b>1,175,644</b>	<b>1,558,906</b>	<b>(838,721)</b>	<b>720,185</b>	<b>(724,240)</b>
<b>NET ASSETS, BEGINNING</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,611,052</b>	<b>6,611,052</b>	<b>3,982,228</b>	<b>10,593,280</b>	<b>11,515,174</b>
Other Changes in Net Assets:								
Transfers to General Fund	-	17,907	-	79,443	97,350	(97,350)	-	-
Decrease in net assets of The Fund for Legal Aid	-	-	-	(345,127)	(345,127)	-	(345,127)	(197,654)
<b>NET ASSETS, ENDING</b>	<b>\$ -</b>	<b>\$ 401,169</b>	<b>\$ -</b>	<b>\$ 7,521,012</b>	<b>\$ 7,922,181</b>	<b>\$ 3,046,157</b>	<b>\$ 10,968,338</b>	<b>\$ 10,593,280</b>

See independent auditor's report  
on supplementary information

**MID-MINNESOTA LEGAL ASSISTANCE**  
**SUPPLEMENTARY SCHEDULE OF FEDERAL ASSISTANCE**  
For the Year Ended December 31, 2023  
(With Comparative Totals for 2022)

	Department of Health and Human Services											Social Security Administration		
	Protection and Advocacy Voting Act	TBI Program	Developmental Disability Protection & Advocacy	Public Health	Mental Health Protection & Advocacy	Metropolitan Council Older Americans	CMCOA Older Americans Act	Region 9 Older Americans Act	MN Council of Churches	LSS Refugee Services	DHS	Assistive Technology Program	PABSS	Rep Payee
<b>SUPPORT AND REVENUE</b>														
Governmental support	\$ 112,681	\$ 73,176	\$ 499,053	\$ 96,249	\$ 392,771	\$ 148,422	\$ 152,200	\$ 29,006	\$ 38,973	\$ 40,638	\$ 84,335	\$ 79,137	\$ 164,918	\$ 404,004
Contributions	-	-	-	-	-	60	600	-	-	-	-	-	-	-
Attorney fees	-	-	-	-	150,940	-	-	-	-	-	-	-	-	-
<b>TOTAL SUPPORT AND REVENUE</b>	<b>112,681</b>	<b>73,176</b>	<b>499,053</b>	<b>96,249</b>	<b>543,711</b>	<b>148,482</b>	<b>152,800</b>	<b>29,006</b>	<b>38,973</b>	<b>40,638</b>	<b>84,335</b>	<b>79,137</b>	<b>164,918</b>	<b>404,004</b>
<b>EXPENSES</b>														
Personnel salaries														
Lawyers	40,982	26,733	219,374	10,589	243,386	100,568	73,297	16,071	24,589	14,596	-	50,690	71,811	44,719
Non-lawyers	30,653	22,816	124,618	37,937	127,436	2,384	40,812	5,564	4,446	15,389	54,572	4,746	40,343	211,681
Total salaries	71,635	49,549	343,992	48,526	370,822	102,952	114,109	21,635	29,035	29,985	54,572	55,436	112,154	256,400
Payroll taxes and employee benefits	23,724	16,621	115,413	15,467	124,358	40,856	38,676	7,371	9,938	10,149	21,833	18,660	37,516	84,576
Contract services	1,939	710	-	13,052	160	-	-	-	-	-	422	-	1,090	148
Travel	657	429	745	277	3,438	-	-	-	-	-	1,508	24	823	7,916
Space and occupancy	6,339	3,880	29,106	5,316	30,947	4,674	-	-	-	435	3,991	3,612	8,626	42,257
Office expenses	374	246	2,416	9,179	2,454	-	-	-	-	69	761	223	538	2,097
Equipment rental	414	302	2,269	424	2,306	-	-	-	-	-	158	283	678	2,034
Litigation costs	3	192	21	-	(28)	-	-	-	-	-	-	-	25	-
Library maintenance	304	216	1,490	344	1,558	-	-	-	-	-	262	194	450	1,533
Other direct expenses	7,292	1,031	3,601	3,664	7,696	-	15	-	-	-	828	705	3,018	7,043
<b>TOTAL EXPENSES</b>	<b>112,681</b>	<b>73,176</b>	<b>499,053</b>	<b>96,249</b>	<b>543,711</b>	<b>148,482</b>	<b>152,800</b>	<b>29,006</b>	<b>38,973</b>	<b>40,638</b>	<b>84,335</b>	<b>79,137</b>	<b>164,918</b>	<b>404,004</b>
<b>CHANGE IN NET ASSETS</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>NET ASSETS, BEGINNING</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Changes in Net Assets: Transfers to General Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>NET ASSETS, ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See independent auditor's report on supplementary information

