



**PINE TREE LEGAL ASSISTANCE, INC.  
LSC Grant Recipient Number 120000**

**Financial Statements**

**Years Ended December 31, 2015 and 2014**

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Financial Statements**  
**December 31, 2015 and 2014**

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## Independent Auditor's Report

To the Board of Directors of  
Pine Tree Legal Assistance, Inc.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Pine Tree Legal Assistance, Inc. (a Maine nonprofit organization), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pine Tree Legal Assistance, Inc. as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information contained in Schedules 1 through 4 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 information 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 April 8, 2016, on our consideration of Pine Tree Legal Assistance, Inc.'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Pine Tree Legal Assistance, Inc.'s internal control over financial reporting and compliance.



Augusta, Maine  
April 8, 2016

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Statements of Financial Position**  
**December 31, 2015 and 2014**

	2015	2014
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 1,564,431	1,357,577
Grant and contract receivables	400,414	570,210
Employee advances	650	2,461
Prepaid expenses	98,527	102,087
Current portion of promises to give	149,900	586,198
Total current assets	2,213,922	2,618,533
Property and equipment:		
Land	6,900	6,900
Buildings and improvements	217,957	217,957
Leasehold improvements	265,629	265,629
Furniture, fixtures, and equipment	888,615	913,760
Law library	25,384	25,384
Total	1,404,485	1,429,630
Less: Accumulated depreciation and amortization	(1,103,742)	(1,210,799)
Net property and equipment	300,743	218,831
Other assets:		
Promises to give, long-term portion	129,961	139,507
Permanently restricted cash	85,415	-
Beneficial interest in assets held by charitable foundation	1,211,042	493,623
Software, net of amortization	34,075	51,113
Downing Fund	4,060	4,150
Client escrow funds	32,542	35,202
Deposits	8,964	25,633
Total other assets	1,506,059	749,228
<b>Total assets</b>	<b>\$ 4,020,724</b>	<b>3,586,592</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	\$ 43,731	68,631
Accrued expenses	257,785	213,632
Refundable advances	685,054	392,437
Total current liabilities	986,570	674,700
Long-term liabilities:		
Trust deposits held for clients	32,542	35,227
Deposits held for Downing Fund	4,060	4,150
Total long-term liabilities	36,602	39,377
Total liabilities	1,023,172	714,077
Net assets:		
Unrestricted:		
Unrestricted, undesignated (Non-LSC programs)	542,188	880,692
Designated for LSC programs	-	163
Board designated operating reserve fund	996,912	987,185
Board designated endowment fund	-	260,644
Invested in property and equipment	300,743	218,831
Total unrestricted net assets	1,839,843	2,347,515
Temporarily restricted	-	-
Permanently restricted	1,157,709	525,000
Total net assets	2,997,552	2,872,515
<b>Total liabilities and net assets</b>	<b>\$ 4,020,724</b>	<b>3,586,592</b>

*See accompanying notes to financial statements.*

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Statements of Activities**  
**Years Ended December 31, 2015 and 2014**

	2015	2014
<b>UNRESTRICTED:</b>		
Earned revenue and contributed support:		
Grants - LSC	\$ 1,386,404	1,432,917
Grants - IOLTA	472,233	557,233
Grants - MCLSF	718,208	741,350
Grants - Other	1,659,746	1,449,946
Donated services	1,477,109	1,812,095
State appropriation	427,400	354,802
Interest income	1,232	1,399
Contributions	360,718	579,506
Change in value of beneficial interest in charitable foundation	(7,575)	5,406
Other revenue	189,401	217,786
Total revenue and contributed support	6,684,876	7,152,440
Net assets released from restrictions:		
Reclassifications	(260,644)	-
Total revenue, contributed support and reclassifications	6,424,232	7,152,440
Expenses:		
LSC services:		
General legal services	1,069,241	948,018
Specialized legal services	271,415	275,667
Private attorney involvement	1,315,118	1,624,089
Technology grant	77,104	150,929
Total LSC services	2,732,878	2,998,703
Non-LSC services:		
General legal services	1,523,129	1,468,333
Specialized legal services	1,045,927	837,709
Private attorney involvement	447,735	395,856
Total Non-LSC services	3,016,791	2,701,898
Supporting services:		
Provider network	182,569	200,040
Fundraising	106,687	90,450
Management and general	892,979	819,091
Total supporting services	1,182,235	1,109,581
Total expenses	6,931,904	6,810,182
Change in unrestricted net assets	(507,672)	342,258
<b>PERMANENTLY RESTRICTED:</b>		
Contributions	382,541	525,000
Change in value of beneficial interest in charitable foundation	(10,476)	-
Net assets released from restrictions:		
Reclassifications	260,644	-
Change in permanently restricted net assets	632,709	525,000
Change in net assets	125,037	867,258
Net assets, beginning of year	2,872,515	2,005,257
<b>Net assets, end of year</b>	<b>\$ 2,997,552</b>	<b>2,872,515</b>

