



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

**Financial Statements**

**Years Ended December 31, 2016 and 2015**

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Financial Statements**  
**December 31, 2016 and 2015**

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**Table of Contents**

	<u>Page</u>
Independent Auditor's Report	
Statements of Financial Position	1
Statements of Activities	2
Statements of Functional Expenses	3-4
Statements of Cash Flows	5
Notes to Financial Statements	6-18
	<u>Schedule</u> <u>Page</u>
Supplementary Information:	
Schedule of Support, Revenue, Expenses, and Changes in Net Assets for LSC Services	1      19
Schedule of Support, Revenue, Expenses, and Changes in Unrestricted Net Assets for Non-LSC Services	2      20
Schedule of Support, Revenue, Expenses, and Changes in Net Assets for LSC and Non-LSC Services	3      21
Schedule of Support, Revenue, Expenses, and Changes in Net Assets for Maine Volunteer Lawyers Project	4      22

## 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, 2016 and 2015, 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, 2016 and 2015, 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 19, 2017, 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.

*Gibson Teller, LLC*

Augusta, Maine  
April 19, 2017

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Statements of Financial Position**  
**December 31, 2016 and 2015**

	2016	2015
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 751,633	1,564,431
Grant and contract receivables	485,764	400,414
Employee advances	1,125	650
Prepaid expenses	120,399	98,527
Current portion of promises to give	102,328	149,900
Total current assets	1,461,249	2,213,922
Property and equipment:		
Land	6,900	6,900
Buildings and improvements	454,365	217,957
Leasehold improvements	440,036	265,629
Furniture, fixtures, and equipment	904,463	888,615
Law library	25,384	25,384
	1,831,148	1,404,485
Less: Accumulated depreciation and amortization	(1,165,701)	(1,103,742)
Net property and equipment	665,447	300,743
Other assets:		
Promises to give, long-term portion	35,068	129,961
Permanently restricted cash	47,240	85,415
Beneficial interest in assets held by charitable foundation	1,555,983	1,211,042
Software, net of amortization	17,038	34,075
Downing Fund	-	4,060
Client escrow funds	32,542	32,542
Deposits	12,264	8,964
Total other assets	1,700,135	1,506,059
<b>Total assets</b>	<b>\$ 3,826,831</b>	<b>4,020,724</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	\$ 91,126	43,731
Accrued expenses	285,189	257,785
Refundable advances	440,782	685,054
Total current liabilities	817,097	986,570
Long-term liabilities:		
Trust deposits held for clients	32,542	32,542
Deposits held for Downing Fund	-	4,060
Total long-term liabilities	32,542	36,602
Total liabilities	849,639	1,023,172
Net assets:		
Unrestricted:		
Unrestricted, undesignated (Non-LSC programs)	30,137	542,188
Board designated operating reserve fund	1,009,103	996,912
Invested in property and equipment	665,447	300,743
Total unrestricted net assets	1,704,687	1,839,843
Temporarily restricted (LSC programs)	7,164	-
Permanently restricted	1,265,341	1,157,709
Total net assets	2,977,192	2,997,552
<b>Total liabilities and net assets</b>	<b>\$ 3,826,831</b>	<b>4,020,724</b>

*See accompanying notes to financial statements.*

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Statements of Activities**  
**Years Ended December 31, 2016 and 2015**