**MID-MINNESOTA LEGAL ASSISTANCE**  
**SUPPLEMENTARY SCHEDULE OF FEDERAL ASSISTANCE (continued)**  
For the Year Ended December 31, 2023  
(With Comparative Totals for 2022)

	Department of Treasury			Department of Education		Department of Housing and Urban Development				Department of Homeland Security	Department of Justice		Total 2023	Total 2022
	Low Income Tax Clinic	City of Minneapolis CARES Act	MHFA Emergency Rental Assistance Program	PAIR Program	Client Assistance Program	CDBG Minneapolis	CDBG City Fair Housing	FHIP Fair Housing	ARP HUD	USCIS	VAWA	OJP NQRP		
<b>SUPPORT AND REVENUE</b>														
Governmental support	\$ 116,000	\$ 699,142	\$ 335,842	\$ 117,754	\$ 202,011	\$ 25,334	\$ 52,982	\$ 277,544	\$ 223,279	\$ 139,965	\$ 27,723	\$ 341	\$ 4,533,480	\$ 4,165,385
Contributions	-	-	-	-	-	-	-	-	-	-	-	-	660	175
Attorney Fees	-	-	-	431,919	-	-	-	-	-	-	-	-	582,859	52,317
<b>TOTAL SUPPORT AND REVENUE</b>	<b>116,000</b>	<b>699,142</b>	<b>335,842</b>	<b>549,673</b>	<b>202,011</b>	<b>25,334</b>	<b>52,982</b>	<b>277,544</b>	<b>223,279</b>	<b>139,965</b>	<b>27,723</b>	<b>341</b>	<b>5,116,999</b>	<b>4,217,877</b>
<b>EXPENSES</b>														
Personnel salaries														
Lawyers	71,219	299,436	191,137	304,624	74,300	18,138	36,656	69,210	11,561	54,936	15,894	250	2,084,766	1,648,516
Non-lawyers	15,281	55,087	10,532	65,454	62,593	-	-	267	34,450	26,782	25	-	993,868	930,037
Total salaries	86,500	354,523	201,669	370,078	136,893	18,138	36,656	69,477	46,011	81,718	15,919	250	3,078,634	2,578,553
Payroll taxes and employee benefits	29,500	118,200	67,567	123,937	45,851	7,196	12,387	21,738	15,251	28,214	5,146	91	1,040,236	845,759
Contract services	-	168,850	40,898	6,406	-	-	-	179,388	151,773	29,579	123	-	594,538	415,369
Travel	-	-	-	1,241	69	-	-	-	-	-	-	-	17,127	6,505
Space and occupancy	-	38,622	19,687	24,366	13,284	-	3,127	5,171	9,584	454	1,617	-	255,095	239,740
Office expenses	-	2,901	2,124	1,841	1,252	-	269	-	660	-	302	-	27,706	28,023
Equipment rental	-	2,135	1,297	1,906	937	-	182	-	-	-	63	-	15,388	16,041
Litigation costs	-	7,166	-	205	-	-	-	(25)	-	-	52	-	7,611	17,212
Library maintenance	-	2,893	1,381	1,408	628	-	180	-	-	-	49	-	12,890	11,772
Other direct expenses	-	3,852	1,219	18,285	3,097	-	181	1,795	-	-	4,452	-	67,774	58,903
<b>TOTAL EXPENSES</b>	<b>116,000</b>	<b>699,142</b>	<b>335,842</b>	<b>549,673</b>	<b>202,011</b>	<b>25,334</b>	<b>52,982</b>	<b>277,544</b>	<b>223,279</b>	<b>139,965</b>	<b>27,723</b>	<b>341</b>	<b>5,116,999</b>	<b>4,217,877</b>
<b>CHANGE IN NET ASSETS</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NET ASSETS, BEGINNING	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Changes in Net Assets: Transfers to General Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>NET ASSETS, ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See independent auditor's report  
on supplementary information

