

**MID-MINNESOTA
LEGAL ASSISTANCE
AUDITED CONSOLIDATED
FINANCIAL STATEMENTS
December 31, 2024**

MID-MINNESOTA LEGAL ASSISTANCE

TABLE OF CONTENTS

For the Year Ended December 31, 2024

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

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, 2024, 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, 2024, 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 2023 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated March 12, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, 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, 2025, 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, 2025

MID-MINNESOTA LEGAL ASSISTANCE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
December 31, 2024
(With Comparative Totals for 2023)

	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 7,482,345	\$ 5,776,907
Client escrow funds	15,968	48,493
Promises to give:		
Governmental support and other grants	3,733,837	2,165,217
Contributions	154,499	111,785
Prepaid expenses	<u>76,804</u>	<u>142,163</u>
TOTAL CURRENT ASSETS	<u>11,463,453</u>	<u>8,244,565</u>
PROPERTY AND EQUIPMENT, at cost	1,955,602	1,900,985
Less: accumulated depreciation	<u>(1,283,201)</u>	<u>(1,062,062)</u>
TOTAL PROPERTY AND EQUIPMENT, net	<u>672,401</u>	<u>838,923</u>
OTHER ASSETS		
Investments held at Community Foundation	4,428,265	4,104,605
Operating lease right-of-use assets	<u>6,142,089</u>	<u>6,014,073</u>
TOTAL OTHER ASSETS	<u>10,570,354</u>	<u>10,118,678</u>
TOTAL ASSETS	<u><u>\$ 22,706,208</u></u>	<u><u>\$ 19,202,166</u></u>

	2024	2023
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 429,747	\$ 369,431
Client trust deposits	15,968	48,493
Accrued expenses	1,330,303	719,359
Deferred revenue	3,070,656	512,358
Operating lease liabilities, current portion	638,948	506,431
	<hr/>	<hr/>
TOTAL CURRENT LIABILITIES	5,485,622	2,156,072
 LONG-TERM LIABILITIES		
Operating lease liabilities, net of current portion	6,111,648	6,077,756
	<hr/>	<hr/>
TOTAL LIABILITIES	11,597,270	8,233,828
	<hr/>	<hr/>
NET ASSETS		
Net assets without donor restrictions	7,008,033	7,922,181
Net assets with donor restrictions	4,100,905	3,046,157
	<hr/>	<hr/>
TOTAL NET ASSETS	11,108,938	10,968,338
	<hr/>	<hr/>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 22,706,208</u>	<u>\$ 19,202,166</u>

MID-MINNESOTA LEGAL ASSISTANCE
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024
(With Comparative Totals for 2023)

	Without Donor Restrictions	With Donor Restrictions	Total 2024	Total 2023
SUPPORT AND REVENUE				
Support:				
Governmental support	\$ 18,601,649	\$ -	\$ 18,601,649	\$ 15,138,164
Other grants	955,402	1,915,482	2,870,884	1,796,072
Contributions	1,968,511	2,500	1,971,011	1,817,099
Contributed legal services	1,712,694	-	1,712,694	2,256,282
Miscellaneous	67,409	-	67,409	61,027
Special events	301,623	-	301,623	330,366
Total Support	<u>23,607,288</u>	<u>1,917,982</u>	<u>25,525,270</u>	<u>21,399,010</u>
Revenue:				
Training and other revenue	66,696	-	66,696	12,238
Interest income	194,832	-	194,832	61,262
Attorney fees	484,962	-	484,962	1,193,066
Change in value of investments held at Community Foundation, net	172,675	250,499	423,174	391,479
Total Revenue	<u>919,165</u>	<u>250,499</u>	<u>1,169,664</u>	<u>1,658,045</u>
Net Assets Released from Restrictions	<u>1,113,733</u>	<u>(1,113,733)</u>	<u>-</u>	<u>-</u>
 TOTAL SUPPORT AND REVENUE	 <u>25,640,186</u>	 <u>1,054,748</u>	 <u>26,694,934</u>	 <u>23,057,055</u>
EXPENSES				
Program Services	<u>22,800,674</u>	<u>-</u>	<u>22,800,674</u>	<u>19,997,405</u>
Supporting Services:				
Management and general	2,984,240	-	2,984,240	2,142,262
Fundraising	<u>769,420</u>	<u>-</u>	<u>769,420</u>	<u>542,330</u>
Total Supporting Services	<u>3,753,660</u>	<u>-</u>	<u>3,753,660</u>	<u>2,684,592</u>
 TOTAL EXPENSES	 <u>26,554,334</u>	 <u>-</u>	 <u>26,554,334</u>	 <u>22,681,997</u>
 CHANGE IN NET ASSETS	 (914,148)	 1,054,748	 140,600	 375,058
 NET ASSETS, BEGINNING	 <u>7,922,181</u>	 <u>3,046,157</u>	 <u>10,968,338</u>	 <u>10,593,280</u>
 NET ASSETS, ENDING	 <u>\$ 7,008,033</u>	 <u>\$ 4,100,905</u>	 <u>\$ 11,108,938</u>	 <u>\$ 10,968,338</u>

MID-MINNESOTA LEGAL SERVICES
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2024
(With Comparative Totals for 2023)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 140,600	\$ 375,058
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	221,138	222,019
Change in value of Community Foundation investments, net	(423,174)	(391,479)
Change in:		
Promises to give	(1,611,332)	349,287
Prepaid expenses	65,359	(85,422)
Operating lease assets and liabilities	38,393	40,838
Accounts payable	60,316	96,222
Client trust deposits	(32,525)	(56,190)
Accrued expenses	610,944	205,175
Deferred revenue	2,558,298	182,507
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,628,017	938,015
CASH FLOWS FROM INVESTING ACTIVITIES		
Contributions to Community Foundation	(2,500)	(7,000)
Distributions from Community Foundation	102,013	97,350
Purchase of property and equipment	(54,617)	(81,487)
NET CASH PROVIDED BY INVESTING ACTIVITIES	44,896	8,863
INCREASE IN CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH	1,672,913	946,878
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, BEGINNING	5,825,400	4,878,522
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, ENDING	\$ 7,498,313	\$ 5,825,400
RECONCILIATION OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH		
Cash and cash equivalents	\$ 7,482,345	\$ 5,776,907
Client escrow funds	15,968	48,493
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, ENDING	\$ 7,498,313	\$ 5,825,400