*See accompanying notes to financial statements.*

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2015**

	LSC Services					Non-LSC services				Supporting services			Total
	General services	Specialized services	Private attorney involvement	Technology Grants	Total LSC services	General services	Specialized services	Private attorney involvement	Total Non-LSC services	Provider Network	Fundraising	Management and General	
Personnel													
Lawyers	\$ 232,955	72,092	45,445	27,550	378,042	625,775	528,143	110,612	1,264,530	47,204	1,807	251,865	1,943,448
Paralegal	214,975	20,714	39,299	3,402	278,390	274,499	106,135	150,795	531,429	-	-	-	809,819
Other staff	-	-	-	4,752	4,752	9,233	-	-	9,233	27,963	32,330	224,439	298,717
Payroll taxes and fringe benefits	188,179	47,183	30,540	18,413	284,315	411,967	282,823	98,784	793,574	34,681	18,118	191,064	1,321,752
Legal consultants	210,494	89,505	1,177,110	-	1,477,109	-	-	-	-	-	-	-	1,477,109
Space and occupancy	90,815	22,876	9,744	-	123,435	81,967	38,752	27,218	147,937	-	-	19,938	291,310
Equipment rental/repairs	2,727	312	622	-	3,661	2,251	1,432	1,452	5,135	50	-	8,802	17,648
Office and consumable supplies	13,897	3,095	3,605	-	20,597	14,640	12,060	9,122	35,822	17,748	-	31,093	105,260
Fundraising	-	-	-	-	-	-	-	-	-	-	54,432	-	54,432
Telephone	11,148	2,227	1,991	(11)	15,355	14,412	4,295	4,882	23,589	868	-	21,095	60,907
Travel and meetings	12,730	4,629	2,164	(606)	18,917	22,292	13,758	6,869	42,919	519	-	12,259	74,614
Training material and expense	3,148	2,024	679	2,200	8,051	8,899	6,343	1,518	16,760	-	-	6,804	31,615
Library maintenance	5,162	1,088	470	-	6,720	4,972	1,886	1,215	8,073	-	-	27,208	42,001
Insurance	-	-	-	-	-	-	-	-	-	-	-	29,064	29,064
Dues and fees	2,559	444	-	-	3,003	2,887	2,001	1,011	5,899	-	-	10,351	19,253
Contracted services	1,957	675	1,563	34,601	38,796	19,168	34,468	28,065	81,701	7,088	-	29,938	157,523
Audit	-	-	-	-	-	-	-	-	-	-	-	19,200	19,200
Litigation and court costs	4,467	4,530	1,812	-	10,809	6,442	13,681	4,187	24,310	-	-	75	35,194
Subrecipients	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	3,944	21	74	(13,197)	(9,158)	23,725	150	2,005	25,880	46,448	-	9,784	72,954
Depreciation and amortization	70,084	-	-	-	70,084	-	-	-	-	-	-	-	70,084
<b>Total expenses</b>	<b>\$ 1,069,241</b>	<b>271,415</b>	<b>1,315,118</b>	<b>77,104</b>	<b>2,732,878</b>	<b>1,523,129</b>	<b>1,045,927</b>	<b>447,735</b>	<b>3,016,791</b>	<b>182,569</b>	<b>106,687</b>	<b>892,979</b>	<b>6,931,904</b>

*See accompanying notes to financial statements.*

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2014**

	LSC Services					Non-LSC services				Supporting services			Total
	General services	Specialized services	Private attorney involvement	Technology Grants	Total LSC services	General services	Specialized services	Private attorney involvement	Total Non-LSC services	Provider Network	Fundraising	Management and General	
Personnel													
Lawyers	\$ 232,265	71,798	23,577	37,153	364,793	595,403	342,135	115,594	1,053,132	44,795	2,361	227,104	1,692,185
Paralegal	120,750	11,581	55,398	3,538	191,267	356,286	131,379	124,268	611,933	-	-	-	803,200
Other staff	-	-	-	6,089	6,089	-	3,247	-	3,247	24,775	23,848	195,938	253,897
Payroll taxes and fringe benefits	184,958	44,754	33,967	25,715	289,394	339,843	218,671	93,715	652,229	33,485	10,093	181,695	1,166,896
Legal consultants	224,957	98,188	1,488,950	-	1,812,095	-	-	-	-	-	-	-	1,812,095
Space and occupancy	52,920	25,564	10,181	-	88,665	72,700	46,325	28,092	147,117	-	-	20,831	256,613
Equipment rental/repairs	3,048	733	393	-	4,174	2,832	1,004	984	4,820	1,306	-	11,026	21,326
Office and consumable supplies	19,477	2,703	3,797	-	25,977	14,638	11,554	9,031	35,223	10,852	-	15,238	87,290
Fundraising	-	-	-	-	-	79	-	292	371	-	54,148	-	54,519
Telephone	10,701	5,062	1,760	-	17,523	26,392	4,231	4,600	35,223	41	-	23,068	75,855
Travel and meetings	9,211	3,931	1,776	2,353	17,271	21,081	13,095	6,386	40,562	323	-	9,259	67,415
Training material and expense	1,821	2,199	653	2,800	7,473	3,725	5,099	1,485	10,309	-	-	12,594	30,376
Library maintenance	6,202	1,346	509	-	8,057	6,189	2,814	1,391	10,394	-	-	31,848	50,299
Insurance	-	-	-	-	-	-	-	-	-	-	-	27,488	27,488
Dues and fees	1,776	561	-	-	2,337	2,829	1,672	1,256	5,757	-	-	12,581	20,675
Contracted services	4,247	4,823	469	47,851	57,390	15,432	30,463	1,050	46,945	9,518	-	21,812	135,665
Audit	-	-	-	-	-	-	-	-	-	-	-	22,935	22,935
Litigation and court costs	4,301	2,324	2,659	-	9,284	8,591	25,846	5,973	40,410	-	-	19	49,713
Subrecipients	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	1,626	100	-	25,430	27,156	2,313	174	1,739	4,226	74,945	-	5,655	111,982
Depreciation and amortization	69,758	-	-	-	69,758	-	-	-	-	-	-	-	69,758
<b>Total expenses</b>	<b>\$ 948,018</b>	<b>275,667</b>	<b>1,624,089</b>	<b>150,929</b>	<b>2,998,703</b>	<b>1,468,333</b>	<b>837,709</b>	<b>395,856</b>	<b>2,701,898</b>	<b>200,040</b>	<b>90,450</b>	<b>819,091</b>	<b>6,810,182</b>

*See accompanying notes to financial statements.*



**PINE TREE LEGAL ASSISTANCE, INC.**  
**Statements of Cash Flows**  
**Years Ended December 31, 2015 and 2014**

	2015	2014
Cash flows from operating activities:		
Change in net assets	\$ 125,037	867,258
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	70,084	69,758
Change in value of beneficial interest in charitable foundation	18,051	(5,406)
Loss on disposal of equipment	8,858	-
(Increase) decrease in:		
Accounts receivable	169,796	(68,633)
Employee advances	1,811	(1,621)
Prepaid expense	3,560	(14,943)
Downing Fund	90	(6)
Client escrow funds	2,660	28,765
Deposits	16,669	18,337
Promises to give	445,844	(725,705)
Permanently restricted cash	(85,415)	-
Increase (decrease) in:		
Accounts payable	(24,900)	8,745
Accrued expenses	44,153	16,470
Refundable advances	292,617	(23,475)
Trust deposits held for clients	(2,685)	(28,765)
Deposits held for Downing Fund	(90)	326
<b>Net cash provided by operating activities</b>	<b>1,086,140</b>	<b>141,105</b>
Cash flows from investing activities:		
Transfers to charitable foundation	(735,467)	(488,217)
Purchase of property and equipment	(143,819)	(8,978)
<b>Net cash used in investing activities</b>	<b>(879,286)</b>	<b>(497,195)</b>
Net increase (decrease) in cash and cash equivalents	206,854	(356,090)
Cash and cash equivalents, beginning of period	1,357,577	1,713,667
<b>Cash and cash equivalents, end of period</b>	<b>\$ 1,564,431</b>	<b>1,357,577</b>
Supplemental cash flow disclosures:		
Cash paid for interest	\$ -	-
Cash paid for income taxes	-	-

*See accompanying notes to financial statements.*

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Notes to Financial Statements**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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**Nature of Activities** - Pine Tree Legal Assistance, Inc. (PTLA) provides legal advice and assistance in non-criminal proceedings to low-income people meeting eligibility guidelines within the State of Maine. The Corporation is supported, in part, through grants from Legal Services Corporation (LSC), a non-profit corporation established by Congress to administer a nationwide legal assistance program. Approximately 65% and 59% of the Corporation's revenue and support for the years ended December 31, 2015 and 2014, respectively, came from direct and pass-through grants and contracts from the federal and state governments.