**MID-MINNESOTA LEGAL ASSISTANCE**  
**SUPPLEMENTARY SCHEDULE OF STATE AND COUNTY FUNDING**  
For the Year Ended December 31, 2023  
(With Comparative Totals for 2022)

	LRD State Support	MLSC-LSAC	Supreme Court Filing Fees	Lawyers Trust Account Board (LTAB)	Supreme Court-MN Disability Center	Supreme Court Family Law	Talent LMS	MNSure
<b>SUPPORT AND REVENUE</b>								
Grants and contracts	\$ 106,000	\$ 792,317	\$ 7,708,799	\$ 375,000	\$ 351,560	\$ 373,287	\$ 8,285	\$ 387,221
<b>TOTAL SUPPORT AND REVENUE</b>	<u>106,000</u>	<u>792,317</u>	<u>7,708,799</u>	<u>375,000</u>	<u>351,560</u>	<u>373,287</u>	<u>8,285</u>	<u>387,221</u>
<b>EXPENSES</b>								
Personnel salaries								
Lawyers	-	402,318	2,939,788	136,049	75,373	230,353	-	49,043
Non-lawyers	-	178,640	2,037,722	129,916	155,137	23,317	-	193,504
<b>Total salaries</b>	-	580,958	4,977,510	265,965	230,510	253,670	-	242,547
Payroll taxes and employee benefits	-	197,440	1,356,608	89,200	76,958	84,616	-	81,590
Contract services	-	9,801	149,976	57	11,650	2,167	8,285	27,266
Equipment purchase	98,360	-	-	-	-	-	-	-
Travel	-	-	26,531	97	488	77	-	7,331
Space and occupancy	-	4,118	485,539	14,923	19,957	23,084	-	20,392
Office expenses	250	-	53,933	1,218	4,441	2,570	-	4,714
Equipment rental	-	-	28,439	1,008	1,554	1,562	-	1,053
Litigation costs	-	-	126,027	21	29	1,909	-	-
Library maintenance	-	-	30,942	1,245	879	1,635	-	-
Other direct expenses	-	-	96,674	1,266	5,094	1,997	-	2,328
<b>TOTAL EXPENSES</b>	<u>98,610</u>	<u>792,317</u>	<u>7,332,179</u>	<u>375,000</u>	<u>351,560</u>	<u>373,287</u>	<u>8,285</u>	<u>387,221</u>
<b>CHANGE IN NET ASSETS</b>	7,390	-	376,620	-	-	-	-	-
NET ASSETS, BEGINNING	-	-	-	-	-	-	-	-
Other Changes in Net Assets:								
Furniture and equipment:								
Acquisitions	-	-	-	-	-	-	-	-
Transfers to General Fund	-	-	-	-	-	-	-	-
<b>NET ASSETS, ENDING</b>	<u>\$ 7,390</u>	<u>\$ -</u>	<u>\$ 376,620</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 FUNDING (continued)**  
For the Year Ended December 31, 2023  
(With Comparative Totals for 2022)

