



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

Financial Statements

Years Ended December 31, 2018 and 2017

PINE TREE LEGAL ASSISTANCE, INC.
Financial Statements
December 31, 2018 and 2017

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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, 2018 and 2017, 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, 2018 and 2017, 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

Report on Supplementary 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 3 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 26, 2019, 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 the effectiveness of Pine Tree Legal Assistance, Inc.'s 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 26, 2019

PINE TREE LEGAL ASSISTANCE, INC.
Statements of Financial Position
December 31, 2018 and 2017

	2018	2017
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 953,348	816,898
Grant and contract receivables	626,779	625,215
Employee advances	375	125
Prepaid expenses	69,394	102,755
Current portion of promises to give	30,070	25,490
Total current assets	1,679,966	1,570,483
Property and equipment:		
Land	6,900	6,900
Buildings and improvements	454,365	454,365
Leasehold improvements	489,113	470,409
Furniture, fixtures, and equipment	356,482	345,123
Law library	25,384	25,384
	1,332,244	1,302,181
Less: Accumulated depreciation and amortization	(756,142)	(678,689)
Net property and equipment	576,102	623,492
Other assets:		
Promises to give, long-term portion	-	9,612
Permanently restricted cash	6,150	115,051
Beneficial interest in assets held by charitable foundation	1,835,515	1,846,962
Software, net of amortization	69,615	11,538
Client escrow funds	4,508	147,579
Deposits	14,101	13,088
Total other assets	1,929,889	2,143,830
Total assets	\$ 4,185,957	4,337,805
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 156,347	110,568
Accrued expenses	333,946	261,795
Refundable advances	14,162	226,860
Total current liabilities	504,455	599,223
Long-term liabilities:		
Trust deposits held for clients	4,508	147,579
Total long-term liabilities	4,508	147,579
Total liabilities	508,963	746,802
Net assets:		
Without donor restrictions:		
Undesignated (Non-LSC programs)	601,976	438,783
Board designated operating reserve fund	1,056,787	1,073,627
Invested in property and equipment	576,102	623,492
Total net assets without donor restrictions	2,234,865	2,135,902
With donor restrictions:		
Temporary restrictions (LSC programs)	91,953	-
Perpetual restrictions	1,350,176	1,455,101
Total net assets with donor restrictions	1,442,129	1,455,101
Total net assets	3,676,994	3,591,003
Total liabilities and net assets	\$ 4,185,957	4,337,805

See accompanying notes to financial statements.

PINE TREE LEGAL ASSISTANCE, INC.
Statements of Activities
Years Ended December 31, 2018 and 2017

	2018	2017
WITHOUT DONOR RESTRICTIONS:		
Earned revenue and contributed support:		
Grants - LSC direct technology grants	\$ 133,486	98,477
Grants - LSC pass-through	37,962	71,095
Grants - IOLTA	55,007	43,302
Grants - MCLSF	692,620	698,426
Grants - Other	2,973,668	2,893,930
Donated services	567,449	695,021
State appropriation	500,000	500,000
Interest income	2,047	906
Contributions	351,324	391,719
Other revenue	191,664	372,601
Total revenue and contributed support	5,505,227	5,765,477
Net assets released from restrictions:		
Transfer from net assets with temporary donor restrictions	1,514,723	1,451,019
Transfer from net assets with perpetual donor restrictions	77,560	-
Total revenue, contributed support and reclassifications	7,097,510	7,216,496
Expenses:		
LSC services:		
General legal services	1,552,429	1,662,892
Specialized legal services	251,139	244,905
Private attorney involvement	114,297	122,022
Veterans consortium	25,280	63,480
Technology grant	136,448	103,572
Total LSC services	2,079,593	2,196,871
Non-LSC services:		
General legal services	1,667,851	1,502,900
Specialized legal services	1,833,245	1,751,572
Total Non-LSC services	3,501,096	3,254,472
Supporting services:		
Provider network	247,462	184,707
Fundraising	42,833	40,194
Management and general	1,110,722	1,172,602
Total supporting services	1,401,017	1,397,503
Total expenses	6,981,706	6,848,846
Change in net assets from operations	115,804	367,650
Nonoperating activities:		
Change in value of beneficial interest in charitable foundation	(16,841)	63,565
Total nonoperating activities	(16,841)	63,565
Change in net asset without donor restrictions	98,963	431,215
WITH DONOR RESTRICTIONS:		
TEMPORARY RESTRICTIONS:		
Contributed support:		
LSC direct - Basic field	1,606,676	1,443,855
Net assets released from restrictions:		
Transfer to net assets without donor restrictions	(1,514,723)	(1,451,019)
Change in net assets with temporary donor restrictions	91,953	(7,164)
PERPETUAL RESTRICTIONS:		
Contributions	14,618	34,472
Earnings appropriated for expenditure	(77,560)	-
Change in value of beneficial interest in charitable foundation	(41,983)	155,288
Change in net assets with perpetual donor restrictions	(104,925)	189,760
Change in net assets with donor restrictions	(12,972)	182,596
Change in net assets	85,991	613,811
Net assets, beginning of year	3,591,003	2,977,192
Net assets, end of year	\$ 3,676,994	3,591,003

See accompanying notes to financial statements.