MID-MINNESOTA LEGAL ASSISTANCE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2024
(With Comparative Totals for 2023)

	Program Services	Support Services				Consolidated Support Services	Total 2024	Total 2023
		Mid-Minnesota Legal Assistance		The Fund for Legal Aid				
		Management and General	Fundraising	Management and General	Fundraising			
EXPENSES								
Personnel salaries								
Lawyers	\$ 7,685,489	\$ 579,413	\$ 179,477	\$ -	\$ -	\$ 758,890	\$ 8,444,379	\$ 6,614,257
Non-lawyers	5,291,527	1,043,009	130,080	-	166,050	1,339,139	6,630,666	4,961,663
Total salaries	12,977,016	1,622,422	309,557	-	166,050	2,098,029	15,075,045	11,575,920
Payroll taxes and employee benefits	4,336,902	542,212	103,454	-	61,438	707,104	5,044,006	4,253,257
Contract services	1,765,574	555,524	72,865	6,500	-	634,889	2,400,463	2,231,302
Contributed legal services	1,712,694	-	-	-	-	-	1,712,694	2,256,282
Travel	120,919	7,848	1,029	-	-	8,877	129,796	74,909
Space and occupancy	866,343	90,545	11,876	-	-	102,421	968,764	1,055,816
Office expenses	147,422	24,477	3,211	-	3,288	30,976	178,398	161,814
Equipment	200,716	59,349	7,784	-	-	67,133	267,849	268,967
Litigation costs	34,758	246	32	-	-	278	35,036	160,766
Library maintenance	63,249	563	74	-	-	637	63,886	58,981
Professional development	349,732	25,257	3,313	5,681	-	34,251	383,983	153,181
Other direct expenses	27,217	12,031	1,578	11,247	21,203	46,059	73,276	208,783
Total expenses before depreciation	22,602,542	2,940,474	514,773	23,428	251,979	3,730,654	26,333,196	22,459,978
Depreciation	198,132	20,338	2,668	-	-	23,006	221,138	222,019
TOTAL EXPENSES	\$ 22,800,674	\$ 2,960,812	\$ 517,441	\$ 23,428	\$ 251,979	\$ 3,753,660	\$ 26,554,334	\$ 22,681,997

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)

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.

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, 2024, the Organization's uninsured cash balances totaled approximately \$6,300,000.

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.

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 determines 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, 2024.

MID-MINNESOTA LEGAL ASSISTANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Promises to Give (continued):

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 \$2,500 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 \$8,500,000 that have not been recognized at December 31, 2024 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, 2023, 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, 2025, 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, 2024:

	<u>Amount</u>
Financial assets at year-end	
Cash and cash equivalents	\$ 7,482,345
Promises to give	3,888,336
Investments held at Community Foundation	<u>4,428,265</u>
 Total financial assets	 15,798,946
 Less amounts not available to be used within one year	
Net assets with donor restrictions	4,100,905
Less net assets with restrictions to be met in less than one year	(1,490,022)
Quasi endowment established by the Board	<u>1,817,382</u>
 Financial assets available to meet general expenditures within one year	 <u><u>\$ 11,370,681</u></u>

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, 2024, property and equipment consisted of the following:

	<u>Amount</u>
Furniture and equipment	\$ 1,546,696
Building and improvements	401,915
Law library	<u>6,991</u>
	1,955,602
Accumulated depreciation	<u>(1,283,201)</u>
	<u><u>\$ 672,401</u></u>

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 4.

Endowment net asset composition by type of fund at December 31, 2024 was as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor restricted	\$ -	\$ 2,610,883	\$ 2,610,883
Board designated	<u>1,817,382</u>	<u>-</u>	<u>1,817,382</u>
	<u><u>\$ 1,817,382</u></u>	<u><u>\$ 2,610,883</u></u>	<u><u>\$ 4,428,265</u></u>

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, 2024 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment, 1/1/24	\$ 1,644,708	\$ 2,459,897	\$ 4,104,605
Contributions	-	2,500	2,500
Investment return:			
Management fees	(13,163)	(25,667)	(38,830)
Realized and unrealized gains	185,837	276,166	462,003
Appropriation of endowment assets for expenditure	-	(102,013)	(102,013)
Endowment, 12/31/24	<u>\$ 1,817,382</u>	<u>\$ 2,610,883</u>	<u>\$ 4,428,265</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: <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; • 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, 2024, 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 4 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 \$1,712,694 for the services provided in the year ended December 31, 2024.

All gifts-in-kind received by the Organization for the year ended December 31, 2024 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, 2024, consisted of the following:

	<u>Amount</u>
Purpose Restricted	
Community Partnership	\$ 599,026
Consumer Protection	196,546
Disability Law Project	75,000
Housing Services	334,632
Immigration	206,155
MN Asset Building Coalition	53,663
Seniors	25,000
Investments to be held in perpetuity	<u>2,610,883</u>
Total Net Assets With Donor Restrictions	<u>\$ 4,100,905</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, 2024:

	<u>Amount</u>
Purpose Restricted	
Community Partnership	\$ 51,670
Consumer Protection	32,260
Housing Services	332,251
Immigration	227,378
Medical Legal Partnership	268,125
MN Asset Building Coalition	45,773
Navigator Coalition	34,763
Seniors	19,500
Appropriation of endowment assets for expenditure	<u>102,013</u>
Total Released from Restrictions	<u>\$ 1,113,733</u>

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, 2024, the components of operating lease expenses, all of which is included in space and occupancy in the consolidated statement of functional expenses except for \$56,577 which is included in equipment rental, were as follow:

Operating lease cost	\$ 819,320
Sublease income	\$ (182,395)

Supplemental cash flow information for the year ended December 31, 2024:

Operating cash flows from operating leases	\$ 722,734
ROU assets obtained in exchange for new operating leases	\$ 771,665

Weighted average lease term and discount rate as of December 31, 2024 were as follows:

Weighted average remaining lease terms	9.56 Years
Weighted average discount rate	1.81%

MID-MINNESOTA LEGAL ASSISTANCE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9. LEASES (continued)

The maturities of operating lease liabilities as of December 31, 2024 were as follows:

Year Ending December 31,	Amount
2025	\$ 752,899
2026	761,970
2027	774,661
2028	781,943
2029	679,296
Thereafter	<u>3,560,817</u>
Total lease payments	7,311,586
Less: discount to present value	<u>(560,990)</u>
Present value of lease liability	<u><u>\$ 6,750,596</u></u>

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 2024 were \$436,484.