	2016	2015
<b>UNRESTRICTED:</b>		
Earned revenue and contributed support:		
Grants - LSC direct technology grants	\$ 80,789	77,104
Grants - LSC pass-through	80,400	-
Grants - IOLTA	227,725	472,233
Grants - MCLSF	781,972	718,208
Grants - Other	1,798,333	1,659,746
Donated services	1,558,744	1,477,109
State appropriation	500,000	427,400
Interest income	945	1,232
Contributions	389,608	360,718
Change in value of beneficial interest in charitable foundation	29,493	(7,575)
Other revenue	196,813	189,401
Total revenue and contributed support	5,644,822	5,375,576
Net assets released from restrictions:		
Transfer from temporary restrictions	1,376,422	1,309,300
Reclassifications	-	(260,644)
Total revenue, contributed support and reclassifications	7,021,244	6,424,232
Expenses:		
LSC services:		
General legal services	1,520,194	1,069,241
Specialized legal services	191,381	271,415
Private attorney involvement	1,228,033	1,315,118
Veterans consortium	75,000	-
Technology grant	86,189	77,104
Total LSC services	3,100,797	2,732,878
Non-LSC services:		
General legal services	1,551,331	1,523,129
Specialized legal services	978,312	1,045,927
Private attorney involvement	293,690	447,735
Total Non-LSC services	2,823,333	3,016,791
Supporting services:		
Provider network	156,055	182,569
Fundraising	59,153	106,687
Management and general	1,017,062	892,979
Total supporting services	1,232,270	1,182,235
Total expenses	7,156,400	6,931,904
Change in unrestricted net assets	(135,156)	(507,672)
<b>TEMPORARILY RESTRICTED:</b>		
Contributed support:		
LSC direct - basic field	1,383,586	1,309,300
Net assets released from restrictions:		
Transfer to unrestricted	(1,376,422)	(1,309,300)
Change in temporarily restricted net assets	7,164	-
<b>PERMANENTLY RESTRICTED:</b>		
Contributions	47,475	382,541
Change in value of beneficial interest in charitable foundation	60,157	(10,476)
Net assets released from restrictions:		
Reclassifications	-	260,644
Change in permanently restricted net assets	107,632	632,709
Change in net assets	(20,360)	125,037
Net assets, beginning of year	2,997,552	2,872,515
<b>Net assets, end of year</b>	<b>\$ 2,977,192</b>	<b>2,997,552</b>

*See accompanying notes to financial statements.*

PINE TREE LEGAL ASSISTANCE, INC.  
Statement of Functional Expenses  
Year Ended December 31, 2016

	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	Private attorney involvement	Total Non-LSC services	Provider Network	Fundraising	Management and General	
Personnel														
Lawyers	\$ 356,834	85,281	30,950	51,979	29,828	554,872	643,965	508,850	74,903	1,227,718	43,355	903	282,602	2,109,450
Paralegal	225,712	13,450	66,071	-	2,426	307,659	275,965	104,138	106,686	486,789	-	-	-	794,448
Other staff	-	-	-	-	1,597	1,597	-	-	-	-	27,636	32,782	246,077	308,092
Payroll taxes and fringe benefits	234,133	51,277	30,820	20,579	13,367	350,176	349,472	253,520	49,687	652,679	31,164	15,108	236,688	1,285,815
Legal consultants	477,343	-	1,081,401	-	-	1,558,744	-	-	-	-	-	-	-	1,558,744
Space and occupancy	75,312	20,384	9,886	-	-	105,582	79,592	33,720	21,094	134,406	-	-	21,577	261,565
Equipment rental/repairs	2,815	268	295	-	-	3,378	2,706	839	520	4,065	-	-	9,204	16,647
Office and consumable supplies	19,055	2,901	2,813	-	100	24,869	19,648	10,682	5,160	35,490	-	-	30,956	91,315
Fundraising	-	-	-	-	-	-	839	-	54	893	-	10,360	-	11,253
Telephone	12,259	2,433	1,775	-	-	16,467	12,307	4,380	3,550	20,237	235	-	25,725	62,664
Travel and meetings	11,011	6,866	1,342	225	2,809	22,253	25,339	13,474	4,947	43,760	16	-	16,090	82,119
Training material and expense	6,483	952	591	-	-	8,026	15,456	10,791	2,537	28,784	61	-	11,986	48,857
Library maintenance	7,881	524	257	174	-	8,836	8,603	987	497	10,087	-	-	24,105	43,028
Insurance	-	-	-	-	-	-	29	-	-	29	-	-	33,920	33,949
Dues and fees	2,509	735	252	-	-	3,496	6,376	1,790	751	8,917	-	-	12,201	24,614
Contracted services	2,048	1,062	131	2,043	36,062	41,346	61,382	21,615	16,248	99,245	4,353	-	12,604	157,548
Audit	-	-	-	-	-	-	-	-	-	-	-	-	27,150	27,150
Litigation and court costs	5,753	2,007	941	-	-	8,701	9,469	12,847	4,031	26,347	-	-	271	35,319
Subrecipients	-	3,000	-	-	-	3,000	-	-	-	-	-	-	-	3,000
Miscellaneous	2,049	241	508	-	-	2,798	40,183	679	3,025	43,887	49,235	-	25,906	121,826
Depreciation and amortization	78,997	-	-	-	-	78,997	-	-	-	-	-	-	-	78,997
<b>Total expenses</b>	<b>\$ 1,520,194</b>	<b>191,381</b>	<b>1,228,033</b>	<b>75,000</b>	<b>86,189</b>	<b>3,100,797</b>	<b>1,551,331</b>	<b>978,312</b>	<b>293,690</b>	<b>2,823,333</b>	<b>156,055</b>	<b>59,153</b>	<b>1,017,062</b>	<b>7,156,400</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.**  
**Statements of Cash Flows**  
**Years Ended December 31, 2016 and 2015**

