

ALASKA LEGAL SERVICES CORPORATION

Financial Statements, Supplementary  
Information, and Compliance Reports

(With Independent Auditor's Report Thereon)

Year Ended December 31, 2022

LSC Grant Recipient Number 902000

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# ALASKA LEGAL SERVICES CORPORATION

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## **Independent Auditor's Report**

Members of the Board of Directors  
Alaska Legal Services Corporation  
Anchorage, Alaska

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of Alaska Legal Services Corporation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, expenses by function, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Alaska Legal Services Corporation as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Alaska Legal Services Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Emphasis of Matter**

As discussed in Note 14 to the financial statements, in 2022, the Organization implemented FASB ASU 2016-02 – Leases (topic 842), which established standards of accounting and financial reporting for leases by lessees and lessors.

The new standard required the Organization to recognize certain lease assets and liabilities for all leases (operating and financing). Under this Statement, a lessee is required to recognize a liability and an intangible right-to-use lease asset. Our opinion is not modified with respect to this matter.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Alaska Legal Services Corporation's ability to continue as a going concern for one year after the date that the financial statements are issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Alaska Legal Services Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Alaska Legal Services Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

## **Report on Summarized Comparative Information**

We have previously audited Alaska Legal Services Corporation's December 31, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 19, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

## **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information listed in the table of contents as "Supplementary Information," which includes the Combining Statement of Activities, Schedule of Grant and Contract Revenue by Funding Source, Combining Schedule of Private Attorney Involvement (PAI) Expense, and the Schedule of Revenues and Expenses – Budget and Actual – Grants are presented for the purpose of additional analysis and are not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards and the related Notes to the Schedule, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedule of State Financial Assistance and the related Notes to the Schedule, as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, are also presented for purposes of additional analysis and are 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 GAAS. In our opinion, the accompanying supplementary 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 25, 2023 on our consideration of the Alaska Legal Services Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Alaska Legal Services Corporation'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 the Alaska Legal Services Corporation's internal control over financial reporting and compliance.



Anchorage, Alaska  
April 25, 2023

## **FINANCIAL STATEMENTS**

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**ALASKA LEGAL SERVICES CORPORATION**

**Statement of Financial Position**

<i>December 31,</i>	2022	2021
<b>Assets</b>		
Current assets:		
Cash and cash equivalents:		
Restricted	\$ 659,953	468,366
Unrestricted	310,156	704,887
Total cash and cash equivalents	970,109	1,173,253
Cash in trust - clients	1,788	4,801
Grant receivables	748,991	871,360
Other receivables	8,794	(2,394)
Prepaid expenses	249,194	162,813
Total current assets	1,978,876	2,209,833
Investments	1,080,819	1,242,360
Equipment, net	44,822	80,425
Operating lease right to use asset	1,053,369	1,389,985
Other assets	148,632	146,657
<b>Total assets</b>	<b>\$ 4,306,518</b>	<b>5,069,260</b>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable	\$ 35,367	43,104
Payroll related liabilities	149,472	165,879
Operating lease liabilities	323,738	398,471
Deferred revenue	1,104,331	1,357,873
Employee payables	2,248	200
Client payables	1,788	4,801
Total current liabilities	1,616,944	1,970,328
Operating lease liabilities	729,631	991,514
<b>Total liabilities</b>	<b>2,346,575</b>	<b>2,961,842</b>
Net assets:		
Without donor restrictions:		
Invested in equipment	44,823	80,425
Board designated endowment	1,095,580	1,274,846
Undesignated	584,368	611,650
With donor restrictions	235,172	140,497
<b>Total net assets</b>	<b>1,959,943</b>	<b>2,107,418</b>
<b>Total liabilities and net assets</b>	<b>\$ 4,306,518</b>	<b>5,069,260</b>

See accompanying notes to financial statements.