**Basis of Presentation** - The Corporation is required to present its net assets and revenues, expenses, gains, and losses classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Corporation and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Corporation and/or the passage of time. For the years ended December 31, 2015 and 2014, none of the Corporation's net assets were temporarily restricted.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Corporation. For the years ended December 31, 2015 and 2014, \$1,157,709 and \$525,000, respectively, of the Corporation's net assets were permanently restricted.

**Restricted and Unrestricted Revenue** - All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

**Basis of Accounting** - The financial statements of the Corporation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

**Income Tax Status** - The Corporation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Corporation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(1). Management believes it has no uncertain tax positions with the Internal Revenue Service that require disclosure in its financial statements.

The Corporation's federal Return of Organization Exempt From Income Tax (Form 990) for 2014, 2013, and 2012 are subject to examination by the IRS, generally for three years after they are filed.

**Estimates** - Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Notes to Financial Statements, Continued**

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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**Expense Allocation** - The costs of providing program and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited.

**Property and Equipment** - Property and equipment are stated at cost. The Corporation capitalizes all equipment and leasehold improvements with a unit cost of more than \$5,000. All property and equipment items are depreciated according to the straight-line method. LSC has a reversionary interest in property and equipment, including the law library, acquired with LSC funds in dispositions where the fair market value exceeds \$5,000. Useful lives are as follows:

Furniture and equipment	3-8 years
Buildings	30 years
Improvements	5-20 years

**Donated Services, Space and Materials** - Donated services are recognized as in-kind contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Corporation.

Donated services in the amount of \$1,477,109 and \$1,812,095 for the years ended December 31, 2015 and 2014, respectively, represent services rendered by various attorneys and lay volunteers in the State of Maine at no charge in connection with the Private Attorney Involvement Program and other programs. The value of donated services is based upon estimated average fees normally charged by persons rendering the services. This amount was determined to be \$150/hour for attorneys and \$13.50/hour for lay volunteers. Donated services are recognized both as support and expenses in the accompanying financial statements and, therefore, do not affect PTLA's net asset balances.

**Cash and Cash Equivalents** - For purposes of the statements of cash flows, the Corporation considers all unrestricted highly liquid investments purchased with a maturity of three months or less, as well as all certificates of deposit, to be cash equivalents.

**Accounts and Grants Receivable** - Accounts and grants receivable are stated at the amount that management expects to collect from outstanding balances. No allowance has been provided on receivable balances because management believes all amounts are collectible.

**Software** - Software that is purchased and put into service is included under "Other Assets" in the statements of financial position and is being amortized over its estimated useful period of eight years.

**Restrictions on Net Assets** – Pine Tree Legal Assistance, Inc. follows the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). In 2014, Pine Tree Legal Assistance, Inc. established The Pine Tree Legal Assistance Fund. The fund includes three restricted sub-funds: The Endowment Fund, the Next Generation Endowment Fund and the Carol and David Hancock KIDS LEGAL Fund. Contributions will be placed with the Maine Community Foundation (MCF), an unrelated 501(c)(3) organization, which manages the funds in accordance with the terms of the agreement between them and PTLA. The Board of Directors of MCF, on the advice of legal counsel, has determined that substantially all of the donations and designations received from PTLA meet the definition of endowment funds under UPMIFA. The Board of Directors of MCF has interpreted the

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Notes to Financial Statements, Continued**

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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Maine Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the endowed gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

Under the terms of the agreement, the Board of Directors of PTLA has the ability to transfer to MCF as much of the corpus of any separate gift, devise, bequest, or fund as they in their discretion shall determine. In accordance with UPMIFA, PTLA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: 1) the duration and preservation of the fund, 2) the purposes of the Corporation and the donor-restricted endowment fund, 3) general economic conditions, 4) the possible effect of inflation and deflation, 5) the expected total return from income and the appreciation of investments, 6) other resources of the Corporation, 7) the investment policies of the Corporation.

As a result of the ability to distribute corpus, the Board of Directors of PTLA has determined that all contributions received for The Next Generation Endowment Fund and the Carol and David Hancock KIDS LEGAL Fund, ME, subject to the agreement with MCF and UPMIFA, unless permanently restricted by the donor, are classified as temporarily restricted until appropriated, at which time the appropriation is reclassified to unrestricted net assets. Contributions that are subject to other gift instruments may be recorded as permanently restricted, temporarily restricted or unrestricted, depending on the specific terms of the agreement. Generally, if the corpus of a donor-designated contribution will at some future time become available for spending, it is recorded as temporarily restricted. If the corpus never becomes available for spending, it will be reported as permanently restricted.

Pine Tree Legal Assistance, Inc. has adopted investment and spending policies, approved by its Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to operations supported by its endowment funds while also maintaining the purchasing power over those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make annual distributions available consistent with the standards of MCF while growing the funds if possible.

To satisfy its long-term rate-of-return objectives, PTLA relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). PTLA targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Notes to Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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MCF has spending policies of appropriating for distribution each year an amount of 4% of the average asset values held in PTLA accounts as determined by a standard formula. In addition, the Board of PTLA may request a distribution in excess of the standard MCF distribution, as long as the purpose of the distribution is within the scope of the particular fund.

**Reclassifications** – Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements. There was no effect on the change in net assets.

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**CONCENTRATIONS OF CREDIT RISK**

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The Corporation maintains cash balances at several financial institutions. Checking, savings and certificate accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. In addition, one bank has entered into a Sweep and Agency Agreement with the Corporation, which provides that those swept funds be used to purchase government securities and which the bank has given a perfected interest in certain securities held by the bank for the sweep account balance. At December 31, 2015 and 2014, the Corporation's cash balances were fully insured.