	2016	2015
Cash flows from operating activities:		
Change in net assets	\$ (20,360)	125,037
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	78,997	70,084
Change in value of beneficial interest in charitable foundation	(89,650)	18,051
Loss on disposal of equipment	-	8,858
(Increase) decrease in:		
Accounts receivable	(85,350)	169,796
Employee advances	(475)	1,811
Prepaid expense	(21,872)	3,560
Downing Fund	4,060	90
Client escrow funds	-	2,660
Deposits	(3,300)	16,669
Promises to give	142,465	445,844
Permanently restricted cash	38,175	(85,415)
Increase (decrease) in:		
Accounts payable	47,395	(24,900)
Accrued expenses	27,404	44,153
Refundable advances	(244,272)	292,617
Trust deposits held for clients	-	(2,685)
Deposits held for Downing Fund	(4,060)	(90)
<b>Net cash provided by (used in) operating activities</b>	<b>(130,843)</b>	<b>1,086,140</b>
Cash flows from investing activities:		
Transfers to charitable foundation	(255,292)	(735,467)
Purchase of property and equipment	(426,663)	(143,819)
<b>Net cash used in investing activities</b>	<b>(681,955)</b>	<b>(879,286)</b>
Net increase (decrease) in cash and cash equivalents	(812,798)	206,854
Cash and cash equivalents, beginning of period	1,564,431	1,357,577
<b>Cash and cash equivalents, end of period</b>	<b>\$ 751,633</b>	<b>1,564,431</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 72% and 65% of the Corporation's revenue and support for the years ended December 31, 2016 and 2015, 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, 2016 and 2015, \$7,164 and \$0, respectively, 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, 2016 and 2015, \$1,265,341 and \$1,157,709, 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 2015, 2014, and 2013 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 \$1,558,744 and \$1,477,109 for the years ended December 31, 2016 and 2015, 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.

**Investments/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 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

**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, 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 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.

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**CONCENTRATIONS OF CREDIT RISK**

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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, 2016 and 2015, 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 was to provide an annual cash award to a person or persons employed by an organization, which provided, in substantial part, legal services to low income persons, in recognition of that individual's outstanding contributions to legal services for low-income people. The fund was transferred to the Maine Justice Foundation in March 2016. Activity in the Downing Fund was as follows:

	<u>2016</u>	<u>2015</u>
Beginning balance	\$ 4,060	4,150
Contributions	250	155
Interest income	-	5
Muskie Dinner program tribute	-	(250)
Transfer out	(4,310)	-
<b>Ending balance</b>	<b>\$ -</b>	<b>4,060</b>

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**PROMISES TO GIVE RECEIVABLE**

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At December 31, 2016 and 2015, 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.

**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>2016</u>	<u>2015</u>
Unconditional promises expected to be collected in:		
Less than one year	\$ 103,607	151,399
One year to five years	36,000	132,931
	139,607	284,330
Less:		
Discount to present value	(2,211)	(4,469)
Totals	137,396	279,861
Less current portion	(102,328)	(149,900)
	<b>\$ 35,068</b>	<b>129,961</b>

Promises to give receivable in more than one year are discounted at 1.25% and 1% at December 31, 2016 and 2015, 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, 2016 and 2015, the account balances were:

	<u>2016</u>	<u>2015</u>
Pine Tree Legal Assistance Operating Reserve Sub-fund	\$ 477,490	447,997
Pine Tree Legal Next Generation Endowment Sub-fund	523,685	491,339
Pine Tree Legal Carol/David Hancock KIDS LEGAL Sub-fund	26,295	14,670
Pine Tree Legal Assistance Endowment Sub-fund	528,513	257,036
	<b>\$1,555,983</b>	<b>1,211,042</b>