PINE TREE LEGAL ASSISTANCE, INC.
Statement of Functional Expenses
Year Ended December 31, 2018

	LSC Services						Non-LSC services			Supporting services			Total
	General services	Specialized services	Private attorney involvement	Veterans Consortium	Technology Grants	Total LSC services	General services	Specialized services	Total Non-LSC services	Provider Network	Fundraising	Management and General	
Personnel													
Lawyers	\$ 348,714	145,732	37,640	14,492	39,651	586,229	771,399	803,242	1,574,641	-	-	287,707	2,448,577
Paralegal	231,513	-	39,506	-	-	271,019	257,325	207,617	464,942	-	-	-	735,961
Other staff	-	-	-	-	-	-	2,167	-	2,167	98,706	21,649	298,008	420,530
Payroll taxes and fringe benefits	222,569	64,086	27,766	7,891	18,734	341,046	408,527	460,841	869,368	49,688	11,576	233,477	1,505,155
Legal consultants	567,449	-	-	-	-	567,449	-	-	-	-	-	-	567,449
Space and occupancy	53,300	15,580	4,674	499	-	74,053	81,374	74,147	155,521	-	-	47,205	276,779
Equipment rental/repairs	1,096	129	110	-	-	1,335	1,618	1,366	2,984	1,899	-	6,176	12,394
Office and consumable supplies	10,112	2,327	1,367	541	-	14,347	24,751	22,474	47,225	51,242	-	39,512	152,326
Fundraising	-	-	-	-	-	-	460	-	460	-	9,608	-	10,068
Telephone	4,458	764	642	77	-	5,941	7,899	7,658	15,557	-	-	12,563	34,061
Travel and meetings	7,950	3,521	1,104	337	485	13,397	20,785	42,487	63,272	242	-	13,247	90,158
Training material and expense	3,220	2,714	497	923	2,482	9,836	21,765	8,665	30,430	-	-	12,765	53,031
Library maintenance	3,673	54	434	249	-	4,410	5,682	3,478	9,160	-	-	41,070	54,640
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	39,726
Dues and fees	1,670	530	-	10	-	2,210	18,191	3,345	21,536	-	-	1,656	25,402
Contracted services	1,977	656	496	261	74,096	77,486	12,232	1,900	14,132	30,523	-	20,517	142,658
Audit	-	-	-	-	-	-	-	-	-	-	-	-	29,775
Litigation and court costs	10,269	6,001	61	-	-	16,331	18,591	18,396	36,987	-	-	-	53,318
Subrecipients	-	9,045	-	-	-	9,045	-	176,775	176,775	-	-	-	185,820
Miscellaneous	1,483	-	-	-	1,000	2,483	15,085	854	15,939	15,162	-	27,318	60,902
Depreciation and amortization	82,976	-	-	-	-	82,976	-	-	-	-	-	-	82,976
Total expenses	\$ 1,552,429	251,139	114,297	25,280	136,448	2,079,593	1,667,851	1,833,245	3,501,096	247,462	42,833	1,110,722	6,981,706

See accompanying notes to financial statements.

PINE TREE LEGAL ASSISTANCE, INC.
Statement of Functional Expenses
Year Ended December 31, 2017