	Hennepin County Welfare Advocacy	State of Minnesota SSI G/A	Hennepin County Defending Immigrants	VERA Ramsey County	City of Minneapolis Immigration	State of Minnesota Emergency Man. Asst.	State Safe Harbor	State Minor Youth Act	Total 2023	Total 2022
<b>SUPPORT AND REVENUE</b>										
Grants and contracts	\$ 17,500	\$ 19,400	\$ 144,000	\$ 31,133	\$ 3,496	\$ 86,184	\$ 101,962	\$ 98,540	\$ 10,604,684	\$ 7,600,523
<b>TOTAL SUPPORT AND REVENUE</b>	<b>17,500</b>	<b>19,400</b>	<b>144,000</b>	<b>31,133</b>	<b>3,496</b>	<b>86,184</b>	<b>101,962</b>	<b>98,540</b>	<b>10,604,684</b>	<b>7,600,523</b>
<b>EXPENSES</b>										
Personnel salaries										
Lawyers	12,526	7,752	32,674	9,107	2,498	28,100	74,988	69,926	4,070,495	2,422,954
Non-lawyers	-	6,078	474	78	-	13,969	974	553	2,740,362	2,306,340
Total salaries	12,526	13,830	33,148	9,185	2,498	42,069	75,962	70,479	6,810,857	4,729,294
Payroll taxes and employee benefits	4,974	5,533	12,100	3,328	998	13,206	25,899	28,061	1,980,511	1,627,408
Contract services	-	-	110,572	89	-	26,211	-	-	346,074	426,148
Equipment purchase	-	-	-	-	-	-	-	-	98,360	-
Travel	-	-	-	-	-	-	101	-	34,625	15,478
Space and occupancy	-	-	4,744	1,039	-	4,698	-	-	578,494	428,294
Office expenses	-	-	290	79	-	-	-	-	67,495	55,499
Equipment rental	-	-	241	58	-	-	-	-	33,915	34,854
Litigation costs	-	37	-	-	-	-	-	-	128,023	30,559
Library maintenance	-	-	400	66	-	-	-	-	35,167	29,036
Other direct expenses	-	-	412	130	-	-	-	-	107,901	123,899
<b>TOTAL EXPENSES</b>	<b>17,500</b>	<b>19,400</b>	<b>161,907</b>	<b>13,974</b>	<b>3,496</b>	<b>86,184</b>	<b>101,962</b>	<b>98,540</b>	<b>10,221,422</b>	<b>7,500,469</b>
<b>CHANGE IN NET ASSETS</b>	<b>-</b>	<b>-</b>	<b>(17,907)</b>	<b>17,159</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>383,262</b>	<b>100,054</b>
<b>NET ASSETS, BEGINNING</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other Changes in Net Assets:										
Furniture and equipment:										
Acquisitions	-	-	-	-	-	-	-	-	-	(2,042)
Transfers to General Fund	-	-	17,907	-	-	-	-	-	17,907	(98,012)
<b>NET ASSETS, ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,159</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 401,169</b>	<b>\$ -</b>

See independent auditor's report  
on supplementary information

**MID-MINNESOTA LEGAL ASSISTANCE**  
**SUPPLEMENTARY SCHEDULE OF OTHER FUNDING**  
For the Year Ended December 31, 2023

	MN Legal Services Coalition	MLSC LSC	Bremer WM	McKnight Promise Neighborhood	Opportunities Endowment #65483	Bowen Scholarship	Minneapolis Foundation	General Operations	Total
<b>SUPPORT AND REVENUE</b>									
Grants and contracts	\$ 278,031	\$18,526	\$75,000	\$ 16,000	\$ -	\$ -	\$ 50,000	\$ 1,953,031	\$ 2,390,588
Contributions	-	-	-	-	-	17,327	-	697,230	714,557
In-kind contributions	-	-	-	-	-	-	-	2,256,282	2,256,282
Training & other events	11,088	-	-	-	-	-	-	1,150	12,238
Attorney fees	-	-	-	-	-	-	-	610,207	610,207
Miscellaneous	-	-	-	-	-	-	-	61,027	61,027
Interest	-	-	-	-	-	-	-	57,505	57,505
Other income	-	-	-	-	194,330	-	-	-	194,330
<b>TOTAL SUPPORT AND REVENUE</b>	<b>289,119</b>	<b>18,526</b>	<b>75,000</b>	<b>16,000</b>	<b>194,330</b>	<b>17,327</b>	<b>50,000</b>	<b>5,636,432</b>	<b>6,296,734</b>
<b>EXPENSES</b>									
Personnel salaries									
Lawyers	67,397	-	36,516	10,317	-	-	28,522	(702,882)	(560,130)
Non-lawyers	3,566	13,264	16,347	-	-	-	6,510	980,489	1,020,176
Total salaries	70,963	13,264	52,863	10,317	-	-	35,032	277,607	460,046
Payroll taxes and employee benefits	14,967	5,262	19,162	3,579	-	-	12,075	786,514	841,559
Contract services	53,937	-	183	143	-	16,667	199	887,831	958,960
Contributed legal services	-	-	-	-	-	-	-	2,256,282	2,256,282
Travel	468	-	-	-	-	-	-	4,704	5,172
Space and occupancy	4,720	-	1,053	1,350	-	-	2,032	144,525	153,680
Office expenses	14,692	-	529	281	-	-	185	33,558	49,245
Equipment rental	4,751	-	502	44	-	-	128	16,797	22,222
Litigation costs	8	-	-	-	-	-	-	(716)	(708)
Library maintenance	-	-	169	61	-	-	110	5,538	5,878
Depreciation	8,843	-	-	-	-	-	-	213,176	222,019
Other direct expenses	17,376	-	539	225	-	-	239	128,356	146,735
<b>TOTAL EXPENSES</b>	<b>190,725</b>	<b>18,526</b>	<b>75,000</b>	<b>16,000</b>	<b>-</b>	<b>16,667</b>	<b>50,000</b>	<b>4,754,172</b>	<b>5,121,090</b>
<b>CHANGE IN NET ASSETS</b>	<b>98,394</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>194,330</b>	<b>660</b>	<b>-</b>	<b>882,260</b>	<b>1,175,644</b>
<b>NET ASSETS, BEGINNING</b>	<b>(91,605)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,450,378</b>	<b>-</b>	<b>-</b>	<b>4,523,109</b>	<b>5,881,882</b>
Other Changes in Net Assets:									
Transfers to General Fund	-	-	-	-	-	100,000	-	(20,557)	79,443
<b>NET ASSETS, ENDING</b>	<b>\$ 6,789</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,644,708</b>	<b>\$ 100,660</b>	<b>\$ -</b>	<b>\$ 5,384,812</b>	<b>\$ 7,136,969</b>