For the years ended December 31, 2016 and 2015, 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, 2016 are as follows:

	Current Year Contributions	Cumulative Contributions through December 31, 2016	Fund Balance at December 31, 2016
MCF – PTLA Fund	\$ 344,941	1,568,628	1,555,983
<b>Total</b>	<b>\$ 344,941</b>	<b>1,568,628</b>	<b>1,555,983</b>

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

	Current Year Contributions	Cumulative Contributions through December 31, 2015	Fund Balance at December 31, 2015
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>

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**RESTRICTIONS ON NET ASSETS**

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The following temporarily restricted net assets exist as of December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
LSC Basic Field grant funds for Native American services	\$ 7,164	-
<b>Total temporarily restricted net assets</b>	<b>\$ 7,164</b>	<b>-</b>

The following permanently restricted net assets exist as of December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Donations for establishment of PTLA Endowment Fund	\$ 715,361	641,700
Donation for establishment of Carol and David Hancock Charitable Trust Fund of KIDS LEGAL	26,295	24,670
Donation for establishment of Next Generation Endowment Fund	523,685	491,339
<b>Total permanently restricted net assets</b>	<b>\$ 1,265,341</b>	<b>1,157,709</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, 2016:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment of net assets, beginning of year	-	-	1,157,709	1,157,709
Contributions	-	-	47,475	47,475
Net Change in Value	-	-	60,157	60,157
Amounts Appropriated for expenditure	-	-	-	-
Other Changes	-	-	-	-
Changes in Endowment Net assets	-	-	107,632	107,632
<b>Endowment net assets, end of year</b>	<b>-</b>	<b>-</b>	<b>1,265,341</b>	<b>1,265,341</b>

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>



**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, 2016:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Assets</u>
Donor Designated Endowment Funds	\$ -	-	1,265,341	1,265,341
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>1,265,341</b>	<b>1,265,341</b>

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>

**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, 2016:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Assets</u>
Endowment funds (beneficial interest) \$	-	-	1,239,046	1,239,046
Board designated operating reserve fund	531,613	-	-	531,613
Board designated operating reserve fund (beneficial interest)	477,490	-	-	477,490
Donor designated for KIDS LEGAL (beneficial interest)	-	-	26,295	26,295
Held in property and equipment	665,447	-	-	665,447
Unrestricted	30,137	-	-	30,137
Temporarily restricted – LSC Basic Field	-	7,164	-	7,164
<b>Total Net Assets</b>	<b>\$ 1,704,687</b>	<b>7,164</b>	<b>1,265,341</b>	<b>2,977,192</b>

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>

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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 for basic grant services is reported as an increase in temporarily restricted net assets. When the funds are expended for their specified purposes, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. All other 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 received by PTLA is as follows:

	<u>2016</u>	<u>2015</u>
<b>Direct funding:</b>		
Basic grant to be used for general operations	\$ 1,026,420	966,054
Basic grant for legal services to migrant farm workers	128,156	124,933
Basic grant allocated to private attorney involvement	146,632	138,008
Technology Initiative Grants	80,789	77,104
Basic grant for legal services to Native Americans	82,378	80,305
Sub-total	1,464,375	1,386,404
<b>Pass-through funding:</b>		
Veterans Consortium	75,000	-
Technology Initiative Grant	5,400	-
Sub-total	80,400	-
<b>Total</b>	<b>\$ 1,544,775</b>	<b>1,386,404</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 2016 and 2015:

	<u>2016</u>	<u>2015</u>
General operation (automatic grant)	\$ 7,538	90,962
Coffin Fellowship	120,000	120,000
Volunteer Lawyers Project	100,187	261,271
<b>Total</b>	<b>\$ 227,725</b>	<b>472,233</b>

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

**STATE OF MAINE REVENUE**

PTLA received \$500,000 and \$427,400 from the State of Maine in 2016 and 2015, 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.

**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 \$781,972 in 2016 and \$718,208 in 2015, of which \$174,312 and \$80,683, 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 2016 and 2015.