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**RESTRICTED CASH - DOWNING FUND**

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The Thomas P. Downing, Jr. Fund, a nonprofit corporation, was dissolved in September, 1991. PTLA agreed to administer the remaining assets of the fund as of that date. The purpose of the Downing Fund is to provide an annual cash award to a person or persons employed by an organization, which provides, in substantial part, legal services to low income persons, in recognition of that individual's outstanding contributions to legal services for low-income people. Activity in the Downing Fund is as follows:

	<u>2015</u>	<u>2014</u>
Beginning balance	\$ 4,150	4,794
Contributions	155	150
Interest income	5	6
Muskie Dinner program tribute	(250)	-
Awards given	-	(800)
<b>Ending balance</b>	<b>\$ 4,060</b>	<b>4,150</b>

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**PROMISES TO GIVE RECEIVABLE**

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At December 31, 2015, PTLA held commitments receivable from donors to the PTLA Endowment Fund and at December 31, 2014 PTLA held commitments receivable from donors to the PTLA Endowment Fund, the Pine Tree Legal Next Generation Endowment Fund, and the Carol and David Hancock Charitable Trust Fund for KIDS LEGAL. Management currently believes that all funds will be collectible, and therefore has not provided for an allowance for doubtful collection of promises to give receivable.

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Notes to Financial Statements, Continued**

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**PROMISES TO GIVE RECEIVABLE, CONTINUED**

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Promises to give receivable, net of unamortized discount are summarized as follows at December 31:

	<u>2015</u>	<u>2014</u>
Unconditional promises expected to be collected in:		
Less than one year	\$ 151,399	590,594
One year to five years	132,931	141,999
	284,330	732,593
Less:		
Discount to present value	(4,470)	(6,888)
Totals	279,860	725,705
Less current portion	(149,900)	(586,198)
	<b>\$ 129,960</b>	<b>139,507</b>

Promises to give receivable in more than one year are discounted at 1% and 0.75% at December 31, 2015 and 2014, respectively.

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**BENEFICIAL INTEREST IN CHARITABLE FOUNDATION**

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PTLA is a beneficiary of agency funds held by the Maine Community Foundation (MCF). These funds are presented in the statements of financial position, within other assets, as a beneficial interest in assets held by a charitable foundation. Variance power was granted to MCF to allow the right to modify the terms of the funding agreements if, in the judgment of the foundation's Board of Directors, the restrictions and conditions of the fund's purpose become unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community. Distributions from the fund are four percent of the average market value of the fund per year.

Pine Tree Legal Assistance, Inc. maintains the fund (The Pine Tree Legal Assistance Fund) at the Maine Community Foundation, under which there are four sub-funds with balances. At December 31, 2015 and 2014, the account balances were:

	<u>2015</u>	<u>2014</u>
Pine Tree Legal Assistance Operating Reserve Sub-fund	\$ 447,997	455,572
Pine Tree Legal Next Generation Endowment Sub-fund	491,339	-
Pine Tree Legal Carol/David Hancock KIDS LEGAL Sub-fund	14,670	-
Pine Tree Legal Assistance Endowment Sub-fund	257,036	38,051
	<b>\$1,211,042</b>	<b>493,623</b>

For the years ended December 31, 2015 and 2014, PTLA did not receive any income distributions.

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Notes to Financial Statements, Continued**

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**BENEFICIAL INTEREST IN CHARITABLE FOUNDATION, CONTINUED**

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Amounts added to the charitable foundation and year end balances at December 31, 2015 are as follows:

	<u>Current Year Contributions</u>	<u>Cumulative Contributions through December 31, 2015</u>	<u>Fund Balance at December 31, 2015</u>
MCF – PTLA Fund	\$ 735,470	1,223,687	1,211,042
<b>Total</b>	<b>\$ 735,470</b>	<b>1,223,687</b>	<b>1,211,042</b>

Amounts added to the charitable foundation and year end balances at December 31, 2014 are as follows:

	<u>Current Year Contributions</u>	<u>Cumulative Contributions through December 31, 2014</u>	<u>Fund Balance at December 31, 2014</u>
MCF – PTLA Fund	\$ 488,217	488,217	493,623
<b>Total</b>	<b>\$ 488,217</b>	<b>488,217</b>	<b>493,623</b>

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**RESTRICTIONS ON NET ASSETS**

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The following permanently restricted net assets exist as of December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Donations for establishment of PTLA Endowment Fund	\$ 641,700	-
Donation for establishment of Carol and David Hancock Charitable Trust Fund of KIDS LEGAL	24,670	25,000
Donation for establishment of Next Generation Endowment Fund	491,339	500,000
<b>Total permanently restricted net assets</b>	<b>\$ 1,157,709</b>	<b>525,000</b>

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Notes to Financial Statements, Continued**

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**CHANGES IN ENDOWMENT NET ASSETS**

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For the year ended December 31, 2015:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment of net assets, beginning of year	\$ 260,644	-	525,000	785,644
Contributions	-	-	382,541	382,541
Net Change in Value	-	-	(10,476)	(10,476)
Amounts Appropriated for expenditure	-	-	-	-
Other Changes	(260,644)	-	260,644	-
Changes in Endowment Net assets	(260,644)	-	632,709	372,065
<b>Endowment net assets, end of year</b>	<b>\$ -</b>	<b>-</b>	<b>1,157,709</b>	<b>1,157,709</b>

For the year ended December 31, 2014:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment of net assets, beginning of year	\$ -	-	-	-
Contributions	253,906	-	525,000	778,906
Net Change in Value	6,738	-	-	6,738
Amounts Appropriated for expenditure	-	-	-	-
Other Changes	-	-	-	-
Changes in Endowment Net assets	260,644	-	525,000	785,644
<b>Endowment net assets, end of year</b>	<b>\$ 260,644</b>	<b>-</b>	<b>525,000</b>	<b>785,644</b>



**PINE TREE LEGAL ASSISTANCE, INC.**  
**Notes to Financial Statements, Continued**

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**ENDOWMENT NET ASSET COMPOSITION BY TYPE OF FUND**

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As of December 31, 2015:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Assets</u>
Donor Designated Endowment Funds	\$ -	-	1,157,709	1,157,709
Other Endowment Funds				
Undesignated	-	-	-	-
Donor Advised	-	-	-	-
Designated	-	-	-	-
Subtotal Other Endowment Funds	-	-	-	-
Board Designated Endowment Funds	-	-	-	-
<b>Total Endowment Funds</b>	<b>\$ -</b>	<b>-</b>	<b>1,157,709</b>	<b>1,157,709</b>