	LSC Services					Non-LSC services			Supporting services			Total	
	General services	Specialized services	Private attorney involvement	Veterans Consortium	Technology Grants	Total LSC services	General services	Specialized services	Total Non-LSC services	Provider Network	Fundraising		Management and General
Personnel													
Lawyers	\$ 388,226	132,137	27,122	37,868	44,922	630,275	670,397	822,478	1,492,875	16,027	4,288	242,821	2,386,286
Paralegal	247,712	-	43,945	-	-	291,657	153,400	167,929	321,329	-	-	-	612,986
Other staff	-	-	-	-	-	-	5,239	-	5,239	61,031	16,440	290,963	373,673
Payroll taxes and fringe benefits	106,589	56,767	35,114	19,570	17,733	235,773	465,859	374,113	839,972	37,441	12,374	282,104	1,407,664
Legal consultants	695,021	-	-	-	-	695,021	-	-	-	-	-	-	695,021
Space and occupancy	58,398	17,436	4,211	542	-	80,587	81,012	83,032	164,044	-	-	33,038	277,669
Equipment rental/repairs	1,378	76	80	29	-	1,563	1,854	1,938	3,792	5,548	-	17,912	28,815
Office and consumable supplies	14,057	2,997	1,728	339	-	19,121	26,042	26,773	52,815	42,499	-	20,449	134,884
Fundraising	-	-	-	-	-	-	-	-	-	-	7,092	-	7,092
Telephone	6,659	1,441	1,242	65	-	9,407	10,427	10,307	20,734	179	-	9,617	39,937
Travel and meetings	10,785	7,458	1,109	1,499	6,048	26,899	18,416	40,964	59,380	62	-	19,075	105,416
Training material and expense	7,600	833	2,035	184	-	10,652	15,840	12,648	28,488	427	-	13,672	53,239
Library maintenance	2,629	538	291	27	-	3,485	3,929	4,028	7,957	6,170	-	26,640	44,252
Insurance	-	-	-	-	-	-	-	-	-	-	-	35,807	35,807
Dues and fees	1,999	530	-	25	-	2,554	7,657	3,598	11,255	-	-	11,694	25,503
Contracted services	2,664	2,676	4,963	866	29,817	40,986	26,818	33,348	60,166	15,323	-	69,968	186,443
Audit	-	-	-	-	-	-	-	-	-	-	-	26,005	26,005
Litigation and court costs	18,555	6,016	43	2,392	-	27,006	13,119	14,213	27,332	-	-	-	54,338
Subrecipients	-	16,000	-	-	-	16,000	-	155,206	155,206	-	-	-	171,206
Miscellaneous	3,128	-	139	74	5,052	8,393	2,891	997	3,888	-	-	72,837	85,118
Depreciation and amortization	97,492	-	-	-	-	97,492	-	-	-	-	-	-	97,492
Total expenses	\$ 1,662,892	244,905	122,022	63,480	103,572	2,196,871	1,502,900	1,751,572	3,254,472	184,707	40,194	1,172,602	6,848,846

See accompanying notes to financial statements.

PINE TREE LEGAL ASSISTANCE, INC.
Statements of Cash Flows
Years Ended December 31, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Change in net assets	\$ 85,991	613,811
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	82,976	97,492
Change in value of beneficial interest in charitable foundation	58,824	(218,853)
(Increase) decrease in:		
Accounts receivable	(1,564)	(139,451)
Employee advances	(250)	1,000
Prepaid expense	33,361	17,644
Client escrow funds	143,071	(115,037)
Deposits	(1,013)	(824)
Promises to give	5,032	102,294
Permanently restricted cash	108,901	(67,811)
Increase (decrease) in:		
Accounts payable	45,779	19,789
Accrued expenses	72,151	(23,394)
Refundable advances	(212,698)	(213,922)
Trust deposits held for clients	(143,071)	115,037
Net cash provided by operating activities	277,490	187,775
Cash flows from investing activities:		
Transfers to charitable foundation	(47,377)	(72,126)
Purchase of property and equipment	(93,663)	(50,384)
Net cash used in investing activities	(141,040)	(122,510)
Net increase in cash and cash equivalents	136,450	65,265
Cash and cash equivalents, beginning of year	816,898	751,633
Cash and cash equivalents, end of year	\$ 953,348	816,898
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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 79% and 73% of the Corporation's revenue and support for the years ended December 31, 2018 and 2017, respectively, came from direct and pass-through grants and contracts from the federal and state governments.

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.

Basis of Presentation – The financial statements of the Corporation have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which requires the Corporation 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 Corporation. These net assets may be used at the discretion of the Corporation's management and 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 the Corporation or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Measure of Operations – The statements of activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Corporation's ongoing legal services and interest earned on cash accounts. Nonoperating activities are limited to resources that generate return from other activities considered to be of a more unusual or nonrecurring nature.

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 2017, 2016, and 2015 are subject to examination by the IRS, generally for three years after they are filed.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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.

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 \$567,449 and \$695,021 for the years ended December 31, 2018 and 2017, 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 \$250/hour for attorneys for the years ended December 31, 2018 and 2017, respectively, and \$13.50/hour for lay volunteers for both years. 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

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

New Accounting Pronouncement – On August 18, 2016, the Financial Accounting Standards Board (FASB) issued ASU No. 2016-14, Not-for-Profit Entities (Topic 958) - *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. Pine Tree Legal Assistance, Inc. has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

Functional Expenses - 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. PTLA allocates salaries and benefits on the basis of actual time and effort. Occupancy expenses are allocated based upon a set of core hours by location.