**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:

	<b><u>2016</u></b>	<b><u>2015</u></b>
Maine Department of Health and Human Services – SSI Grant	\$ -	63,100
U.S. Department of Housing and Urban Development	307,046	383,732
U.S. Department of Treasury/Internal Revenue Service	95,000	95,000
U.S. Department of Justice/NARF	37,043	69,401
U.S. Department of Justice/Office of Violence Against Women	23,030	122,332
State of Maine Office of AG Foreclosure Settlement	125,000	161,830
State of Maine STOP Grant	38,244	27,397
State of Maine Riverview Contract	1,803	-
State of Maine Consumer Protection	125,000	-
Hope and Justice Project	8,485	9,811
Maine Community Foundation	-	25,000
Maine Justice Foundation Bank of America	100,000	-
Margaret Burnham Charitable Trust	2,500	2,500
Doree Taylor Foundation	40,000	40,000
Frances Hollis Brain Foundation	5,000	-
Genre R. Cohen Charitable Foundation	-	5,000
EB Sewall/Veteran's Medical-Legal Project	100,000	24,772
Maine Coalition Against Sexual Assault	201,343	9,651
Harvard University Consumer Project	-	29,300
Portland Defending Childhood	27,910	38,890
JT Gorman Foundation	275,000	252,500
Mosher Family	5,000	5,000
Muskie School LAV Contract	19,671	11,775

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

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**OTHER GRANTS, CONTINUED**

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State of Maine Bureau of Consumer Protection	46,667	53,333
Preble Street Veterans Project SSVF Contract	89,311	105,481
Subtotal	1,670,053	1,535,805
United Ways & Designations:		
Greater Portland	85,531	85,531
Midcoast Maine	19,350	18,075
Androscoggin County	7,000	6,300
York County	10,000	9,000
Donor designations	3,399	5,035
Total United Ways & Designations	125,280	123,941
<b>Total other grant revenue</b>	<b>\$ 1,798,333</b>	<b>1,659,746</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>2016</u>	<u>2015</u>
Campaign for Justice	\$ 316,539	279,637
Muskie Dinner	58,640	57,827
The Pine Tree Fund	34,711	382,541
Direct contributions	27,193	23,254
<b>Total contributions</b>	<b>\$ 437,083</b>	<b>743,259</b>
<b>Other fee-for-service revenue</b>	<b>\$ 196,813</b>	<b>189,401</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, and Portland. The leases extend to October 2021. Total rent expense was \$174,235 and \$186,096 for the years ended December 31, 2016 and 2015, respectively. The remaining liabilities under these leases are as follows:

2017	\$	170,156
2018		171,041
2019		168,396
2020		84,811
2021		16,500
<b>Total</b>	<b>\$</b>	<b>610,904</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, 2016 and 2015 were \$154,706 and \$140,862, 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 19, 2017, which is the date the financial statements were available to be issued. In 2017, the Maine Volunteer Lawyers Project became a separate nonprofit organization with its own board of directors and is no longer part of the Corporation. Other subsequent events are included elsewhere in the notes to financial statements.

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**PINE TREE LEGAL ASSISTANCE, INC.**  
**Schedule of Support, Revenue, Expenses, and Changes in Net Assets**  
**LSC Services**  
**Year Ended December 31, 2016**  
**(With Comparative Totals for December 31, 2015)**