As of December 31, 2014:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Assets</u>
Donor Designated Endowment Funds	\$ -	-	525,000	525,000
Other Endowment Funds				
Undesignated	-	-	-	-
Donor Advised	-	-	-	-
Designated	-	-	-	-
Subtotal Other Endowment Funds	-	-	-	-
Board Designated Endowment Funds	260,644	-	-	260,644
<b>Total Endowment Funds</b>	<b>\$ 260,644</b>	<b>-</b>	<b>525,000</b>	<b>785,644</b>

**Board Designated Endowment Funds** - In 2014, the Board of Directors established the Pine Tree Legal Assistance Endowment Fund with Maine Community Foundation as a general endowment fund to support the core services of the Corporation. It was originally set up by an internal designation and was not held as donor-restricted, and therefore it was classified and reported as unrestricted Board designated net assets in the 2014 financial statements. The balance in the fund, consisting of receipts and pledges receivable at December 31, 2014, was \$260,644. In 2015, the Corporation reclassified this fund with Maine Community Foundation to a permanently restricted donor designated endowment fund to comply with the original intention that the corpus of the PTLA Endowment Fund was from donor designations to create a source of future funding, and that it is maintained indefinitely, with only annual distributions from the earnings available for spending.

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Notes to Financial Statements, Continued**

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**TOTAL NET ASSET COMPOSITION**

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As of December 31, 2015:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Assets</u>
Endowment funds (beneficial interest) \$	-	-	1,133,039	1,133,039
Board designated operating reserve fund	548,915	-	-	548,915
Board designated operating reserve fund (beneficial interest)	447,997	-	-	447,997
Donor designated for KIDS LEGAL (beneficial interest)	-	-	24,670	24,670
Held in property and equipment	300,743	-	-	300,743
Unrestricted	542,188	-	-	542,188
<b>Total Net Assets</b>	<b>\$ 1,839,843</b>	<b>-</b>	<b>1,157,709</b>	<b>2,997,552</b>

As of December 31, 2014:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Assets</u>
Endowment funds (beneficial interest) \$	38,051	-	500,000	538,051
Designated for LSC programs	163	-	-	163
Board designated operating reserve fund	531,613	-	-	531,613
Board designated operating reserve fund (beneficial interest)	455,572	-	-	455,572
Endowment funds (Board designated)	222,593	-	-	222,593
Donor designated for KIDS LEGAL (beneficial interest)	-	-	25,000	25,000
Held in property and equipment	218,831	-	-	218,831
Unrestricted	880,692	-	-	880,692
<b>Total Net Assets</b>	<b>\$ 2,347,515</b>	<b>-</b>	<b>525,000</b>	<b>2,872,515</b>

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**LEGAL SERVICES CORPORATION REVENUE**

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PTLA's operations are funded, in part, through grants from Legal Services Corporation (LSC). LSC is a private, non-profit corporation established by Congress to seek to ensure equal access to justice under the law for all Americans by providing civil legal assistance to those who otherwise would be unable to afford it. LSC-funded programs do not currently handle criminal cases in State courts, nor do they accept fee-generating cases that private attorneys are willing to accept on a contingency basis. Additional limitations on activities in which LSC-funded programs may engage on behalf of their clients, even with non-LSC funds, include prohibitions on class actions, challenges to welfare reform, lobbying, litigation on behalf of prisoners, representation in drug-related public housing evictions, and representation of certain categories of aliens.

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Notes to Financial Statements, Continued**

**LEGAL SERVICES CORPORATION REVENUE, CONTINUED**

LSC revenue is reported as an increase in unrestricted net assets if the restriction expires (that is when the purpose restriction is accomplished) in the reporting period in which the revenue is recognized.

LSC grant funding is as follows:

	<u><b>2015</b></u>	<u><b>2014</b></u>
Basic grant to be used for general operations	\$ 966,054	945,979
Legal services to migrant farm workers	124,933	122,332
Basic grant allocated to private attorney involvement	138,008	135,139
Technology Initiative Grants	77,104	150,929
Legal services to Native Americans	80,305	78,538
<b><u>Total</u></b>	<b><u>\$ 1,386,404</u></b>	<b><u>1,432,917</u></b>

**INTEREST ON LAWYERS TRUST ACCOUNTS (IOLTA) REVENUE**

The Maine Bar Foundation administers IOLTA funds pursuant to Maine Bar Rule 3.6(f). Pine Tree Legal Assistance receives IOLTA funds for general operations as an automatic grantee. This IOLTA grant is to be used as a supplement to LSC funding and as such is to be used to provide additional services in areas supported by LSC funding and to provide services in areas where LSC funds cannot be used.

PTLA receives both IOLTA funds and contributions collected by the Maine Bar Foundation from lawyers' dues designated for the operation of the Volunteer Lawyers Project.

The Maine Bar Foundation also administers the Coffin Fellowship, which is supported by donations from private law firms and individuals.

The following is a summary of IOLTA funding for 2015 and 2014:

	<u><b>2015</b></u>	<u><b>2014</b></u>
General operation (automatic grant)	\$ 90,962	100,962
Coffin Fellowship	120,000	120,000
<u>Volunteer Lawyers Project</u>	<u>261,271</u>	<u>336,271</u>
<b><u>Total</u></b>	<b><u>\$ 472,233</u></b>	<b><u>557,233</u></b>

**STATE OF MAINE REVENUE**

PTLA received \$427,400 and \$354,802 from the State of Maine in 2015 and 2014, respectively, from awards to provide comprehensive legal representation to eligible clients in all forums that PTLA staff have heretofore represented clients and in all ways consistent with their responsibilities under the Maine Bar Rules and the Maine and federal rules of civil procedures.

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Notes to Financial Statements, Continued**

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**MAINE CIVIL LEGAL SERVICES FUND (MCLSF) REVENUE**

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PTLA receives funding from the Maine Civil Legal Services Fund (MCLSF). MCLSF provides grants to legal service providers to support the provision of free civil legal services to low-income people or the needy elderly in the State of Maine. The funds may not be used to support lobbying, unless the recipient is responding to a request by a Legislator or a member of the Executive Department. PTLA received MCLSF funding totaling \$718,208 in 2015 and \$741,350 in 2014, of which \$80,683 and \$94,337, respectively, is designated towards the Maine Volunteer Lawyers Project. The funds are received quarterly, and are generally recognized as revenue when received. PTLA recognized four payments as revenue in 2015 and 2014.