**ALASKA LEGAL SERVICES CORPORATION**

**Statement of Activities**

<i>Year Ended December 31,</i>	Without Donor Restrictions	With Donor Restrictions	Totals	
			2022	2021
Support and revenue:				
Grants and contracts	\$ 5,651,158	177,000	5,828,158	5,560,128
Litigation income	10,244	-	10,244	950
Investment income (loss)	13,402	1,623	15,025	249
Miscellaneous Income	-	-	-	537
Contributed nonfinancial assets -				
Donated services	776,482	-	776,482	586,456
Contributions	320,821	16,000	336,821	304,720
Other-Endowment gain/loss	(207,989)	-	(207,989)	124,055
Net assets released from restrictions - satisfaction of program restriction	99,948	(99,948)	-	-
Total support and revenue	6,664,066	94,675	6,758,741	6,577,095
Expenses:				
Program services	6,009,975	-	6,009,975	5,520,791
Management and general	804,618	-	804,618	749,259
Fundraising	91,623	-	91,623	81,217
Total expenses	6,906,216	-	6,906,216	6,351,267
Change in net assets	(242,150)	94,675	(147,475)	225,828
Net Assets, beginning of year	1,966,921	140,497	2,107,418	1,881,590
Net assets, end of year	\$ 1,724,771	235,172	1,959,943	2,107,418

See accompanying notes to financial statements.

# ALASKA LEGAL SERVICES CORPORATION

## Statement of Expenses by Function

Year Ended December 31, 2022	Program Services	Management and General	Fundraising	Totals	
				2022	2021
Salaries:					
Lawyers	\$ 2,366,189	198,411	6,136	2,570,736	2,584,092
Paralegals	265,676	-	-	265,676	240,267
Donated	-	-	-	-	5,442
Other	587,995	258,129	35,790	881,914	705,541
Total salaries	3,219,860	456,540	41,926	3,718,326	3,535,342
Fringe	1,082,730	135,947	13,505	1,232,182	1,218,877
Total personnel expenses	4,302,590	592,487	55,431	4,950,508	4,754,219
Travel	77,173	14,079	40	91,292	10,196
Office expense:					
Office lease expense	360,251	67,238	5,549	433,038	415,202
Donated office lease expense	30,723	-	-	30,723	28,119
Telephone	63,364	3,226	301	66,891	66,766
Postage	6,011	1,399	951	8,361	9,638
Total office expense	460,349	71,863	6,801	539,013	519,725
Supplies	22,250	5,956	200	28,406	28,762
Minor equipment	31,992	14,231	86	46,309	32,841
Other:					
Copying and printing	3,396	220	3,362	6,978	4,035
Training	17,572	10,906	565	29,043	31,154
Library	8,052	1,370	4	9,426	13,987
Insurance	53,323	9,430	567	63,320	56,973
Dues and fees	10,504	75	-	10,579	1,260
Audit	-	44,508	-	44,508	44,418
Litigation	51,549	228	290	52,067	96,514
Contract services	200,019	4,000	4,800	208,819	158,806
Donated property & services	745,759	-	-	745,759	552,894
Administrative costs	-	(11,945)	11,945	-	-
Other	25,447	11,607	7,532	44,586	27,502
Total other	1,115,621	70,399	29,065	1,215,085	987,543
Depreciation	-	35,603	-	35,603	17,981
Total expenses	\$ 6,009,975	804,618	91,623	6,906,216	6,351,267

See accompanying notes to financial statements.