See independent auditor's report  
on supplementary information

**MID-MINNESOTA LEGAL ASSISTANCE**  
**SUPPLEMENTARY SCHEDULE OF RESTRICTED FUNDS**  
For the Year Ended December 31, 2023

	Pew Charitable Trust	Mayo Clinic	Endowment Acct #11167 Grant 101	Endowment Acct #11167 Grant 102	FHF - Tenant Outreach	Stevens Square Foundation	Morgan Family Foundation	Bremer	OVW SC	Law Students	Equal Justice Foundation Fellows	Wells Fargo Foundation	Pholad Family Foundation	Impact Fund
<b>SUPPORT AND REVENUE</b>														
Grants	\$ 169,450	\$ -	\$ -	\$ -	\$ -	\$ 26,000	\$ -	\$110,000	\$ -	\$ 13,500	\$ 28,709	\$ -	\$ -	\$ -
Contributions	-	-	7,000	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	181,193	15,956	-	-	-	-	-	-	-	-	-	-
<b>TOTAL SUPPORT AND REVENUE</b>	<b>169,450</b>	<b>-</b>	<b>188,193</b>	<b>15,956</b>	<b>-</b>	<b>26,000</b>	<b>-</b>	<b>110,000</b>	<b>-</b>	<b>13,500</b>	<b>28,709</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENSES</b>														
Personnel salaries														
Lawyers	36,481	49,079	-	-	64,834	1,424	13,584	107,815	23,587	-	35,479	192,323	69,705	-
Non-lawyers	-	-	-	-	-	-	23	48,489	-	25,500	-	9,611	5,011	-
Total salaries	36,481	49,079	-	-	64,834	1,424	13,607	156,304	23,587	25,500	35,479	201,934	74,716	-
Payroll taxes and employee benefits	21,873	16,510	-	-	21,526	476	4,880	55,418	8,568	-	2,397	67,680	24,741	-
Contract services	183,134	-	-	-	776	4,600	-	1,706	175	-	-	1,694	20,629	-
Travel	-	-	-	-	-	-	-	10	-	-	-	45	908	-
Space and occupancy	-	772	-	-	8,904	-	-	12,408	1,625	-	-	15,713	7,957	-
Office expenses	291	1,632	-	-	724	-	-	1,396	255	-	-	1,784	640	-
Equipment rental	-	453	-	-	479	-	-	1,111	117	-	-	996	435	-
Litigation costs	-	-	-	-	1,500	-	-	2,707	-	-	-	2,769	2,982	11,631
Library maintenance	-	-	-	-	641	-	-	680	80	-	-	1,046	590	-
Other direct expenses	1,539	1,416	-	-	528	-	-	1,514	364	-	-	3,943	1,286	-
<b>TOTAL EXPENSES</b>	<b>243,318</b>	<b>69,862</b>	<b>-</b>	<b>-</b>	<b>99,912</b>	<b>6,500</b>	<b>18,487</b>	<b>233,254</b>	<b>34,771</b>	<b>25,500</b>	<b>37,876</b>	<b>297,604</b>	<b>134,884</b>	<b>11,631</b>
<b>CHANGE IN NET ASSETS</b>	<b>(73,868)</b>	<b>(69,862)</b>	<b>188,193</b>	<b>15,956</b>	<b>(99,912)</b>	<b>19,500</b>	<b>(18,487)</b>	<b>(123,254)</b>	<b>(34,771)</b>	<b>(12,000)</b>	<b>(9,167)</b>	<b>(297,604)</b>	<b>(134,884)</b>	<b>(11,631)</b>
NET ASSETS, BEGINNING	73,868	69,862	2,194,996	158,103	122,558	-	18,487	123,254	34,771	12,000	9,166	456,964	156,392	12,500
Other Changes in Net Assets: Transfers to General Fund	-	-	(91,090)	(6,261)	-	-	-	-	-	-	1	-	-	-
<b>NET ASSETS, ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,292,099</b>	<b>\$ 167,798</b>	<b>\$ 22,646</b>	<b>\$ 19,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 159,360</b>	<b>\$ 21,508</b>	<b>\$ 869</b>