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**OTHER GRANTS**

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Several programs are funded in whole or in part through grants and contracts with various agencies. Such amounts are recognized as support on a cost-incurred basis. The following is a summary of other grant revenue.

	<u><b>2015</b></u>	<u><b>2014</b></u>
Maine Department of Health and Human Services – SSI Grant	\$ 63,100	58,144
U.S. Department of Housing and Urban Development	383,732	311,849
U.S. Department of Treasury/Internal Revenue Service	95,000	93,000
U.S. Department of Justice/NARF	69,401	68,466
U.S. Department of Justice/Office of Violence Against Women	122,332	98,510
State of Maine Office of AG Foreclosure Settlement	161,830	161,808
York County Shelter	-	5,000
State of Maine STOP Grant	27,397	34,185
Hope and Justice Project	9,811	10,258
Maine Community Foundation	25,000	10,000
Stephen and Tabitha King Foundation	-	50,000
Margaret Burnham Charitable Trust	2,500	2,500
Doree Taylor Foundation	40,000	40,000
Sam L. Cohen Foundation	-	50,000
Genre R. Cohen Charitable Foundation	5,000	-
EB Sewall/Veteran's Medical-Legal Project	24,772	-
Maine Coalition Against Sexual Assault	9,651	-
Harvard University Consumer Project	29,300	-
Simmons Foundation	-	3,650
Portland Defending Childhood	38,890	92,484
JT Gorman Foundation	252,500	75,000
Mosher Family	5,000	5,000
The Betterment Fund	-	15,000
Muskie School LAV Contract	11,775	13,275
State of Maine Bureau of Consumer Protection	53,333	37,500
Preble Street Veterans Project SSVF Contract	105,481	80,214
Vet's, Inc.	-	1,733
SARSSM OVV Contract	-	7,500
Subtotal	1,535,805	1,325,076

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Notes to Financial Statements, Continued**

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**OTHER GRANTS, CONTINUED**

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United Ways & Designations:

Greater Portland	85,531	86,990
Midcoast Maine	18,075	16,899
Androscoggin County	6,300	6,300
York County	9,000	9,000
Donor designations	5,035	5,681

Total United Ways & Designations	123,941	124,870
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<b>Total other grant revenue</b>	<b>\$ 1,659,746</b>	<b>1,449,946</b>
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**CONTRIBUTIONS AND OTHER REVENUE**

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PTLA also funds several programs in whole or in part through fundraising and contributions, as well as by generating revenue from various unrestricted fee-for-service sources including the provider network, attorney fees and videoconference rentals. In 2014, PTLA also established the Pine Tree Fund, a strategic endowment fund for supporting their core services. The following is a summary of contributions and other miscellaneous revenue.

	<u>2015</u>	<u>2014</u>
Campaign for Justice	\$ 279,637	269,063
Muskie Dinner	57,827	34,522
The Pine Tree Fund	382,541	784,679
Direct contributions	23,254	16,242

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<b>Total contributions</b>	<b>\$ 743,259</b>	<b>1,104,506</b>
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<b>Other fee-for-service revenue</b>	<b>\$ 189,401</b>	<b>217,786</b>
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**CONCENTRATION OF SOURCE OF LABOR SUPPLY**

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The Corporation's attorneys and paralegals (representing approximately 72% of the Corporation's employees) are members of the Pine Tree Legal Assistance Attorney Union, National Organization of Legal Service Workers, U.A.W. Amalgamated Local Union 2320 (attorneys), and the Association of Paralegals, Council 93, American Federation of State, County, and Municipal Employees, AFL-CIO (paralegals). The Corporation's current contracts with the unions run through December 2018, after which they are subject to renegotiation. The Corporation's other employees are not represented by a union.

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Notes to Financial Statements, Continued**

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**OPERATING LEASES**

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The Corporation leases office space for its offices in Bangor, Machias, Presque Isle, Portland, and Lewiston. The leases extend to September, 2020. Total rent expense was \$186,096 and \$183,371 for the years ended December 31, 2015 and 2014, respectively. The remaining liabilities under these leases are as follows:

2016	\$	162,104
2017		150,356
2018		151,241
2019		148,596
2020		65,011
<b>Total</b>	<b>\$</b>	<b>677,308</b>

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**PENSION PLAN**

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The Corporation has implemented a Tax Sheltered Annuity (TSA) plan for its employees who have worked one year or more. The annual contribution rate, currently at 5%, is determined by labor negotiations. The employer contributions to the TSA for the years ended December 31, 2015 and 2014 were \$140,862 and \$133,109, respectively.

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**NONCOMPLIANCE WITH GRANTOR OR DONOR RESTRICTIONS**

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Financial awards from federal, state, and local governmental entities in the form of grants are subject to special review or audit. Such audits could result in claims against the Corporation for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

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**SUBSEQUENT EVENTS**

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Subsequent events were evaluated through April 8, 2016, which is the date the financial statements were available to be issued. In February 2016, the Corporation purchased a condo unit to be used as its office in Lewiston. The total cost was \$203,546. The Corporation also has a contract starting March 2016 for renovations to be completed in May 2016 at an additional estimated cost of \$160,108. No debt was assumed for the purchase and management does not intend to assume any debt for the renovations.

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Schedule of Support, Revenue, Expenses, and Changes in Unrestricted Designated Net Assets**  
**LSC Services**  
**Year Ended December 31, 2015**  
**(With Comparative Totals for December 31, 2014)**