# ALASKA LEGAL SERVICES CORPORATION

## Statement of Cash Flows

<i>Year Ended December 31,</i>	2022	2021
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ (147,475)	225,828
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	35,603	17,981
Realized (gain) loss on marketable securities	226,543	(53,966)
Unrealized (gain) loss on marketable securities	(13,644)	(86,153)
(Increase) decrease in current assets:		
Cash in trust - clients	3,013	(3,013)
Grant receivables	122,369	(73,364)
Other receivables	(11,188)	9,131
Prepaid expenses	(86,381)	14,717
Operating lease assets	336,616	(1,389,985)
Increase (decrease) in current liabilities:		
Accounts payable	(7,735)	32,391
Payroll related liabilities	(16,407)	(3,839)
Operating lease liabilities	(336,616)	1,389,985
Deferred revenue	(253,542)	371,862
Employee payables	2,048	(72)
Client payables	(3,013)	3,013
Net cash provided by (used in) operating activities	(149,809)	454,516
<b>Cash Flows from Investing Activities</b>		
Purchase of marketable securities	(298,528)	(245,516)
Sale of marketable securities	245,193	230,959
Advances	-	(127,000)
Purchase of equipment	-	(57,290)
Net cash provided by (used in) investing activities	(53,335)	(198,847)
Net increase (decrease) in cash and cash equivalents	(203,144)	255,669
<b>Cash and cash equivalents, beginning of year</b>	1,173,253	917,584
<b>Cash and cash equivalents, end of year</b>	\$ 970,109	1,173,253

See accompanying notes to financial statements.

# ALASKA LEGAL SERVICES CORPORATION

## Notes to Financial Statements

December 31, 2022

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### ***A. Organization***

Alaska Legal Services Corporation (ALSC) is a nonprofit corporation organized for the purpose of providing legal assistance in non-criminal proceedings or matters to individuals financially unable to afford legal assistance in Alaska.

#### ***B. Basis of Accounting***

The financial statements of ALSC have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

#### ***C. Basis of Presentation***

The financial statement presentation follows the recommendation of the Financial Accounting Standards Board, and is presented in accordance with accounting principles generally accepted in the United States of America (US GAAP).

ALSC is required to report information regarding its financial position and activities according to two classes of net assets: net asset without donor restrictions, and net assets with donor restrictions.

**Net Assets Without Donor Restrictions** - Net Assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment.

**Net Assets With Donor Restrictions** - Net Assets subject to donor-(or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

#### ***D. Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant accounting estimates involve the estimated useful life of equipment and the related accumulated depreciation.

#### ***E. Cash and Cash Equivalents***

ALSC considers all highly liquid investments purchased with original maturities of three months or less, which are neither held for nor restricted by donors for long term purposes, to be cash and cash equivalents.

***F. Financial Instruments and Credit Risk***

ALSC manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by ALSC to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, ALSC has not experienced losses in any of these accounts. Investments are made by diversified investment managers whose performance is monitored by ALSC. Although the fair values of investments are subject to fluctuation on a year-to-year basis, ALSC believes that the investment policies and guidelines are prudent for the long-term welfare of the organizations.

***G. Fair Value Measurements***

ALSC reports certain assets and liabilities at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

- *Level 1* – Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.
- *Level 2* – Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.
- *Level 3* – Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgement, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset or liability.

**H. Investments**

ALSC carries investments in marketable securities with readily determinable fair values at their fair value in the Statement of Financial Position. Unrealized gains and losses and investment fees are included in the Change in Net Assets in the accompanying Statement of Activities, as net investment income (loss).

**I. Property and Equipment**

Equipment purchases are recorded at cost. Equipment in excess of \$5,000 purchase price is capitalized and depreciated over its estimated useful life. Depreciation is computed on the straight-line basis over the estimated useful lives of the related assets. Purchases of equipment made with grant or contract monies are recorded at cost. Generally, title to equipment acquired with the proceeds of grant or contract moneys vests with ALSC, subject to specific conditions related to the use and disposition of such equipment. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets which range from 3 to 5 years.

Donations of property and equipment are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, ALSC reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. ALSC reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

**J. Deferred Revenue**

ALSC has received grants and conditional contributions in advance of the provision of services. The grants and contracts and other conditional contributions are for actual costs incurred; the revenue is not earned until expenses are incurred and services provided. In many instances, grants and contracts and other conditional contributions funds lapse at the end of the fiscal year in which they were awarded. Deferred revenue relating to grants and contracts and other conditional contributions that have lapse dates beyond the fiscal year end are available until the designated lapse date occurs. At that time, any balance in the grant, contract, or other conditional contributions would be payable to the funding agency, organization or donor.