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

**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, 2024, and our report thereon dated March 12, 2025, 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, 2025

MID-MINNESOTA LEGAL ASSISTANCE
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2024
(With Comparative Totals for 2023)

	Mid-Minnesota Legal Assistance	The Fund for Legal Aid	Eliminations	Total 2024	Total 2023
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 6,695,056	\$ 787,289	\$ -	\$ 7,482,345	\$ 5,776,907
Client escrow funds	15,968	-	-	15,968	48,493
Promises to give:					
Government support and other grants	4,516,945	-	(783,108)	3,733,837	2,165,217
Contributions	-	154,499	-	154,499	111,785
Net assets of The Fund for Legal Aid	166,180	-	(166,180)	-	-
Prepaid expenses	69,304	7,500	-	76,804	142,163
TOTAL CURRENT ASSETS	11,463,453	949,288	(949,288)	11,463,453	8,244,565
PROPERTY AND EQUIPMENT, at cost	1,955,602	-	-	1,955,602	1,900,985
Less: accumulated depreciation	(1,283,201)	-	-	(1,283,201)	(1,062,062)
TOTAL PROPERTY AND EQUIPMENT, net	672,401	-	-	672,401	838,923
OTHER LONG-TERM ASSETS					
Investments held at Community Foundation	4,428,265	-	-	4,428,265	4,104,605
Operating lease right-of-use assets	6,142,089	-	-	6,142,089	6,014,073
TOTAL OTHER LONG-TERM ASSETS	10,570,354	-	-	10,570,354	10,118,678
TOTAL ASSETS	\$ 22,706,208	\$ 949,288	\$ (949,288)	\$ 22,706,208	\$ 19,202,166
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable	\$ 429,747	\$ 783,108	\$ (783,108)	\$ 429,747	\$ 369,431
Client trust deposits	15,968	-	-	15,968	48,493
Accrued expenses	1,330,303	-	-	1,330,303	719,359
Deferred revenue	3,070,656	-	-	3,070,656	512,358
Operating lease liabilities, current portion	638,948	-	-	638,948	506,431
TOTAL CURRENT LIABILITIES	5,485,622	783,108	(783,108)	5,485,622	2,156,072
LONG-TERM LIABILITIES					
Operating lease liabilities, net of current portion	6,111,648	-	-	6,111,648	6,077,756
TOTAL LIABILITIES	11,597,270	783,108	(783,108)	11,597,270	8,233,828
NET ASSETS					
Net assets without donor restrictions	7,008,033	166,180	(166,180)	7,008,033	7,922,181
Net assets with donor restrictions	4,100,905	-	-	4,100,905	3,046,157
TOTAL NET ASSETS	11,108,938	166,180	(166,180)	11,108,938	10,968,338
TOTAL LIABILITIES AND NET ASSETS	\$ 22,706,208	\$ 949,288	\$ (949,288)	\$ 22,706,208	\$ 19,202,166

See independent auditor's report
on supplementary information

MID-MINNESOTA LEGAL ASSISTANCE
CONSOLIDATING STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024
(With Comparative Totals for 2023)

	Mid-Minnesota Legal Assistance	The Fund for Legal Aid	Eliminations	Total 2024	Total 2023
SUPPORT AND REVENUE					
Support:					
Governmental support	\$ 18,601,649	\$ -	\$ -	\$ 18,601,649	\$ 15,138,164
Other grants	4,520,884	-	(1,650,000)	2,870,884	1,796,072
Contributions	569,066	1,401,945	-	1,971,011	1,817,099
Contributed legal services	1,712,694	-	-	1,712,694	2,256,282
Miscellaneous	67,409	-	-	67,409	61,027
Special events	-	301,623	-	301,623	330,366
Total Support	<u>25,471,702</u>	<u>1,703,568</u>	<u>(1,650,000)</u>	<u>25,525,270</u>	<u>21,399,010</u>
Revenue:					
Training and other revenue	66,696	-	-	66,696	12,238
Interest income	190,856	3,976	-	194,832	61,262
Attorney fees	484,962	-	-	484,962	1,193,066
Change in value of investments held at Community Foundation, net	423,174	-	-	423,174	391,479
Total Revenue	<u>1,165,688</u>	<u>3,976</u>	<u>-</u>	<u>1,169,664</u>	<u>1,658,045</u>
TOTAL SUPPORT AND REVENUE	<u>26,637,390</u>	<u>1,707,544</u>	<u>(1,650,000)</u>	<u>26,694,934</u>	<u>23,057,055</u>
EXPENSES					
Program Services	<u>22,800,674</u>	<u>-</u>	<u>-</u>	<u>22,800,674</u>	<u>19,997,405</u>
Supporting Services:					
Management and general	2,960,812	23,428	-	2,984,240	2,142,262
Fundraising	517,441	251,979	-	769,420	542,330
Total Supporting Services	<u>3,478,253</u>	<u>275,407</u>	<u>-</u>	<u>3,753,660</u>	<u>2,684,592</u>
TOTAL EXPENSES	<u>26,278,927</u>	<u>275,407</u>	<u>-</u>	<u>26,554,334</u>	<u>22,681,997</u>
CHANGE IN NET ASSETS	358,463	1,432,137	(1,650,000)	140,600	375,058
NET ASSETS, BEGINNING	10,968,338	384,043	(384,043)	10,968,338	10,593,280
OTHER CHANGES IN NET ASSETS					
Increase in net assets of The Fund for Legal Aid	(217,863)	-	217,863	-	-
Equity transfer to Mid-Minnesota Legal Assistance	<u>-</u>	<u>(1,650,000)</u>	<u>1,650,000</u>	<u>-</u>	<u>-</u>
NET ASSETS, ENDING	<u>\$ 11,108,938</u>	<u>\$ 166,180</u>	<u>\$ (166,180)</u>	<u>\$ 11,108,938</u>	<u>\$ 10,968,338</u>