AVAILABILITY AND LIQUIDITY

The following represents Pine Tree Legal Assistance, Inc.'s financial assets at December 31, 2018 and 2017:

Financial assets at year-end:	<u>2018</u>	<u>2017</u>
Cash	\$ 959,498	\$ 931,949
Grants and contract receivable	626,779	625,215
Employee advances	375	125
Current portion of promises to give	30,070	25,490
<u>Investments</u>	<u>1,835,515</u>	<u>1,846,962</u>
<u>Total financial assets</u>	<u>3,452,237</u>	<u>3,429,741</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	1,442,129	1,455,101
Less net assets with temporary restrictions to be met in less than a year	(91,953)	-
	<u>1,350,156</u>	<u>1,455,101</u>

Financial assets available to meet general expenditures over the next twelve months \$ 2,102,081 \$ 1,974,640

Pine Tree Legal Assistance, Inc.'s goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$1,500,000).

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Investments/Net Assets with Donor Restrictions - 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 are 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 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, and 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 Endowment Fund, The Next Generation Endowment Fund and the Carol and David Hancock KIDS LEGAL Fund, ME, subject to the agreement with MCF and UPMIFA, are permanently restricted by the donor, and are classified as such. Contributions that are subject to other gift instruments may be recorded as donor restricted in perpetuity, donor restricted with temporary restrictions or without donor restrictions, 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 donor restricted with temporary restrictions. If the corpus never becomes available for spending, it will be reported as donor restricted in perpetuity.

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.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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. 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.

CONCENTRATIONS OF CREDIT RISK

The Corporation maintains cash balances at several financial institutions. Checking 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, 2018 and 2017, the Corporation's cash balances were fully insured.

PROMISES TO GIVE RECEIVABLE

At December 31, 2018 and 2017, PTLA held commitments receivable from donors to the PTLA Endowment Fund. 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.

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

	<u>2018</u>	<u>2017</u>
Unconditional promises expected to be collected in:		
Less than one year	\$ 31,000	26,000
One year to five years	-	10,416
	31,000	36,416
Less:		
Discount to present value	(930)	(1,314)
Totals	30,070	35,102
Less current portion	(30,070)	(25,490)
Total, less current portion	\$ -	9,612

Promises to give receivable in more than one year are discounted at 3.00% and 2.00% at December 31, 2018 and 2017, respectively.

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

BENEFICIAL INTEREST IN CHARITABLE FOUNDATION

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, 2018 and 2017, the account balances were:

	<u>2018</u>	<u>2017</u>
Pine Tree Legal Assistance Operating Reserve Sub-fund	\$ 525,173	542,014
Pine Tree Legal Next Generation Endowment Sub-fund	524,227	594,451
Pine Tree Legal Carol/David Hancock KIDS LEGAL Sub-fund	27,125	29,847
Pine Tree Legal Assistance Endowment Sub-fund	758,990	680,650
<u>Total sub-fund balances</u>	<u>\$ 1,835,515</u>	<u>1,846,962</u>

For the years ended December 31, 2018 and 2017, PTLA received income distributions of \$77,560 and \$0, respectively.

Amounts added to the charitable foundation and year end balances at December 31, 2018 are as follows:

	<u>Current Year Contributions</u>	<u>Cumulative Contributions through December 31, 2018</u>	<u>Fund Balance at December 31, 2018</u>
MCF – PTLA Fund	\$ 124,938	2,095,982	1,835,515
Total	\$ 124,938	2,095,982	1,835,515

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

BENEFICIAL INTEREST IN CHARITABLE FOUNDATION, CONTINUED

Amounts added to the charitable foundation and year end balances at December 31, 2017 are as follows:

	Current Year Contributions	Cumulative Contributions through December 31, 2017	Fund Balance at December 31, 2017
MCF – PTLA Fund	\$ 402,416	1,971,044	1,846,962
Total	\$ 402,416	1,971,044	1,846,962

DONOR RESTRICTIONS ON NET ASSETS

The following are net assets with temporary donor restrictions as of December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
LSC Basic Field grant funds for Migrant Workers services	\$ 81,146	-
LSC Basic Field grant funds for Private Attorney Involvement	\$ 10,807	-
Total net assets with temporary restrictions	\$ 91,953	-

The Corporation is requesting a waiver from Legal Services Corporation in relation to the unspent Migrant Workers services funding in order to carry it into 2019 and use it for that program.