See independent auditor's report  
on supplementary information

**MID-MINNESOTA LEGAL ASSISTANCE**  
**SUPPLEMENTARY SCHEDULE OF RESTRICTED FUNDS (continued)**  
For the Year Ended December 31, 2023

	BCBS of MN	CentraCare MLP	Cargill Philanthropy	James Binger Center for New Americans	MN Freedom Fund	The Minneapolis Foundation	BCBS Nav. Coalition	Children's MLP	Asset Bldg Coalition	Blue Cross Blue Shield	Arnold Ventures MABC	Total
<b>SUPPORT AND REVENUE</b>												
Grants	\$ 80,000	\$ 220,000	\$ -	\$ 50,000	\$ 25,000	\$ 96,000	\$ -	\$ 81,825	\$ -	\$ 70,000	\$ 85,000	\$ 1,055,484
Contributions	-	-	-	-	-	-	-	-	-	-	-	7,000
Other income	-	-	-	-	-	-	-	-	-	-	-	197,149
<b>TOTAL SUPPORT AND REVENUE</b>	<b>80,000</b>	<b>220,000</b>	<b>-</b>	<b>50,000</b>	<b>25,000</b>	<b>96,000</b>	<b>-</b>	<b>81,825</b>	<b>-</b>	<b>70,000</b>	<b>85,000</b>	<b>1,259,633</b>
<b>EXPENSES</b>												
Personnel salaries												
Lawyers	9,457	148,852	24,396	30,088	58,592	-	30,786	59,219	-	2,959	5,551	964,211
Non-lawyers	43,318	494	-	876	529	-	35,808	-	-	21,411	16,187	207,257
Total salaries	52,775	149,346	24,396	30,964	59,121	-	66,594	59,219	-	24,370	21,738	1,171,468
Payroll taxes and employee benefits	17,710	50,175	7,836	10,332	19,447	-	9,548	20,201	-	8,566	7,412	375,296
Contract services	-	510	334	315	665	-	46,413	486	190	156	12,666	274,449
Travel	6,169	10,060	-	42	197	-	44	170	340	-	-	17,985
Space and occupancy	-	3,874	3,866	3,708	7,810	-	-	-	-	1,460	450	68,547
Office expenses	-	707	236	263	590	-	1,959	555	956	326	205	12,519
Equipment rental	-	222	183	199	421	-	482	318	-	59	329	5,804
Litigation costs	-	-	-	77	4,174	-	-	-	-	-	-	25,840
Library maintenance	-	235	443	302	686	-	-	277	-	66	-	5,046
Other direct expenses	-	671	125,270	481	535	-	2,192	599	684	234	144	141,400
<b>TOTAL EXPENSES</b>	<b>76,654</b>	<b>215,800</b>	<b>162,564</b>	<b>46,683</b>	<b>93,646</b>	<b>-</b>	<b>127,232</b>	<b>81,825</b>	<b>2,170</b>	<b>35,237</b>	<b>42,944</b>	<b>2,098,354</b>
<b>CHANGE IN NET ASSETS</b>	<b>3,346</b>	<b>4,200</b>	<b>(162,564)</b>	<b>3,317</b>	<b>(68,646)</b>	<b>96,000</b>	<b>(127,232)</b>	<b>-</b>	<b>(2,170)</b>	<b>34,763</b>	<b>42,056</b>	<b>(838,721)</b>
NET ASSETS, BEGINNING	55,719	49,445	162,564	24,651	90,146	-	127,232	-	29,550	-	-	3,982,228
Other Changes in Net Assets: Transfers to General Fund	-	-	-	-	-	-	-	-	-	-	-	(97,350)
<b>NET ASSETS, ENDING</b>	<b>\$ 59,065</b>	<b>\$ 53,645</b>	<b>\$ -</b>	<b>\$ 27,968</b>	<b>\$ 21,500</b>	<b>\$ 96,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27,380</b>	<b>\$ 34,763</b>	<b>\$ 42,056</b>	<b>\$ 3,046,157</b>