See independent auditor's report
on supplementary information

MID-MINNESOTA LEGAL ASSISTANCE
SUPPLEMENTARY SCHEDULE OF GRANT SOURCES
For the Year Ended December 31, 2024
(With Comparative Totals for 2023)

	Federal Assistance	State, County, and Cities	Pro Bono Services	Other	Total Without Restrictions	Total With Restrictions	Total 2024	Total 2023
SUPPORT AND REVENUE								
Governmental support and other grants	\$ 4,314,086	\$ 14,287,563	\$ -	\$ 2,605,402	\$ 21,207,051	\$ 1,915,482	\$ 23,122,533	\$ 18,584,236
Contributions	-	-	-	566,566	566,566	2,500	569,066	722,217
Contributed legal services	-	-	1,712,694	-	1,712,694	-	1,712,694	2,256,282
Training and other events	-	-	-	66,696	66,696	-	66,696	12,238
Attorney fees	174,335	-	-	310,627	484,962	-	484,962	1,193,066
Miscellaneous	-	-	-	67,409	67,409	-	67,409	61,027
Interest	-	-	-	190,856	190,856	-	190,856	57,505
Change in value of investments held at Community Foundation	-	-	-	172,675	172,675	250,499	423,174	391,479
TOTAL SUPPORT AND REVENUE	4,488,421	14,287,563	1,712,694	3,980,231	24,468,909	2,168,481	26,637,390	23,278,050
EXPENSES								
Personnel salaries								
Lawyers	1,483,899	4,799,592	-	1,689,830	7,973,321	471,058	8,444,379	6,559,342
Non-lawyers	1,045,607	3,829,379	-	1,490,307	6,365,293	99,323	6,464,616	4,961,663
Total salaries	2,529,506	8,628,971	-	3,180,137	14,338,614	570,381	14,908,995	11,521,005
Payroll taxes and employee benefits	935,008	2,840,056	-	996,465	4,771,529	211,039	4,982,568	4,237,602
Contract services	310,307	685,767	-	1,356,094	2,352,168	41,795	2,393,963	2,224,802
Contributed legal services	-	-	1,712,694	-	1,712,694	-	1,712,694	2,256,282
Travel	35,349	58,755	-	22,075	116,179	13,617	129,796	74,909
Space and occupancy	171,669	632,151	-	127,623	931,443	37,321	968,764	1,055,816
Office expenses	19,681	93,972	-	55,752	169,405	5,705	175,110	156,965
Equipment	17,310	86,410	-	158,297	262,017	5,832	267,849	268,967
Depreciation	-	-	-	221,138	221,138	-	221,138	222,019
Litigation costs	372	23,704	-	515	24,591	10,445	35,036	160,766
Library maintenance	8,856	50,862	-	1,174	60,892	2,994	63,886	58,981
Professional development	44,639	53,664	-	277,943	376,246	2,056	378,302	153,181
Other direct expenses	4,466	20,344	-	13,984	38,794	2,032	40,826	166,570
TOTAL EXPENSES	4,077,163	13,174,656	1,712,694	6,411,197	25,375,710	903,217	26,278,927	22,557,865
CHANGE IN NET ASSETS	411,258	1,112,907	-	(2,430,966)	(906,801)	1,265,264	358,463	720,185
NET ASSETS, BEGINNING	-	401,169	-	7,521,012	7,922,181	3,046,157	10,968,338	10,593,280
Other Changes in Net Assets:								
Furniture and equipment:								
Indirect cost	(444,467)	(1,494,132)	-	2,047,102	108,503	(108,503)	-	-
Transfers to General Fund	-	-	-	102,013	102,013	(102,013)	-	-
Decrease in net assets of The Fund for Legal Aid	-	-	-	(217,863)	(217,863)	-	(217,863)	(345,127)
NET ASSETS, ENDING	\$ (33,209)	\$ 19,944	\$ -	\$ 7,021,298	\$ 7,008,033	\$ 4,100,905	\$ 11,108,938	\$ 10,968,338

See independent auditor's report
on supplementary information

MID-MINNESOTA LEGAL ASSISTANCE
SUPPLEMENTARY SCHEDULE OF FEDERAL ASSISTANCE
For the Year Ended December 31, 2024
(With Comparative Totals for 2023)