The following are net assets with perpetual donor restrictions as of December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Donations for establishment of PTLA Endowment Fund	\$ 798,824	830,803
Donation for establishment of Carol and David Hancock Charitable Trust Fund of KIDS LEGAL	27,125	29,847
Donation for establishment of Next Generation Endowment Fund	524,227	594,451
Total net assets with perpetual restrictions	\$ 1,350,176	1,455,101

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

CHANGES IN ENDOWMENT NET ASSETS

For the year ended December 31, 2018:

	<u>Without Restrictions</u>	<u>With Temp. Restrictions</u>	<u>With Perm. Restrictions</u>	<u>Total</u>
Endowment of net assets, beginning of year	-	-	1,455,101	1,455,101
Contributions	-	-	14,618	14,618
Net Change in Value	-	-	(41,983)	(41,983)
Amounts Appropriated for expenditure	-	-	(77,560)	(77,560)
Other Changes	-	-	-	-
Changes in Endowment Net assets	-	-	(104,925)	(104,925)
Endowment net assets, end of year	\$ -	-	1,350,176	1,350,176

For the year ended December 31, 2017:

	<u>Without Restrictions</u>	<u>With Temp. Restrictions</u>	<u>With Perm. Restrictions</u>	<u>Total</u>
Endowment of net assets, beginning of year	-	-	1,265,341	1,265,341
Contributions	-	-	34,472	34,472
Net Change in Value	-	-	155,288	155,288
Amounts Appropriated for expenditure	-	-	-	-
Other Changes	-	-	-	-
Changes in Endowment Net assets	-	-	189,760	189,760
Endowment net assets, end of year	\$ -	-	1,455,101	1,455,101

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

ENDOWMENT NET ASSET COMPOSITION BY TYPE OF FUND

As of December 31, 2018:

	<u>Without Restrictions</u>	<u>With Temp. Restrictions</u>	<u>With Perm. Restrictions</u>	<u>Total</u>
Donor Designated Endowment Funds	\$ -	-	1,350,176	1,350,176
Other Endowment Funds				
Undesignated	-	-	-	-
Donor Advised	-	-	-	-
Designated	-	-	-	-
Subtotal Other Endowment Funds	-	-	-	-
Board Designated Endowment Funds	-	-	-	-
Total Endowment Funds	\$ -	-	1,350,176	1,350,176

As of December 31, 2017:

	<u>Without Restrictions</u>	<u>With Temp. Restrictions</u>	<u>With Perm. Restrictions</u>	<u>Total</u>
Donor Designated Endowment Funds	\$ -	-	1,455,101	1,455,101
Other Endowment Funds				
Undesignated	-	-	-	-
Donor Advised	-	-	-	-
Designated	-	-	-	-
Subtotal Other Endowment Funds	-	-	-	-
Board Designated Endowment Funds	-	-	-	-
Total Endowment Funds	\$ -	-	1,455,101	1,455,101

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

TOTAL NET ASSET COMPOSITION

As of December 31, 2018:

	<u>Without Restrictions</u>	<u>With Temp. Restrictions</u>	<u>With Perm. Restrictions</u>	<u>Total</u>
Endowment funds (beneficial interest) \$	-	-	1,323,051	1,323,051
Board designated operating reserve fund	531,614	-	-	531,614
Board designated operating reserve fund (beneficial interest)	525,173	-	-	525,173
Donor designated for KIDS LEGAL (beneficial interest)	-	-	27,125	27,125
Held in property and equipment	576,102	-	-	576,102
Undesignated	601,976	-	-	617,961
Temporary restrictions – LSC Basic Field	-	91,953	-	91,953
Total Net Assets	\$ 2,234,865	91,953	1,350,176	3,676,994

As of December 31, 2017:

	<u>Without Restrictions</u>	<u>With Temp. Restrictions</u>	<u>With Perm. Restrictions</u>	<u>Total</u>
Endowment funds (beneficial interest) \$	-	-	1,425,254	1,425,254
Board designated operating reserve fund	531,613	-	-	531,613
Board designated operating reserve fund (beneficial interest)	542,014	-	-	542,014
Donor designated for KIDS LEGAL (beneficial interest)	-	-	29,847	29,847
Held in property and equipment	623,492	-	-	623,492
Undesignated	438,436	-	-	438,436
Temporary restrictions – LSC Basic Field	-	-	-	-
Total Net Assets	\$ 2,135,555	-	1,455,101	3,590,656

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

LEGAL SERVICES CORPORATION REVENUE

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.

LSC revenue for basic grant services is reported as an increase in net assets with temporary restrictions. When the funds are expended for their specified purposes, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. All other LSC revenue is reported as an increase in net assets without donor restrictions 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 received by PTLA is as follows:

	<u>2018</u>	<u>2017</u>
Direct funding:		
Basic grant to be used for general operations	\$ 1,091,897	1,024,312
Basic grant for legal services to migrant farm workers	270,799	190,835
Basic grant allocated to private attorney involvement	155,985	146,330
Technology Initiative Grants	133,486	98,477
Basic grant for legal services to Native Americans	87,995	82,378
Sub-total	1,740,162	1,542,332
Pass-through funding:		
Veterans Consortium	35,000	66,000
Technology Initiative Grant	2,962	5,095
Sub-total	37,962	71,095
Total	\$ 1,778,124	1,613,427

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

INTEREST ON LAWYERS TRUST ACCOUNTS (IOLTA) REVENUE

The Maine Justice 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 received IOLTA funding totaling \$55,007 in 2018 and \$43,302 in 2017.