See independent auditor's report  
on supplementary information



**Harrington Langer & Associates**  
**Certified Public Accountants**  
**563 Phalen Boulevard, St. Paul, MN 55130**  
**651-481-1128 Phone | 651-481-0982 Fax**  
[www.hlaccountants.com](http://www.hlaccountants.com)

**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, 2023, 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 12, 2024.

**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 12, 2024



**Harrington Langer & Associates**  
**Certified Public Accountants**  
563 Phalen Boulevard, St. Paul, MN 55130  
651-481-1128 Phone | 651-481-0982 Fax  
[www.hlaccountants.com](http://www.hlaccountants.com)

**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, 2023. 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, 2023.

***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 qualified and unmodified opinions 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 12, 2024

**MID-MINNESOTA LEGAL ASSISTANCE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended December 31, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Subrecipients	Expenditures
<b>U.S. Department of Health and Human Services</b>				
Mental Health - Protection and Advocacy	93.138	6X98SM085956-01	\$ -	\$ 43,130
		6X98SM087424-01		349,641
		Attorney Fees		<u>150,940</u>
Subtotal Mental Health - Protection and Advocacy				<u>543,711</u>
Developmental Disabilities - Protection and Advocacy	93.630	2301MNPADD		499,053
COVID-19-Expanding P&As Access to Covid 19 Vaccines		2201MNPAPH-00		<u>96,249</u>
Subtotal Developmental Disabilities - Protection and Advocacy				<u>595,302</u>
Voting Act - Protection and Advocacy	93.618	2201MNPAVA-00		77,742
		2301MNPAVA-00		<u>34,939</u>
Subtotal Voting Act - Protection and Advocacy				<u>112,681</u>
<b>Aging Cluster</b>				
Special Programs for the Aging - Title IIIB	93.044			
State Board on Aging passed through from:				
Metropolitan Area Agency on Aging		311-23-003B-36		148,482
Central MN Council on Aging		315-23-003B-001		152,200
		Contributions		600
Region 9-passed through from Southern Minnesota Regional				
Legal Services		Unknown		<u>29,006</u>
Subtotal Aging Cluster				<u>330,288</u>
Refugee and Entrant Assistance-State Administered Programs	93.566			
Passed through from:				
Minnesota Department of Human Services		21/2021MNRSSS		22,214
Minnesota Department of Human Services		21/2021MNRSSS		16,759
MN Department of Human Services-Health Insurance Assistance		Unknown		84,335
Lutheran Social Services		Unknown		26,666
Lutheran Social Services		Unknown		<u>13,972</u>
Subtotal Refugee and Entrant Assistance Programs				<u>163,946</u>
Assistive Technology Protection and Advocacy	93.843	2301MNPAAT-00		53,614
		2401MNPAAT-00		<u>25,523</u>
Subtotal Assistive Technology Protection and Advocacy				<u>79,137</u>
Traumatic Brain Injury - Protection and Advocacy	93.873	2201MNPATB-00		44,395
		2301MNPATB-00		<u>28,781</u>
Subtotal Traumatic Brain Injury - Protection and Advocacy				<u>73,176</u>
Total U.S. Department of Health and Human Services				<u>1,898,241</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, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Subrecipients	Expenditures
<b>U.S. Department of Education</b>				
Client Assistance Program	84.161A	H161A230024		172,929
		H161A240024		29,082
Subtotal Client Assistance Program				<u>202,011</u>
Protection & Advocacy of Individual Rights	84.240A	H240A220024		117,754