**K. Contributions**

ALSC accounts for contributions in accordance with the recommendations of the Financial Accounting Standards Board in ASC No. 958, *Financial Statements of Not-for-Profit Organizations*. In accordance with ASC 958, unconditional contributions received are recognized as revenue immediately and are recorded as without donor restrictions, or with donor restrictions, depending on the existence or nature of any donor restrictions. Conditional contributions are recognized as liabilities if assets are transferred in advance or not recognized at all until the conditions have been substantially met or explicitly waived by donor, at which point the contributions are recognized as unconditional and classified as net assets with or without donor restrictions.

All donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), restricted net assets are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

***L. Grant Revenues, Contract Support, and Revenue Recognition***

ALSC receives a significant portion of its funding from the Legal Services Corporation (LSC), a nonprofit corporation organized by Congress to administer the Federal government's legal assistance program. ALSC recognizes support from LSC grants when performance or other barriers noted in the Grant Award are satisfied. Support from cost reimbursable grants and contracts are conditional upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the ALSC has incurred expenses in compliance with specific grant provisions.

At December 31, 2022, the Organization received \$892,896 in cost-reimbursable grants and \$211,435 in contracts that have not been recognized as revenues because qualifying expenditures have not been incurred and is recognized on the Statement of Financial Position as a deferred revenue that is, those with measurable performance or other barrier or a right of return. Funds from cost reimbursable grants and contracts remaining unused at the end of an accounting period are reported as deferred revenue. A granting agency or other contributor may, at its discretion, request return of monies as a result of noncompliance by ALSC with the terms of the grant or contract. In addition, if ALSC terminates its legal assistance activities, all unused monies are to be returned to the granting agency or other contributor. Grant and contract receivables are recorded on the accrual basis. Expenses in excess of cash receipts are reflected as grant and contract receivables in the financial statements. Based on the nature of grant or contract revenue management estimates the balance is fully collectible and accordingly has not established an allowance.

***M. Litigation Income***

Litigation income is derived from unexpected settlement revenues. The revenues are recognized when received.

***N. Allocation of Expenses***

Expenses are allocated to various grants based upon the nature of the expense item and the terms of the grant. In certain instances, grant budgets specify the expenditures allowed and as these expenses are incurred, they are charged to the grant (specific identification). In the absence of an agreement, common expenses incurred are charged to the grants, principally based on a labor-basis allocation process.

***O. Fund Accounting***

The accounts of ALSC are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund.

***P. Income Taxes***

ALSC qualifies for exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. ALSC also qualifies for exemption from Alaska income taxes, and therefore, has made no provision in its financial statements for federal and state income taxes. In addition, ALSC has been determined by the Internal Revenue Service not to be a "Private Foundation" within the meaning of Section 509(a) of the Internal Revenue Code. ALSC is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS.



ALSC applies the provisions of Topic 740 of the FASB Accounting Standards Codification relating to accounting for uncertainty in income taxes and annually reviews its tax positions taken in accordance with the recognition standards. ALSC believes that it has no uncertain tax positions which would require disclosure or adjustment in these financial statements. With few exceptions, ALSC is no longer subject to income tax examinations by the U.S. federal, foreign, state or local tax authorities for years before 2019.

***Q. Summary Financial Information for 2021***

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with ALSC's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

***R. Functional Allocation of Expenses***

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include facility and rent expenses, which are allocated on a square footage basis. Other type of expenses are allocated on a basis of estimates of time and effort. The Organization's functional expenses are allocated to the following:

Program services:

*Program Services* – Alaska Legal Services Corporation's primary function which provides legal assistance in non-criminal proceedings or matters to individuals financially unable to afford legal assistance in Alaska.

Support services:

*Management and General* – Includes ALSC's functions necessary to maintain an adequate working environment; provide coordination of the programs; secure proper administrative functioning of the Board of Directors; and manage the financial and budgetary responsibilities of the Organization.