STATE OF MAINE REVENUE

PTLA received \$500,000 from the State of Maine in 2018 and 2017 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.

MAINE CIVIL LEGAL SERVICES FUND (MCLSF) REVENUE

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 \$692,620 in 2018 and \$698,426 in 2017. The funds are received quarterly and are generally recognized as revenue when received. PTLA recognized four payments as revenue in 2018 and 2017.

OTHER GRANTS

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>2018</u>	<u>2017</u>
U.S. Department of Housing and Urban Development	\$ 313,312	249,204
U.S. Department of Treasury/Internal Revenue Service	100,000	95,000
U.S. Department of Justice/NARF	30,644	29,696
U.S. Department of Justice/Office of Violence Against Women	536,095	317,323
State of Maine Office of AG Foreclosure Settlement	-	125,000
State of Maine STOP Grant	134,073	39,184
State of Maine Riverview Contract	5,090	11,442
State of Maine Office of AG Consumer	-	125,000
State of Maine VOCA	959,320	946,162
Hope and Justice Project	8,985	8,978
Houlton Band of Maliseet Indians DV Contract	15,609	-
Maine Justice Foundation Bank of America	100,000	100,000
Doree Taylor Foundation	50,000	50,000
Maine Justice Foundation Coffin Fellowship	120,000	120,000
Maine Justice Foundation one-time grant	22,260	-

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

OTHER GRANTS, CONTINUED

EB Sewall/Veteran's Medical-Legal Project	74,398	153,330
Maine Coalition Against Sexual Assault	-	32,927
JT Gorman Foundation	199,704	175,296
Moser Family	5,000	5,000
Muskie School LAV Contract	30,242	44,711
MCF Reading Matters	-	5,000
MCF Lead Paint	7,500	-
Sam Cohen Foundation	30,000	-
State of Maine Bureau of Consumer Credit Protection	42,500	40,000
Preble Street Veterans Project SSVF Contract	74,797	93,983
Subtotal	2,859,529	2,767,236

United Ways & Designations:

Greater Portland	72,101	85,177
Midcoast Maine	21,730	20,874
Androscoggin County	7,000	7,000
York County	10,000	10,000
Donor designations	3,308	3,643
Total United Ways & Designations	114,139	126,694

Total other grant revenue **\$ 2,973,668** **2,893,930**

CONTRIBUTIONS AND OTHER REVENUE

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>2018</u>	<u>2017</u>
Campaign for Justice	\$ 223,723	253,138
Muskie Dinner	31,670	22,328
The Pine Tree Fund	14,618	33,070
Cy Pres Awards	-	33,712
Direct contributions	95,931	83,943
Total contributions	\$ 365,942	426,191
Other fee-for-service revenue	\$ 191,664	358,013

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

CONCENTRATION OF SOURCE OF LABOR SUPPLY

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). As of the date of this report, the unions and the Corporation were in the process of finalizing the 2019-2022 contracts for the renewal of its contracts that were in place through December 2018. The Corporation's other employees are not represented by a union.

OPERATING LEASES

The Corporation leases office space for its offices in Bangor, Machias, Presque Isle, and Portland. The leases extend to October 2021. Total rent expense was \$172,526 and \$171,534 for the years ended December 31, 2018 and 2017, respectively. The remaining liabilities under these leases are as follows:

2019	\$	168,396
2020		84,811
2021		<u>16,500</u>
Total	\$	<u>253,207</u>

PENSION PLAN

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, 2018 and 2017 were \$169,271 and \$147,295, respectively.

NONCOMPLIANCE WITH GRANTOR OR DONOR RESTRICTIONS

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.

SUBSEQUENT EVENTS

Subsequent events were evaluated through April 26, 2019, which is the date the financial statements were available to be issued.

PINE TREE LEGAL ASSISTANCE, INC.
Schedule of Support, Revenue, Expenses, and Changes in Net Assets
LSC Services
Year Ended December 31, 2018
(With Comparative Totals for December 31, 2017)