		Attorney Fees		431,919
Subtotal Protection & Advocacy of Individual Rights				<u>549,673</u>
Total U.S. Department of Education				<u>751,684</u>
<b>U.S. Social Security Administration</b>				
Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries	96.009			
Protection and Advocacy for Beneficiaries of Social Security		6 PAB1902033805		114,707
Protection and Advocacy for Beneficiaries of Social Security		6 PAB1902033805		50,211
Strengthening Protections for Social Security Beneficiaries		SPS18000029-05-00		224,998
Strengthening Protections for Social Security Beneficiaries		SPS23000100-01-00		179,006
Subtotal Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries				<u>568,922</u>
Total U.S. Social Security Administration				<u>568,922</u>
<b>U.S. Department of Housing and Urban Development</b>				
CDBG - Entitlement Grants Cluster				
Community Development Block Grants	14.218			
Pass-through from City of Minneapolis		COM0003896		25,334
Pass-through from City of Minneapolis		COM0003042-3		18,228
Pass-through from City of Minneapolis		COM0003042-2		34,754
Subtotal CDBG - Entitlement Grants Cluster				<u>78,316</u>
Private Enforcement Initiatives	14.418			
Fair Housing Initiative Program		FPEI190055 #2	78,375	117,554
Fair Housing Initiative Program		FPEI220116	100,963	159,990
COVID-19 Private Enforcement Initiatives American Rescue Plan		FPE2122026	151,773	223,279
Subtotal Private Enforcement Initiatives			<u>331,111</u>	<u>500,823</u>
Total U.S. Department of Housing and Urban Development			<u>331,111</u>	<u>579,139</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, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Subrecipients	Expenditures
<b>U.S. Department of Justice</b>				
Legal Assistance for Victims Program	16.524	15JOVW-23-GG-00528-LEGA		27,723
NQRP pass-through from Vera Institute of Justice	16.U01	DJJ-17-PSS-S-2757		341
Total U.S. Department of Justice				<u>28,064</u>
<b>U.S. Department of Treasury</b>				
Low Income Tax Clinic	21.008	20-LITC0407-03-00		116,000
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027			
Pass-through from City of Minneapolis		COM0005488	165,459	699,142
COVID-19 Emergency Rental Assistance Program	21.023			
Pass-through from Minnesota Housing Finance Agency		Unknown	40,898	196,395
Pass-through from Minnesota Housing Finance Agency		Unknown		139,447
Total U.S. Department of Treasury			<u>206,357</u>	<u>1,150,984</u>
<b>U.S. Department of Homeland Security</b>				
Citizenship Education and Training	97.010			
Pass-through from Pearl Crisis Center		21CICET00181-01-00	29,579	93,468
Pass-through from Pearl Crisis Center		23CICET00297		46,497
Total U.S. Department of Homeland Security			<u>29,579</u>	<u>139,965</u>
Total Expenditures of Federal Awards			<u>\$ 567,047</u>	<u>\$ 5,116,999</u>

**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, 2023. 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, 2023

**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>Assistance Listing Number(s):</u>	<u>Name of Federal Program or Cluster:</u>
COVID-19 21.027 93.044/93.045/93.053	Coronavirus State & Local Fiscal Recovery Funds Aging 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, 2023

**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**

**2022-001 COVID-19 21.027 Coronavirus State & Local Fiscal Recovery Funds  
Program Subrecipient Monitoring**

Status: The corrective action was completed during 2023.