	Specialized Services					Technology Grants						Total LSC Services		
	General services	Migrant workers	Native American	Total Specialized Services	Private attorney involvement	Veterans Consortium	13018 Triage Grant	14001 Stateside Grant	14012 Debt Collection	15002 Stateside Grant	15014 Outreach Subgrant	Total Technology Grants	2016	2015
Support and revenue:														
Grant - LSC direct	\$ 1,026,420	128,156	82,378	210,534	146,632	-	-	45,565	14,380	20,844	-	80,789	1,464,375	1,386,404
Grant - LSC pass-through	-	-	-	-	-	75,000	-	-	-	-	5,400	5,400	80,400	-
Grants - MCLSF	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Donated services	477,343	-	-	-	1,081,401	-	-	-	-	-	-	-	1,558,744	1,477,109
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	14,636	2,850	-	2,850	-	-	-	-	-	-	-	-	17,486	-
<b>Total support and revenue</b>	<b>1,518,399</b>	<b>131,006</b>	<b>82,378</b>	<b>213,384</b>	<b>1,228,033</b>	<b>75,000</b>	<b>-</b>	<b>45,565</b>	<b>14,380</b>	<b>20,844</b>	<b>5,400</b>	<b>86,189</b>	<b>3,121,005</b>	<b>2,863,513</b>
Personnel:														
Salaries - Attorney	356,834	50,342	34,939	85,281	30,950	51,979	-	8,524	8,503	7,401	5,400	29,828	554,872	378,042
Salaries - Paralegal	225,712	13,450	-	13,450	66,071	-	-	1,549	828	49	-	2,426	307,659	278,390
Salaries - Other	-	-	-	-	-	-	-	393	864	340	-	1,597	1,597	4,752
Payroll taxes and fringe benefits	234,133	35,788	15,489	51,277	30,820	20,579	-	5,438	3,995	3,934	-	13,367	350,176	284,315
<b>Total personnel</b>	<b>816,679</b>	<b>99,580</b>	<b>50,428</b>	<b>150,008</b>	<b>127,841</b>	<b>72,558</b>	<b>-</b>	<b>15,904</b>	<b>14,190</b>	<b>11,724</b>	<b>5,400</b>	<b>47,218</b>	<b>1,214,304</b>	<b>945,499</b>
Other expenses:														
Legal consultants	477,343	-	-	-	1,081,401	-	-	-	-	-	-	-	1,558,744	1,477,109
Space and occupancy	75,312	15,177	5,207	20,384	9,886	-	-	-	-	-	-	-	105,582	123,435
Equipment rental/repairs	2,815	139	129	268	295	-	-	-	-	-	-	-	3,378	3,661
Office and consumable supplies	19,055	2,017	884	2,901	2,813	-	-	-	100	-	-	100	24,869	20,597
Telephone	12,259	1,833	600	2,433	1,775	-	-	-	-	-	-	-	16,467	15,355
Travel and meetings	11,011	5,709	1,157	6,866	1,342	225	-	1,621	90	1,098	-	2,809	22,253	18,917
Training materials and expenses	6,483	493	459	952	591	-	-	-	-	-	-	-	8,026	8,051
Library maintenance	7,881	268	256	524	257	174	-	-	-	-	-	-	8,836	6,720
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues and fees	2,509	519	216	735	252	-	-	-	-	-	-	-	3,496	3,003
Contracted services	2,048	274	788	1,062	131	2,043	-	28,040	-	8,022	-	36,062	41,346	38,796
Litigation and court costs	5,753	1,993	14	2,007	941	-	-	-	-	-	-	-	8,701	10,809
Subrecipients	-	3,000	-	3,000	-	-	-	-	-	-	-	-	3,000	-
Other	2,049	4	237	241	508	-	-	-	-	-	-	-	2,798	(9,158)
<b>Total other expenses</b>	<b>624,518</b>	<b>31,426</b>	<b>9,947</b>	<b>41,373</b>	<b>1,100,192</b>	<b>2,442</b>	<b>-</b>	<b>29,661</b>	<b>190</b>	<b>9,120</b>	<b>-</b>	<b>38,971</b>	<b>1,807,496</b>	<b>1,717,295</b>
Total personnel and other expenses	1,441,197	131,006	60,375	191,381	1,228,033	75,000	-	45,565	14,380	20,844	5,400	86,189	3,021,800	2,662,794
Administrative expense allocation	77,202	-	14,839	14,839	-	-	-	-	-	-	-	-	92,041	200,882
<b>Total expenses</b>	<b>1,518,399</b>	<b>131,006</b>	<b>75,214</b>	<b>206,220</b>	<b>1,228,033</b>	<b>75,000</b>	<b>-</b>	<b>45,565</b>	<b>14,380</b>	<b>20,844</b>	<b>5,400</b>	<b>86,189</b>	<b>3,113,841</b>	<b>2,863,676</b>
Excess (deficit) revenues over expenses	-	-	7,164	7,164	-	-	-	-	-	-	-	-	7,164	(163)
Other changes in net assets:														
Purchase of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total changes in net assets</b>	<b>-</b>	<b>-</b>	<b>7,164</b>	<b>7,164</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,164</b>	<b>(163)</b>
Net assets, beginning of year	-	-	-	-	-	-	-	-	-	-	-	-	-	163
<b>Net assets, end of year</b>	<b>\$ -</b>	<b>-</b>	<b>7,164</b>	<b>7,164</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,164</b>	<b>-</b>