	Department of Health and Human Services											Social Security Administration	
	Protection and Advocacy Voting Act	TBI Program	Public Health	Developmental Disability Protection & Advocacy	Mental Health Protection & Advocacy	Metropolitan Council Older Americans	CMCOA Older Americans Act	Region 9 Older Americans Act	MN Council of Churches	LSS Refugee Services	Assistive Technology Program	PABSS	Rep Payee
SUPPORT AND REVENUE													
Governmental support	\$ 186,914	\$ 85,202	\$ 75,950	\$ 473,428	\$ 520,220	\$ 169,073	\$ 167,135	\$ 24,156	\$ 38,997	\$ 25,741	\$ 77,644	\$ 113,745	\$ 475,527
Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Attorney fees	-	-	-	60,337	5,000	-	-	-	-	-	-	5,000	-
TOTAL SUPPORT AND REVENUE	186,914	85,202	75,950	533,765	525,220	169,073	167,135	24,156	38,997	25,741	77,644	118,745	475,527
EXPENSES													
Personnel salaries													
Lawyers	36,774	16,355	-	176,490	146,762	117,466	57,556	12,407	21,925	10,616	44,999	42,566	21
Non-lawyers	69,679	34,324	51,283	141,029	153,681	-	51,144	3,316	2,732	6,324	2,200	28,826	261,196
Total salaries	106,453	50,679	51,283	317,519	300,443	117,466	108,700	15,723	24,657	16,940	47,199	71,392	261,217
Payroll taxes and employee benefits	39,391	18,750	18,982	117,478	111,163	43,463	40,222	5,814	9,122	5,677	17,467	26,415	96,653
Contract services	1,573	912	839	1,520	2,431	-	-	-	-	-	176	782	1,572
Travel	1,666	43	-	3,160	14,713	-	-	-	421	-	-	-	12,956
Space and occupancy	9,694	3,404	3,327	24,117	24,230	8,144	-	-	-	448	2,705	4,970	36,144
Office expenses	2,313	371	466	2,123	2,587	-	-	-	-	52	241	427	2,148
Equipment	1,036	428	538	2,875	2,699	-	-	-	-	-	324	588	2,933
Litigation costs	1	-	-	(502)	705	-	-	-	-	-	-	-	-
Library maintenance	486	215	153	1,491	1,344	-	-	-	-	-	165	326	1,396
Professional development	3,244	872	228	4,330	6,443	-	15	-	1,495	-	481	599	7,385
Other direct expenses	437	164	134	768	629	-	-	-	-	-	321	146	663
TOTAL EXPENSES	166,294	75,838	75,950	474,879	467,387	169,073	148,937	21,537	35,695	23,117	69,079	105,645	423,067
CHANGE IN NET ASSETS	20,620	9,364	-	58,886	57,833	-	18,198	2,619	3,302	2,624	8,565	13,100	52,460
NET ASSETS, BEGINNING	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Changes in Net Assets:													
Furniture and equipment:													
Indirect cost	(20,620)	(9,364)	-	(58,886)	(57,833)	-	(18,198)	(2,619)	(3,302)	(2,624)	(8,565)	(13,100)	(52,460)
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, 2024
(With Comparative Totals for 2023)

Department of Treasury		Department of Education		Department of Housing and Urban Development			Legal Services Corporation	Department of Homeland Security	Department of Justice	Total 2024	Total 2023
Low Income Tax Clinic	MHFA	PAIR Program	Client Assistance Program	CDBG Minneapolis	CDBG City Fair Housing	FHIP Fair Housing	LASNM	USCIS	VAWA		
\$ 185,000	\$ 276,435	\$ 474,681	\$ 168,984	\$ 20,589	\$ 22,941	\$ 342,027	\$ 10,475	\$ 180,965	\$ 198,257	\$ 4,314,086	\$ 4,533,480
-	-	-	-	-	-	-	-	-	-	-	660
-	-	103,998	-	-	-	-	-	-	-	174,335	582,859
185,000	276,435	578,679	168,984	20,589	22,941	342,027	10,475	180,965	198,257	4,488,421	5,116,999
104,257	133,965	245,589	55,133	15,029	13,610	82,207	9,988	57,900	82,284	1,483,899	2,084,766
15,881	4,693	87,198	41,733	-	-	31,427	768	48,538	9,635	1,045,607	993,868
120,138	138,658	332,787	96,866	15,029	13,610	113,634	10,756	106,438	91,919	2,529,506	3,078,634
44,451	51,303	123,135	35,510	5,560	5,036	42,043	3,980	39,379	34,014	935,008	1,040,236
-	42,987	12,748	425	-	64	153,860	27,120	15,689	47,609	310,307	594,538
-	-	995	476	-	-	880	-	-	39	35,349	17,127
-	13,880	23,416	7,847	-	1,310	-	-	1,227	6,806	171,669	255,095
-	1,677	2,165	4,029	-	137	-	-	-	945	19,681	27,706
-	1,238	2,712	822	-	126	-	-	-	991	17,310	15,388
-	-	126	-	-	-	-	-	-	42	372	7,611
-	850	1,342	444	-	127	-	-	-	517	8,856	12,890
-	-	14,472	3,660	-	-	2,804	-	-	(1,389)	44,639	48,930
-	-	940	264	-	-	-	-	-	-	4,466	18,844
164,589	250,593	514,838	150,343	20,589	20,410	313,221	41,856	162,733	181,493	4,077,163	5,116,999
20,411	25,842	63,841	18,641	-	2,531	28,806	(31,381)	18,232	16,764	411,258	-
-	-	-	-	-	-	-	-	-	-	-	-
(20,411)	(25,842)	(63,841)	(18,641)	-	(2,531)	(28,806)	(1,828)	(18,232)	(16,764)	(444,467)	(868,314)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (33,209)	\$ -	\$ -	\$ (33,209)	\$ (868,314)

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, 2024
(With Comparative Totals for 2023)