	Specialized Services				Private attorney involvement	Technology Grants					Total LSC Services	
	General services	Migrant workers	Native American	Total Specialized Services		13018 Triage Grant	14001 Stateside Grant	14012 Debt Collection	15002 Stateside Grant	Total Technology Grants	2015	2014
Support and revenue:												
Grant - LSC	\$ 966,054	124,933	80,305	205,238	138,008	35,532	26,233	13,139	2,200	77,104	1,386,404	1,432,917
Grants - MCLSF	-	-	-	-	-	-	-	-	-	-	-	-
Donated services	210,494	89,505	-	89,505	1,177,110	-	-	-	-	-	1,477,109	1,812,095
Interest income	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total support and revenue</b>	<b>1,176,548</b>	<b>214,438</b>	<b>80,305</b>	<b>294,743</b>	<b>1,315,118</b>	<b>35,532</b>	<b>26,233</b>	<b>13,139</b>	<b>2,200</b>	<b>77,104</b>	<b>2,863,513</b>	<b>3,245,012</b>
Personnel:												
Salaries - Attorney	232,955	38,458	33,634	72,092	45,445	11,091	10,465	5,994	-	27,550	378,042	364,793
Salaries - Paralegal	214,975	20,714	-	20,714	39,299	1,486	1,699	217	-	3,402	278,390	191,267
Salaries - Other	-	-	-	-	-	4,297	312	143	-	4,752	4,752	6,089
Benefits	188,179	33,735	13,448	47,183	30,540	8,574	7,215	2,624	-	18,413	284,315	289,394
<b>Total personnel</b>	<b>636,109</b>	<b>92,907</b>	<b>47,082</b>	<b>139,989</b>	<b>115,284</b>	<b>25,448</b>	<b>19,691</b>	<b>8,978</b>	<b>-</b>	<b>54,117</b>	<b>945,499</b>	<b>851,543</b>
Other expenses:												
Legal consultants	210,494	89,505	-	89,505	1,177,110	-	-	-	-	-	1,477,109	1,812,095
Space and occupancy	90,815	17,192	5,684	22,876	9,744	-	-	-	-	-	123,435	88,665
Equipment rental/repairs	2,727	204	108	312	622	-	-	-	-	-	3,661	4,174
Office and consumable supplies	13,897	2,216	879	3,095	3,605	-	-	-	-	-	20,597	25,977
Telephone	11,148	1,673	554	2,227	1,991	(11)	-	-	-	(11)	15,355	17,523
Travel and meetings	12,730	3,692	937	4,629	2,164	(606)	-	-	-	(606)	18,917	17,271
Training materials and expenses	3,148	1,786	238	2,024	679	-	-	-	2,200	2,200	8,051	7,473
Library maintenance	5,162	544	544	1,088	470	-	-	-	-	-	6,720	8,057
Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Dues and fees	2,559	222	222	444	-	-	-	-	-	-	3,003	2,337
Contracted services	1,957	-	675	675	1,563	23,898	6,542	4,161	-	34,601	38,796	57,390
Litigation and court costs	4,467	4,476	54	4,530	1,812	-	-	-	-	-	10,809	9,284
Subrecipients	-	-	-	-	-	-	-	-	-	-	-	-
Other	3,944	21	-	21	74	(13,197)	-	-	-	(13,197)	(9,158)	27,156
<b>Total other expenses</b>	<b>363,048</b>	<b>121,531</b>	<b>9,895</b>	<b>131,426</b>	<b>1,199,834</b>	<b>10,084</b>	<b>6,542</b>	<b>4,161</b>	<b>2,200</b>	<b>22,987</b>	<b>1,717,295</b>	<b>2,077,402</b>
Total personnel and other expenses	999,157	214,438	56,977	271,415	1,315,118	35,532	26,233	13,139	2,200	77,104	2,662,794	2,928,945
Administrative expense allocation	177,391	-	23,491	23,491	-	-	-	-	-	-	200,882	315,904
<b>Total expenses</b>	<b>1,176,548</b>	<b>214,438</b>	<b>80,468</b>	<b>294,906</b>	<b>1,315,118</b>	<b>35,532</b>	<b>26,233</b>	<b>13,139</b>	<b>2,200</b>	<b>77,104</b>	<b>2,863,676</b>	<b>3,244,849</b>
Excess (deficit) revenues over expenses	-	-	(163)	(163)	-	-	-	-	-	-	(163)	163
Other changes in designated net assets:												
Purchase of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total changes in designated net assets</b>	<b>-</b>	<b>-</b>	<b>(163)</b>	<b>(163)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(163)</b>	<b>163</b>
Unrestricted designated net assets, beginning of year	-	-	163	163	-	-	-	-	-	-	163	-
<b>Unrestricted designated net assets, end of year</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>163</b>

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Schedule of Support, Revenue, Expenses, and Changes in Unrestricted Net Assets**  
**Non-LSC Services**  
**Year Ended December 31, 2015**  
**(With Comparative Totals for December 31, 2014)**

	Specialized Services						Total Non-LSC Services		
	General services	Migrant workers	Native American	Domestic violence projects	Kids' legal aid project	Total Specialized Services	Private attorney involvement	2015	2014
Support and revenue:									
Grant - IOLTA	\$ 90,962	-	-	120,000	-	120,000	261,271	472,233	557,233
Grant - MCLSF	165,200	101,131	25,195	124,185	221,814	472,325	80,683	718,208	741,350
Grants - Other	830,476	25,000	69,401	289,236	317,640	701,277	-	1,531,753	1,334,363
State appropriation and grants	357,519	-	-	-	-	-	186,314	543,833	450,446
Contributions	266,026	-	-	5,035	100	5,135	94,592	365,753	325,507
Interest income	-	-	-	-	-	-	-	-	-
Other revenue	98,942	1,660	-	26	1,000	2,686	6,675	108,303	141,945
<b>Total support and revenue</b>	<b>1,809,125</b>	<b>127,791</b>	<b>94,596</b>	<b>538,482</b>	<b>540,554</b>	<b>1,301,423</b>	<b>629,535</b>	<b>3,740,083</b>	<b>3,550,844</b>
Personnel:									
Salaries - Attorney	625,775	39,838	61,597	220,407	206,301	528,143	110,612	1,264,530	1,053,132
Salaries - Paralegal	274,499	8,835	-	53,974	43,326	106,135	150,795	531,429	611,933
Salaries - Other	9,233	-	-	-	-	-	-	9,233	3,247
Benefits	411,967	27,038	24,468	137,729	93,588	282,823	98,784	793,574	652,229
<b>Total personnel</b>	<b>1,321,474</b>	<b>75,711</b>	<b>86,065</b>	<b>412,110</b>	<b>343,215</b>	<b>917,101</b>	<b>360,191</b>	<b>2,598,766</b>	<b>2,320,541</b>
Other expenses:									
Space and occupancy	81,967	7,344	3,742	15,793	11,873	38,752	27,218	147,937	147,117
Equipment rental/repairs	2,251	88	70	727	547	1,432	1,452	5,135	4,820
Office and consumable supplies	14,640	927	579	6,147	4,407	12,060	9,122	35,822	35,223
Fundraising	-	-	-	-	-	-	-	-	371
Telephone	14,412	645	365	1,945	1,340	4,295	4,882	23,589	35,223
Travel and meetings	22,292	1,542	646	7,181	4,389	13,758	6,869	42,919	40,562
Training materials and expenses	8,899	2	2,456	2,132	1,753	6,343	1,518	16,760	10,309
Library maintenance	4,972	232	359	735	560	1,886	1,215	8,073	10,394
Insurance	-	-	-	-	-	-	-	-	-
Dues and fees	2,887	-	281	648	1,072	2,001	1,011	5,899	5,757
Contracted services	19,168	2,500	-	10,923	21,045	34,468	28,065	81,701	46,945
Litigation and court costs	6,442	2,031	33	8,630	2,987	13,681	4,187	24,310	40,410
Subrecipients	-	-	-	-	-	-	-	-	-
Other	23,725	-	-	17	133	150	2,005	25,880	4,226
<b>Total other expenses</b>	<b>201,655</b>	<b>15,311</b>	<b>8,531</b>	<b>54,878</b>	<b>50,106</b>	<b>128,826</b>	<b>87,544</b>	<b>418,025</b>	<b>381,357</b>
<b>Total personnel and other expenses</b>	<b>1,523,129</b>	<b>91,022</b>	<b>94,596</b>	<b>466,988</b>	<b>393,321</b>	<b>1,045,927</b>	<b>447,735</b>	<b>3,016,791</b>	<b>2,701,898</b>
Administrative expense allocation	449,983	36,769	-	71,494	147,233	255,496	181,800	887,279	684,457
<b>Total expenses</b>	<b>1,973,112</b>	<b>127,791</b>	<b>94,596</b>	<b>538,482</b>	<b>540,554</b>	<b>1,301,423</b>	<b>629,535</b>	<b>3,904,070</b>	<b>3,386,355</b>
Excess revenues over expenses	(163,987)	-	-	-	-	-	-	(163,987)	164,489
Other changes in net assets:									
Purchase of fixed assets	(143,819)	-	-	-	-	-	-	(143,819)	-
Transfers	-	-	-	-	-	-	-	-	-
<b>Total changes in non-LSC unrestricted net assets</b>	<b>(307,806)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(307,806)</b>	<b>164,489</b>
Unrestricted net assets, beginning of year	1,616,612	-	49,821	-	-	49,821	-	1,666,596	1,501,944
<b>Unrestricted net assets, end of year</b>	<b>\$ 1,308,806</b>	<b>-</b>	<b>49,821</b>	<b>-</b>	<b>-</b>	<b>49,821</b>	<b>-</b>	<b>1,358,790</b>	<b>1,666,433</b>