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Schedule of Support, Revenue, Expenses, and Changes in Unrestricted Net Assets**  
**Non-LSC Services**  
**Year Ended December 31, 2016**  
**(With Comparative Totals for December 31, 2015)**

	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	2016	2015
Support and revenue:									
Grant - IOLTA	\$ 7,538	-	-	120,000	-	120,000	100,187	227,725	472,233
Grant - MCLSF	539,276	52,747	-	2,121	13,516	68,384	174,312	781,972	718,208
Grants - Other	993,988	-	37,043	395,410	287,500	719,953	25,000	1,738,941	1,531,753
State appropriation and grants	297,992	-	-	68,869	181,609	250,478	-	548,470	543,833
Contributions	295,276	-	-	6,399	-	6,399	104,096	405,771	365,753
Interest income	-	-	-	-	-	-	-	-	-
Other revenue	107,444	-	-	71	-	71	7,665	115,180	108,303
<b>Total support and revenue</b>	<b>2,241,514</b>	<b>52,747</b>	<b>37,043</b>	<b>592,870</b>	<b>482,625</b>	<b>1,165,285</b>	<b>411,260</b>	<b>3,818,059</b>	<b>3,740,083</b>
Personnel:									
Salaries - Attorney	643,965	5,947	25,338	300,398	177,167	508,850	74,903	1,227,718	1,264,530
Salaries - Paralegal	275,965	-	716	57,751	45,671	104,138	106,686	486,789	531,429
Salaries - Other	-	-	-	-	-	-	-	-	9,233
Payroll taxes and fringe benefits	349,472	-	9,294	169,406	74,820	253,520	49,687	652,679	793,574
<b>Total personnel</b>	<b>1,269,402</b>	<b>5,947</b>	<b>35,348</b>	<b>527,555</b>	<b>297,658</b>	<b>866,508</b>	<b>231,276</b>	<b>2,367,186</b>	<b>2,598,766</b>
Other expenses:									
Space and occupancy	79,592	-	-	21,675	12,045	33,720	21,094	134,406	147,937
Equipment rental/repairs	2,706	-	-	479	360	839	520	4,065	5,135
Office and consumable supplies	19,648	-	-	7,187	3,495	10,682	5,160	35,490	35,822
Fundraising	839	-	-	-	-	-	54	893	-
Telephone	12,307	-	-	2,993	1,387	4,380	3,550	20,237	23,589
Travel and meetings	25,339	-	1,653	6,913	4,908	13,474	4,947	43,760	42,919
Training materials and expenses	15,456	-	-	8,200	2,591	10,791	2,537	28,784	16,760
Library maintenance	8,603	-	-	667	320	987	497	10,087	8,073
Insurance	29	-	-	-	-	-	-	29	-
Dues and fees	6,376	-	-	765	1,025	1,790	751	8,917	5,899
Contracted services	61,382	-	-	1,308	20,307	21,615	16,248	99,245	81,701
Litigation and court costs	9,469	-	42	8,326	4,479	12,847	4,031	26,347	24,310
Subrecipients	-	-	-	-	-	-	-	-	-
Other	40,183	-	-	179	500	679	3,025	43,887	25,880
<b>Total other expenses</b>	<b>281,929</b>	<b>-</b>	<b>1,695</b>	<b>58,692</b>	<b>51,417</b>	<b>111,804</b>	<b>62,414</b>	<b>456,147</b>	<b>418,025</b>
<b>Total personnel and other expenses</b>	<b>1,551,331</b>	<b>5,947</b>	<b>37,043</b>	<b>586,247</b>	<b>349,075</b>	<b>978,312</b>	<b>293,690</b>	<b>2,823,333</b>	<b>3,016,791</b>
Administrative expense allocation	753,714	46,800	-	18,857	133,550	199,207	117,570	1,070,491	887,279
<b>Total expenses</b>	<b>2,305,045</b>	<b>52,747</b>	<b>37,043</b>	<b>605,104</b>	<b>482,625</b>	<b>1,177,519</b>	<b>411,260</b>	<b>3,893,824</b>	<b>3,904,070</b>
Excess revenues over expenses	(63,531)	-	-	(12,234)	-	(12,234)	-	(75,765)	(163,987)
Other changes in net assets:									
Purchase of fixed assets	(426,663)	-	-	-	-	-	-	(426,663)	(143,819)
Transfers	-	-	-	-	-	-	-	-	-
<b>Total changes in non-LSC unrestricted net assets</b>	<b>(490,194)</b>	<b>-</b>	<b>-</b>	<b>(12,234)</b>	<b>-</b>	<b>(12,234)</b>	<b>-</b>	<b>(502,428)</b>	<b>(307,806)</b>
Unrestricted net assets, beginning of year	1,308,806	-	49,821	-	-	49,821	-	1,358,790	1,666,596
<b>Unrestricted net assets, end of year</b>	<b>\$ 818,612</b>	<b>-</b>	<b>49,821</b>	<b>(12,234)</b>	<b>-</b>	<b>37,587</b>	<b>-</b>	<b>856,362</b>	<b>1,358,790</b>