	LRD State Support	MLSC-LSAC	Supreme Court Filing Fees	Supreme Court-MN Disability Center	Supreme Court Family Law	MNSure	Hennepin County Welfare Advocacy	State of Minnesota SSI G/A	City CARES Act	Hennepin County Defending Immigrants
SUPPORT AND REVENUE										
Grants and contracts	\$ -	\$ 1,081,761	\$ 10,132,692	\$ 773,676	\$ 374,655	\$ 353,730	\$ 7,503	\$ 13,000	\$ 738,854	\$ 172,800
TOTAL SUPPORT AND REVENUE	<u>-</u>	<u>1,081,761</u>	<u>10,132,692</u>	<u>773,676</u>	<u>374,655</u>	<u>353,730</u>	<u>7,503</u>	<u>13,000</u>	<u>738,854</u>	<u>172,800</u>
EXPENSES										
Personnel salaries										
Lawyers	-	422,924	3,268,936	242,370	203,070	9,973	5,478	-	289,170	45,144
Non-lawyers	-	248,531	3,072,312	201,108	20,363	201,497	-	9,489	39,574	522
Total salaries	<u>-</u>	<u>671,455</u>	<u>6,341,248</u>	<u>443,478</u>	<u>223,433</u>	<u>211,470</u>	<u>5,478</u>	<u>9,489</u>	<u>328,744</u>	<u>45,666</u>
Payroll taxes and employee benefits	-	234,902	2,045,160	164,088	82,678	42,403	2,025	3,511	121,634	16,894
Contract services	-	43,026	190,214	9,048	3,084	25,283	-	-	179,523	102,480
Travel	-	-	43,051	2,797	723	12,058	-	-	-	-
Space and occupancy	-	9,301	517,945	26,937	16,573	22,724	-	-	33,708	-
Office expenses	-	-	75,875	9,865	2,289	1,781	-	-	3,926	-
Equipment	-	-	67,567	11,395	2,226	1,628	-	-	3,398	-
Litigation costs	-	-	21,238	1,152	130	-	-	-	1,184	-
Library maintenance	-	-	44,960	1,434	1,479	-	-	-	2,847	-
Professional development	-	5,982	28,815	17,316	332	-	-	-	1,124	-
Other direct expenses	-	-	18,166	1,277	380	58	-	-	436	-
TOTAL EXPENSES	<u>-</u>	<u>964,666</u>	<u>9,394,239</u>	<u>688,787</u>	<u>333,327</u>	<u>317,405</u>	<u>7,503</u>	<u>13,000</u>	<u>676,524</u>	<u>165,040</u>
CHANGE IN NET ASSETS	<u>-</u>	<u>117,095</u>	<u>738,453</u>	<u>84,889</u>	<u>41,328</u>	<u>36,325</u>	<u>-</u>	<u>-</u>	<u>62,330</u>	<u>7,760</u>
NET ASSETS, BEGINNING	7,390	-	376,620	-	-	-	-	-	-	-
Other Changes in Net Assets:										
Furniture and equipment:										
Indirect cost	-	(117,095)	(1,115,073)	(84,889)	(41,328)	(36,325)	-	-	(62,330)	(7,760)
Transfers to General Fund	-	-	-	-	-	-	-	-	-	-
NET ASSETS, ENDING	<u>\$ 7,390</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 FUNDING (continued)
For the Year Ended December 31, 2024
(With Comparative Totals for 2023)

VERA Ramsey County	City of Minneapolis Immigration	State of Minnesota Emergency Man. Asst.	State Safe Harbor	State Minor Youth Act	LSAC Multiple Projects	LSAC Matrix	Immigration Hub	Total 2024	Total 2023
\$ -	\$ 96,504	\$ 45,736	\$ 157,378	\$ 159,301	\$ 23,021	\$ 73,800	\$ 83,152	\$ 14,287,563	\$ 10,604,684
-	96,504	45,736	157,378	159,301	23,021	73,800	83,152	14,287,563	10,604,684
2,655 92	65,715 4,717	7,127 17,956	101,087 1,098	115,805 469	- -	- -	20,138 11,651	4,799,592 3,829,379	3,030,378 2,740,362
2,747	70,432	25,083	102,185	116,274	-	-	31,789	8,628,971	5,770,740
1,016 42 - 239 18 17 - 13 6 -	26,060 - 12 - - - - - - -	7,079 7,205 - 2,906 - - - - - -	37,813 - 18 - - - - - - -	43,027 - - - - - - - - -	- 23,021 - - - - - - -	- 73,800 - - - - - - -	11,766 29,041 96 1,818 218 179 - 129 89 27	2,840,056 685,767 58,755 632,151 93,972 86,410 23,704 50,862 53,664 20,344	1,980,511 346,074 34,625 578,494 67,495 144,114 128,023 35,167 44,889 51,173
4,098	96,504	42,273	140,016	159,301	23,021	73,800	75,152	13,174,656	9,181,305
(4,098)	-	3,463	17,362	-	-	-	8,000	1,112,907	1,423,379
17,159	-	-	-	-	-	-	-	401,169	-
(507) -	- -	(3,463) -	(17,362) -	- -	- -	- -	(8,000) -	(1,494,132) -	(1,040,117) 17,907
\$ 12,554	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,944	\$ 401,169

See independent auditor's report
on supplementary information

MID-MINNESOTA LEGAL ASSISTANCE
SUPPLEMENTARY SCHEDULE OF OTHER FUNDING
For the Year Ended December 31, 2024

	MN Legal Services Coalition	Opportunities Endowment #65483	General Operations	Total
SUPPORT AND REVENUE				
Grants and contracts	\$ -	\$ -	\$ 2,605,402	\$ 2,605,402
Contributions	-	-	566,566	566,566
Contributed legal services	-	-	1,712,694	1,712,694
Training & other events	63,196	-	3,500	66,696
Attorney fees	-	-	310,627	310,627
Miscellaneous	-	-	67,409	67,409
Interest	-	-	190,856	190,856
Other income	-	172,675	-	172,675
TOTAL SUPPORT AND REVENUE	63,196	172,675	5,457,054	5,692,925
EXPENSES				
Personnel salaries				
Lawyers	17,628	-	1,672,202	1,689,830
Non-lawyers	54,174	-	1,436,133	1,490,307
Total salaries	71,802	-	3,108,335	3,180,137
Payroll taxes and employee benefits	13,107	-	983,358	996,465
Contract services	106,150	-	1,249,944	1,356,094
Contributed legal services	-	-	1,712,694	1,712,694
Travel	4,618	-	17,457	22,075
Space and occupancy	3,869	-	123,754	127,623
Office expenses	22,348	-	33,404	55,752
Equipment	45,603	-	112,694	158,297
Litigation costs	-	-	515	515
Library maintenance	161	-	1,013	1,174
Professional development	210,658	-	67,285	277,943
Depreciation	11,040	-	210,098	221,138
Other direct expenses	146	-	13,838	13,984
TOTAL EXPENSES	489,502	-	7,634,389	8,123,891
CHANGE IN NET ASSETS	(426,306)	172,675	(2,177,335)	(2,430,966)
NET ASSETS, BEGINNING	6,789	1,644,708	5,485,472	7,136,969
Other Changes in Net Assets:				
Furniture and equipment:				
Indirect cost	(122,386)	-	2,169,488	2,047,102
Transfers to General Fund	-	-	102,013	102,013
NET ASSETS, ENDING	\$(541,903)	\$ 1,817,383	\$ 5,579,638	\$ 6,855,118