	Specialized Services							Total LSC Services					
	General services	Migrant workers	Native American	Total Specialized Services	Private attorney involvement	Veterans Consortium	15002 Stateside Grant	17007 Stateside Grant	17015 Search Enhancement	16021 Outreach Subgrant	Total Technology Grants	2018	2017
Support and revenue:													
Grant - LSC direct	\$ 1,091,897	270,799	87,995	358,794	155,985	-	24,669	72,270	36,547	-	133,486	1,740,162	1,542,332
Grant - LSC pass-through	-	-	-	-	-	35,000	-	-	-	2,962	2,962	37,962	71,095
Grants - MCLSF	-	-	-	-	-	-	-	-	-	-	-	-	-
Donated services	567,449	-	-	-	-	-	-	-	-	-	-	567,449	695,021
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	18,907	80	-	80	-	-	-	-	-	-	-	18,987	178,750
Total support and revenue	1,678,253	270,879	87,995	358,874	155,985	35,000	24,669	72,270	36,547	2,962	136,448	2,364,560	2,487,198
Personnel:													
Salaries - Attorney	348,714	93,369	52,363	145,732	37,640	14,492	6,420	25,587	4,682	2,962	39,651	586,229	630,275
Salaries - Paralegal	231,513	-	-	-	39,506	-	-	-	-	-	-	271,019	291,657
Salaries - Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll taxes and fringe benefits	222,569	42,146	21,940	64,086	27,766	7,891	5,679	10,578	2,477	-	18,734	341,046	235,773
Total personnel	802,796	135,515	74,303	209,818	104,912	22,383	12,099	36,165	7,159	2,962	58,385	1,198,294	1,157,705
Other expenses:													
Legal consultants	567,449	-	-	-	-	-	-	-	-	-	-	567,449	695,021
Space and occupancy	53,300	7,773	7,807	15,580	4,674	499	-	-	-	-	-	74,053	80,587
Equipment rental/repairs	1,096	35	94	129	110	-	-	-	-	-	-	1,335	1,563
Office and consumable supplies	10,112	1,364	963	2,327	1,367	541	-	-	-	-	-	14,347	19,121
Telephone	4,458	515	249	764	642	77	-	-	-	-	-	5,941	9,407
Travel and meetings	7,950	2,573	948	3,521	1,104	337	-	485	-	-	485	13,397	26,899
Training materials and expenses	3,220	2,041	673	2,714	497	923	-	2,482	-	-	2,482	9,836	10,652
Library maintenance	3,673	27	27	54	434	249	-	-	-	-	-	4,410	3,485
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues and fees	1,670	265	265	530	-	10	-	-	-	-	-	2,210	2,554
Contracted services	1,977	-	656	656	496	261	11,570	33,138	29,388	-	74,096	77,486	40,986
Litigation and court costs	10,269	5,875	126	6,001	61	-	-	-	-	-	-	16,331	27,006
Subrecipients	-	9,045	-	9,045	-	-	-	-	-	-	-	9,045	16,000
Other	1,483	-	-	-	-	-	1,000	-	-	-	1,000	2,483	8,393
Total other expenses	666,657	29,513	11,808	41,321	9,385	2,897	12,570	36,105	29,388	-	78,063	798,323	941,674
Total personnel and other expenses	1,469,453	165,028	86,111	251,139	114,297	25,280	24,669	72,270	36,547	2,962	136,448	1,996,617	2,099,379
Administrative expense allocation	208,800	24,705	1,884	26,589	30,881	9,720	-	-	-	-	-	275,990	394,983
Total expenses	1,678,253	189,733	87,995	277,728	145,178	35,000	24,669	72,270	36,547	2,962	136,448	2,272,607	2,494,362
Excess (deficit) revenues over (under) expenses	-	81,146	-	81,146	10,807	-	-	-	-	-	-	91,953	(7,164)
Other changes in net assets:													
Purchase of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Total changes in net assets	-	81,146	-	81,146	10,807	-	-	-	-	-	-	91,953	(7,164)
Net assets, beginning of year	-	-	-	-	-	-	-	-	-	-	-	-	7,164
Net assets, end of year	\$ -	81,146	-	81,146	10,807	-	-	-	-	-	-	91,953	-

PINE TREE LEGAL ASSISTANCE, INC.
Schedule of Support, Revenue, Expenses, and Changes in Net Assets Without Donor Restrictions
Non-LSC Services
Year Ended December 31, 2018
(With Comparative Totals for December 31, 2017)