**PINE TREE LEGAL ASSISTANCE, INC.**  
**Schedule of Support, Revenue, Expenses, and Changes in Net Assets**  
**LSC and Non-LSC Services**  
**Years Ended December 31, 2016 and 2015**

	2016	2015
Support and revenue:		
Grant - LSC direct	\$ 1,464,375	1,386,404
Grant - LSC pass-through	80,400	-
Grant - IOLTA	227,725	472,233
Grant - MCLSF	781,972	718,208
Grants - Other	1,738,941	1,531,753
State appropriation and grants	548,470	543,833
Donated services	1,558,744	1,477,109
Interest income	-	-
Contributions	405,771	365,753
Other revenue	132,666	108,303
Total support and revenue	6,939,064	6,603,596
Personnel:		
Salaries - Attorney	1,782,590	1,642,572
Salaries - Paralegal	794,448	809,819
Salaries - Other	1,597	13,985
Payroll taxes and fringe benefits	1,002,855	1,077,889
Total personnel	3,581,490	3,544,265
Other expenses:		
Legal consultants	1,558,744	1,477,109
Space and occupancy	239,988	271,372
Equipment rental/repairs	7,443	8,796
Office and consumable supplies	60,359	56,419
Fundraising	893	-
Telephone	36,704	38,944
Travel and meetings	66,013	61,836
Training materials and expenses	36,810	24,811
Library maintenance	18,923	14,793
Insurance	29	-
Dues and fees	12,413	8,902
Contracted services	140,591	120,497
Litigation and court costs	35,048	35,119
Subrecipients	3,000	-
Other	46,685	16,722
Total other expenses	2,263,643	2,135,320
Total personnel and other expenses	5,845,133	5,679,585
Administrative expense allocation	1,162,532	1,088,161
Total expenses	7,007,665	6,767,746
Excess revenues over expenses	(68,601)	(164,150)
Other changes in net assets:		
Purchase of fixed assets	(426,663)	(143,819)
Transfers	-	-
Total changes in net assets	(495,264)	(307,969)
Net assets, beginning of year	1,358,627	1,666,596
<b>Net assets, end of year</b>	<b>\$ 863,363</b>	<b>1,358,627</b>

**PINE TREE LEGAL ASSISTANCE, INC.**  
**Schedule of Support, Revenue, Expenses, and Changes in Net Assets**  
**Maine Volunteer Lawyers Project**  
**Years Ended December 31, 2016 and 2015**

	2016	2015
Support and revenue:		
Grants and contracts	\$ 446,131	666,276
Donated services	1,081,401	1,177,110
Other revenue	7,665	6,675
Contributions	104,096	94,592
Total support and revenue	1,639,293	1,944,653
Personnel:		
Salaries - Attorney	105,853	156,057
Salaries - Paralegal	172,757	190,094
Payroll taxes and fringe benefits	80,507	129,324
Total personnel	359,117	475,475
Other expenses:		
Legal consultants	1,081,401	1,177,110
Space and occupancy	30,980	36,962
Equipment rental/repairs	815	2,074
Office and consumable supplies	7,973	12,727
Fundraising	54	-
Telephone	5,325	6,873
Travel and meetings	6,289	9,033
Training materials and expenses	3,128	2,197
Library maintenance	754	1,685
Dues and fees	1,003	1,011
Contracted services	16,379	29,628
Litigation and court costs	4,972	5,999
Other	3,533	2,079
Total other expenses	1,162,606	1,287,378
Total personnel and other expenses	1,521,723	1,762,853
Administrative expense allocation	117,570	181,800
Total expenses	1,639,293	1,944,653
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>