**PINE TREE LEGAL ASSISTANCE, INC.**  
**Schedule of Support, Revenue, Expenses, and Changes in Designated & Undesignated Net Assets**  
**LSC and Non-LSC Services**  
**Years Ended December 31, 2015 and 2014**

	2015	2014
Support and revenue:		
Grant - LSC	\$ 1,386,404	1,432,917
Grant - IOLTA	472,233	557,233
Grant - MCLSF	718,208	741,350
Grants - Other	1,531,753	1,334,363
State appropriation and grants	543,833	450,446
Donated services	1,477,109	1,812,095
Interest income	-	-
Contributions	365,753	325,507
Other revenue	108,303	141,945
<b>Total support and revenue</b>	<b>6,603,596</b>	<b>6,795,856</b>
Personnel:		
Salaries - Attorney	1,642,572	1,417,925
Salaries - Paralegal	809,819	803,200
Salaries - Other	13,985	9,336
Benefits	1,077,889	941,623
<b>Total personnel</b>	<b>3,544,265</b>	<b>3,172,084</b>
Other expenses:		
Legal consultants	1,477,109	1,812,095
Space and occupancy	271,372	235,782
Equipment rental/repairs	8,796	8,994
Office and consumable supplies	56,419	61,200
Fundraising	-	371
Telephone	38,944	52,746
Travel and meetings	61,836	57,833
Training materials and expenses	24,811	17,782
Library maintenance	14,793	18,451
Insurance	-	-
Dues and fees	8,902	8,094
Contracted services	120,497	104,335
Litigation and court costs	35,119	49,694
Subrecipients	-	-
Other	16,722	31,382
<b>Total other expenses</b>	<b>2,135,320</b>	<b>2,458,759</b>
Total personnel and other expenses	5,679,585	5,630,843
Administrative expense allocation	1,088,161	1,000,361
<b>Total expenses</b>	<b>6,767,746</b>	<b>6,631,204</b>
Excess revenues over expenses	(164,150)	164,652
Other changes in designated & undesignated net assets:		
Purchase of fixed assets	(143,819)	-
Transfers	-	-
<b>Total changes in designated &amp; undesignated net assets</b>	<b>(307,969)</b>	<b>164,652</b>
Designated & undesignated net assets, beginning of year	1,666,596	1,501,944
<b>Designated &amp; undesignated net assets, end of year</b>	<b>\$ 1,358,627</b>	<b>1,666,596</b>

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Schedule of Support, Revenue, Expenses, and Changes in Net Assets**  
**Maine Volunteer Lawyers Project**  
**Years Ended December 31, 2015 and 2014**

	2015	2014
Support and revenue:		
Grants and contracts	\$ 666,276	615,747
Donated services	1,177,110	1,488,950
Other revenue	6,675	7,525
Contributions	94,592	87,045
Total support and revenue	1,944,653	2,199,267
Personnel:		
Salaries - Attorney	156,057	139,171
Salaries - Paralegal	190,094	179,666
Salaries - Other	-	-
Benefits	129,324	127,682
Total personnel	475,475	446,519
Other expenses:		
Legal consultants	1,177,110	1,488,950
Space and occupancy	36,962	38,273
Equipment	-	-
Equipment rental/repairs	2,074	1,377
Office and consumable supplies	12,727	12,828
Fundraising	-	292
Telephone	6,873	6,360
Travel and meetings	9,033	8,162
Training materials and expenses	2,197	2,138
Library maintenance	1,685	1,900
Dues and fees	1,011	1,256
Contracted services	29,628	1,519
Litigation and court costs	5,999	8,632
Other	2,079	1,739
Total other expenses	1,287,378	1,573,426
Total personnel and other expenses	1,762,853	2,019,945
Administrative expense allocation	181,800	179,322
Total expenses	1,944,653	2,199,267
Excess revenues over expenses	-	-
Other changes in net assets:		
Purchase of fixed assets	-	-
Transfers	-	-
Total changes in net assets	-	-
Net assets, beginning of year	-	-
<b>Net assets, end of year</b>	<b>\$ -</b>	<b>-</b>