					<u>Total Non-LSC Services</u>		
	<u>General services</u>	<u>Native American</u>	<u>Domestic violence projects</u>	<u>Kids' legal aid project</u>	<u>Total Specialized Services</u>	<u>2018</u>	<u>2017</u>
Support and revenue:							
Grant - IOLTA	55,007	-	120,000	-	120,000	175,007	163,302
Grant - MCLSF	297,086	12,972	127,972	214,919	355,863	652,949	621,817
Grants - Other	916,962	30,644	809,850	-	840,494	1,757,456	1,806,395
State appropriation and grants	536,625	10,965	959,320	-	970,285	1,506,910	1,497,604
Contributions	354,132	-	-	500	500	354,632	315,662
Interest income	-	-	-	-	-	-	-
Other revenue	103,750	-	304	-	304	104,054	78,005
Total support and revenue	2,263,562	54,581	2,017,446	215,419	2,287,446	4,551,008	4,482,785
Personnel:							
Salaries - Attorney	771,399	21,685	720,254	61,303	803,242	1,574,641	1,492,875
Salaries - Paralegal	257,325	-	162,048	45,569	207,617	464,942	321,329
Salaries - Other	2,167	-	-	-	-	2,167	5,239
Payroll taxes and fringe benefits	408,527	9,111	406,923	44,807	460,841	869,368	839,972
Total personnel	1,439,418	30,796	1,289,225	151,679	1,471,700	2,911,118	2,659,415
Other expenses:							
Space and occupancy	81,374	-	67,900	6,247	74,147	155,521	164,044
Equipment rental/repairs	1,618	-	1,254	112	1,366	2,984	3,792
Office and consumable supplies	24,751	40	19,785	2,649	22,474	47,225	52,815
Fundraising	460	-	-	-	-	460	-
Telephone	7,899	-	6,774	884	7,658	15,557	20,734
Travel and meetings	20,785	882	37,018	4,587	42,487	63,272	59,380
Training materials and expenses	21,765	-	8,379	286	8,665	30,430	28,488
Library maintenance	5,682	-	3,070	408	3,478	9,160	7,957
Insurance	-	-	-	-	-	-	-
Dues and fees	18,191	-	3,080	265	3,345	21,536	11,255
Contracted services	12,232	-	716	1,184	1,900	14,132	60,166
Litigation and court costs	18,591	42	16,578	1,776	18,396	36,987	27,332
Subrecipients	-	-	176,775	-	176,775	176,775	155,206
Other	15,085	-	601	253	854	15,939	3,888
Total other expenses	228,433	964	341,930	18,651	361,545	589,978	595,057
Total personnel and other expenses	1,667,851	31,760	1,631,155	170,330	1,833,245	3,501,096	3,254,472
Administrative expense allocation	761,922	22,821	386,291	46,939	456,051	1,217,973	864,949
Total expenses	2,429,773	54,581	2,017,446	217,269	2,289,296	4,719,069	4,119,421
Excess (deficit) revenues over (under) expenses	(166,211)	-	-	(1,850)	(1,850)	(168,061)	363,364
Other changes in net assets:							
Purchase of fixed assets	(63,600)	-	-	-	-	(63,600)	(50,037)
Transfers	75,710	-	-	1,850	1,850	77,560	-
Total changes in non-LSC net assets without donor restrictions	(154,101)	-	-	-	-	(154,101)	313,327
Net assets without donor restrictions, beginning of year	1,169,526	-	-	-	-	1,169,689	856,362
Net assets without donor restrictions, end of year	1,015,425	-	-	-	-	1,015,588	1,169,689

PINE TREE LEGAL ASSISTANCE, INC.
Schedule of Support, Revenue, Expenses, and Changes in Net Assets
LSC and Non-LSC Services
Years Ended December 31, 2018 and 2017

	2018	2017
Support and revenue:		
Grant - LSC direct	\$ 1,740,162	1,542,332
Grant - LSC pass-through	37,962	71,095
Grant - IOLTA	175,007	163,302
Grant - MCLSF	652,949	621,817
Grants - Other	1,757,456	1,806,395
State appropriation and grants	1,506,910	1,497,604
Donated services	567,449	695,021
Interest income	-	-
Contributions	354,632	315,662
Other revenue	123,041	256,755
Total support and revenue	6,915,568	6,969,983
Personnel:		
Salaries - Attorney	2,160,870	2,123,150
Salaries - Paralegal	735,961	612,986
Salaries - Other	2,167	5,239
Payroll taxes and fringe benefits	1,210,414	1,075,745
Total personnel	4,109,412	3,817,120
Other expenses:		
Legal consultants	567,449	695,021
Space and occupancy	229,574	244,631
Equipment rental/repairs	4,319	5,355
Office and consumable supplies	61,572	71,936
Fundraising	460	-
Telephone	21,498	30,141
Travel and meetings	76,669	86,279
Training materials and expenses	40,266	39,140
Library maintenance	13,570	11,442
Insurance	-	-
Dues and fees	23,746	13,809
Contracted services	91,618	101,152
Litigation and court costs	53,318	54,338
Subrecipients	185,820	171,206
Other	18,422	12,281
Total other expenses	1,388,301	1,536,731
Total personnel and other expenses	5,497,713	5,353,851
Administrative expense allocation	1,493,963	1,259,932
Total expenses	6,991,676	6,613,783
Excess (deficit) revenues over (under) expenses	(76,108)	356,200
Other changes in net assets:		
Purchase of fixed assets	(63,600)	(50,037)
Transfers	77,560	-
Total changes in net assets	(62,148)	306,163
Net assets, beginning of year	1,169,689	863,526
Net assets, end of year	\$ 1,107,541	1,169,689