See independent auditor's report
on supplementary information

MID-MINNESOTA LEGAL ASSISTANCE
SUPPLEMENTARY SCHEDULE OF RESTRICTED FUNDS
For the Year Ended December 31, 2024

	Endowment Acct #11167 Grant 101	Endowment Acct #11167 Grant 102	FHF - Tenant Outreach	Stevens Square Foundation	Morgan Family Foundation	NLADA	Bremer	Anna Marie's	Wells Fargo Foundation	Pholad Family Foundation	Impact Fund	Minneapolis Foundation
SUPPORT AND REVENUE												
Grants	\$ -	\$ -	\$ -	\$ 25,000	\$ 55,000	\$228,806	\$ 75,000	\$ 4,055	\$ 112,500	\$ 350,000	\$ -	\$ 75,000
Contributions	2,500	-	-	-	-	-	-	-	-	-	-	-
Other income	233,232	17,267	-	-	-	-	-	-	-	-	-	-
TOTAL SUPPORT AND REVENUE	235,732	17,267	-	25,000	55,000	228,806	75,000	4,055	112,500	350,000	-	75,000
EXPENSES												
Personnel salaries												
Lawyers	-	-	13,209	12,662	13,757	20,949	35,728	2,085	81,559	85,262	-	-
Non-lawyers	-	-	-	-	8,375	-	134	605	12,287	-	-	-
Total salaries	-	-	13,209	12,662	22,132	20,949	35,862	2,690	93,846	85,262	-	-
Payroll taxes and employee benefits	-	-	4,888	4,687	8,190	7,752	13,269	996	34,730	31,553	-	-
Contract services	-	-	254	-	1,867	-	1,075	-	2,104	4,594	-	-
Travel	-	-	-	-	-	-	-	-	-	499	-	-
Space and occupancy	-	-	1,354	-	6,926	-	4,775	-	6,972	8,221	-	-
Office expenses	-	-	136	-	862	-	490	-	1,224	1,042	-	-
Equipment	-	-	148	-	946	-	632	-	1,372	809	-	-
Litigation costs	-	-	-	-	-	-	-	-	338	287	-	-
Library maintenance	-	-	158	-	334	-	211	-	676	533	-	-
Professional development	-	-	-	-	387	-	303	-	276	330	-	-
Other direct expenses	-	-	-	-	386	-	149	-	256	127	869	-
TOTAL EXPENSES	-	-	20,147	17,349	42,030	28,701	56,766	3,686	141,794	133,257	869	-
CHANGE IN NET ASSETS	235,732	17,267	(20,147)	7,651	12,970	200,105	18,234	369	(29,294)	216,743	(869)	75,000
NET ASSETS, BEGINNING	2,292,099	167,798	22,646	19,500	-	-	-	-	159,360	21,508	869	-
Other Changes in Net Assets:												
Furniture and equipment:												
Indirect cost	-	-	(2,499)	(2,151)	(5,213)	(3,559)	(7,038)	(369)	(17,566)	(16,119)	-	-
Transfers to General Fund	(95,336)	(6,677)	-	-	-	-	-	-	-	-	-	-
NET ASSETS, ENDING	\$ 2,432,495	\$ 178,388	\$ -	\$ 25,000	\$ 7,757	\$ 196,546	\$ 11,196	\$ -	\$ 112,500	\$ 222,132	\$ -	\$ 75,000

See independent auditor's report
on supplementary information

MID-MINNESOTA LEGAL ASSISTANCE
SUPPLEMENTARY SCHEDULE OF RESTRICTED FUNDS (continued)
For the Year Ended December 31, 2024

BCBS of MN	CentraCare BCBS	Blue Cross Blue Shield	CentraCare MLP	Grossman Clinic	Children's MLP	James Binger Center for New Americans	MN Freedom Fund	McKnight Foundation	Arnold Ventures MABC	Action Now	Asset Bldg Coalition	Total
\$ 200,000	\$ 100,000	\$ -	\$ -	\$ 591,641	\$ 114,480	\$ 50,000	\$ -	\$ (96,000)	\$ -	\$ 30,000	\$ -	\$ 1,915,482
-	-	-	-	-	-	-	-	-	-	-	-	2,500
-	-	-	-	-	-	-	-	-	-	-	-	250,499
200,000	100,000	-	-	591,641	114,480	50,000	-	(96,000)	-	30,000	-	2,168,481
493	60,531	-	26,441	-	71,740	36,548	-	-	2,985	7,109	-	471,058
54,537	492	20,252	-	-	-	2,641	-	-	-	-	-	99,323
55,030	61,023	20,252	26,441	-	71,740	39,189	-	-	2,985	7,109	-	570,381
20,362	22,561	7,496	9,781	-	26,539	14,498	-	-	1,105	2,632	-	211,039
-	775	400	-	-	1,118	553	-	-	11,035	18,020	-	41,795
1,132	-	-	11,504	336	27	119	-	-	-	-	-	13,617
-	3,395	1,968	-	-	-	3,486	-	-	69	155	-	37,321
-	385	270	-	19	828	419	-	-	10	20	-	5,705
-	497	327	-	-	667	327	-	-	43	64	-	5,832
-	-	-	-	-	50	129	9,641	-	-	-	-	10,445
-	163	113	-	-	552	254	-	-	-	-	-	2,994
-	104	84	-	16	248	308	-	-	-	-	-	2,056
-	64	18	-	1	81	81	-	-	-	-	-	2,032
76,524	88,967	30,928	47,726	372	101,850	59,363	9,641	-	15,247	28,000	-	903,217
123,476	11,033	(30,928)	(47,726)	591,269	12,630	(9,363)	(9,641)	(96,000)	(15,247)	2,000	-	1,265,264
59,065	-	34,763	53,645	-	-	27,968	21,500	96,000	42,056	-	27,380	3,046,157
(9,488)	(11,033)	(3,835)	(5,919)	-	(12,630)	(7,363)	(1,195)	-	(526)	(2,000)	-	(108,503)
-	-	-	-	-	-	-	-	-	-	-	-	(102,013)
\$ 173,053	\$ -	\$ -	\$ -	\$ 591,269	\$ -	\$ 11,242	\$ 10,664	\$ -	\$ 26,283	\$ -	\$ 27,380	\$ 4,100,905

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

**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 non-profit organization), which comprise the consolidated statement of financial position as of December 31, 2024, 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, 2025.

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.

A handwritten signature in cursive script that reads "Harrington Langer & Associates".

March 12, 2025



Harrington Langer & Associates
Certified Public Accountants
563 Phalen Boulevard, St. Paul, MN 55130
651-481-1128 Phone | 651-481-0982 Fax
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, 2024. 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, 2024.

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.

Harrington Langer & Associates

March 12, 2025

MID-MINNESOTA LEGAL ASSISTANCE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Subrecipients	Expenditures
U.S. Department of Health and Human Services				
Mental Health - Protection and Advocacy	93.138	6X98SM087424-01	\$ -	\$ 146,352
		1X98SM089573-01		373,868
		Attorney Fees		5,000
Subtotal Mental Health - Protection and Advocacy				525,220
Developmental Disabilities - Protection and Advocacy	93.630	2301MNPADD		22,343
		2401MNPADD		451,085
		Attorney Fees		60,337
Subtotal Developmental Disabilities - Protection and Advocacy				533,765
Voting Act - Protection and Advocacy	93.618	2301MNPAVA-00		106,104
		2401MNPAVA-00		80,810
Subtotal Voting Act - Protection and Advocacy				186,914
Aging Cluster				
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		169,073
Central MN Council on Aging		315-23-003B-001		167,135
Region 9-passed through from Southern Minnesota Regional				
Legal Services	93.566	Unknown		24,156
Subtotal Aging Cluster				360,364
Refugee and Entrant Assistance-State Administered Programs	93.566			
Passed through from:				
Minnesota Department of Human Services		21/2021MNRSSS		38,997
MN Departement of Human Services-Health Insurance Assistance		Unknown		75,950
Lutheran Social Services		Unknown		25,741
Subtotal Refugee and Entrant Assistance Programs				140,688
Assistive Technology Protection and Advocacy	93.843	2401MNPAAAT-00		77,644
Subtotal Assistive Technology Protection and Advocacy				77,644
Traumatic Brain Injury - Protection and Advocacy	93.873	2301MNPATB-00		85,202
Subtotal Traumatic Brain Injury - Protection and Advocacy				85,202
Total U.S. Department of Health and Human Services				1,909,797

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, 2024

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Subrecipients</u>	<u>Expenditures</u>
U.S. Department of Education				
Client Assistance Program	84.161A	H161A240024		168,984
Subtotal Client Assistance Program				168,984
Protection & Advocacy of Individual Rights	84.240A	H240A220024		474,681
		Attorney Fees		103,998
Subtotal Protection & Advocacy of Individual Rights				578,679
Total U.S. Department of Education				747,663
U.S. Social Security Administration				
Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries	96.009			
Protection and Advocacy for Beneficiaries of Social Security		6 PAB1902033805		113,745
Protection and Advocacy for Beneficiaries of Social Security		Attorney Fees		5,000
Strengthening Protections for Social Security Beneficiaries		SPS24000100-01-00		213,122
Strengthening Protections for Social Security Beneficiaries		SPS23000100-01-00		262,405
Total U.S. Social Security Administration				594,272
U.S. Department of Housing and Urban Development				
CDBG - Entitlement Grants Cluster				
Community Development Block Grants	14.218			
Pass-through from City of Minneapolis		COM0003896		20,589
Pass-through from City of Minneapolis		COM0003042-2		22,941
Subtotal CDBG - Entitlement Grants Cluster				43,530
Private Enforcement Initiatives	14.418			
Fair Housing Initiative Program		FPEI190055 #2	62,859	187,619
Fair Housing Initiative Program		FPEI220116	90,287	154,408
Subtotal Private Enforcement Initiatives			153,146	342,027
Total U.S. Department of Housing and Urban Development			153,146	385,557

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, 2024

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Subrecipients</u>	<u>Expenditures</u>
U.S. Department of Justice				
Legal Assistance for Victims Program	16.524	15JOVW-23-GG-00528-LEGA	46,288	198,257
Total U.S. Department of Justice			46,288	198,257
U.S. Department of Treasury				
Low Income Tax Clinic	21.008	24-LITC0407-03-00		185,000
COVID-19 Emergency Rental Assistance Program	21.023			
Pass-through from Minnesota Housing Finance Agency		Unknown	42,200	276,435
Total U.S. Department of Treasury			42,200	461,435
U.S. Department of Homeland Security				
Citizenship Education and Training	97.010			
Pass-through from Pearl Crisis Center		23CICET00297	15,689	180,965
Total U.S. Department of Homeland Security			15,689	180,965
Legal Services Corporation				
Technology Initiative Grant (TIG)	09.524006			
Pass through from Legal Aid Service of Northeastern Minnesota		TC-7137		10,475
Total U.S. Department of Homeland Security			-	10,475
Total Expenditures of Federal Awards			\$ 257,323	\$ 4,488,421

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, 2024. 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, 2024

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 ☒ no

Significant deficiency(ies) identified? ☐ yes ☒ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? ☐ yes ☒ no

Significant deficiency(ies) identified? ☐ yes ☒ 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 ☒ no

Major programs:

Assistance Listing Number(s):

84.240A

93.044/93.045/93.053

Name of Federal Program or Cluster:

Protection and Advocacy of Individual Rights

Aging Cluster

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

Auditee qualified as low-risk auditee? ☒ yes ☐ no

MID-MINNESOTA LEGAL ASSISTANCE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2024

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.