*Fundraising* – Provides the structure necessary to encourage and secure private financial support from individuals, foundations, and corporations.

**2. CASH AND CASH EQUIVALENTS**

The book and bank amounts at December 31, 2022, were \$970,109 and \$1,388,184 respectively. ALSC maintains cash balances at four financial institutions. Accounts are insured by Federal Deposit Insurance Corporation (FDIC) up to \$250,000. ALSC maintained uninsured cash balances of \$906,661 at December 31, 2022. Of this amount, \$906,571 was held in short term low-risk Federal Treasury mutual funds.

Certain cash and cash equivalents are reported as restricted until donor restrictions are satisfied.

# ALASKA LEGAL SERVICES CORPORATION

## Notes to Financial Statements, Continued

### 3. CASH IN TRUST

#### A. Client Deposits

Client deposits represent funds received by ALSC on behalf of various clients and held in trust until such time as the funds are released to or expended on behalf of those clients. Accordingly, these funds, totaling \$1,788 at December 31, 2022, are restricted. All funds are insured by FDIC as of December 31, 2022.

### 4. FAIR VALUE MEASUREMENTS

The following table provides information as of December 31, 2022 about ALSC's financial assets and liabilities measured at fair value on a recurring basis.

	Level 1	Level 2	Level 3	Total
Assets at fair value:				
Endowment Mutual Funds – Closed-end UIT	\$ 1,095,580	-	-	\$ 1,095,580

Given the narrow definition of Level 1 and ALSC's investment asset strategy, all of ALSC's investment assets are classified in Level 1. These assets include actively-traded exchange-listed equity securities and some short-term money market mutual funds. Unadjusted quoted prices for these securities are provided to ALSC by independent pricing services. Separate account assets in Level 1 primarily include actively-traded institutional and retail mutual fund investments valued by the respective mutual fund companies.

### 5. EQUIPMENT

The following is a summary of changes to equipment for the year ended December 31, 2022:

Non LSC:	January 1, 2022	Additions	Deletions	December 31, 2022
Equipment	\$ 109,366	-	-	109,366
Accumulated depreciation	(71,348)	(21,269)	-	(92,617)
	\$ 38,018	(21,269)	-	16,749
LSC:	January 1, 2022	Additions	Deletions	December 31, 2022
Equipment	\$ 43,000	-	-	43,000
Accumulated depreciation	(593)	(14,334)	-	(14,927)
	\$ 42,407	(14,334)	-	28,073
Non LSC and LSC Combined:	January 1, 2022	Additions	Deletions	December 31, 2022
Equipment	\$ 152,366	-	-	152,366
Accumulated depreciation	(71,941)	(35,603)	-	(107,544)
	\$ 80,425	(35,603)	-	44,822

**6. CONTRIBUTED NONFINANCIAL ASSETS - DONATED SERVICES**

Donated property and services represent the value of property and services contributed to ALSC. The value of these items is based upon management's best estimate of the salary or cost which would normally be paid for equivalent items at the time of donation. Donated property, rent, and services of \$776,482 in 2022 are recognized as donated office rent of \$30,723 and donated property and services of \$745,759, under program services in the accompanying financial statements. Donated service ("pro bono") revenues and expenses are recorded at the time they are reported by the volunteer.

**7. MANAGEMENT AND FUNDRAISING COSTS**

ALSC management costs were \$804,618, and its fundraising costs were \$91,623 in 2022. Management costs include overall direction, accounting, budgeting, general board activities and related items.

**8. PENSION PLAN**

81LSC employees may elect to contribute up to the lesser of \$19,500 or 20% of their annual compensation to a 403(b)(7) defined contribution plan. Contributions are deposited at the discretion of the employee. ALSC matches these employee contributions with the lesser of 50% of employee contributions or 100% of compensation received in plan year, in addition to a fixed amount based on years of service. ALSC's contribution to the plan was \$55,729 in 2022.

**9. PRIVATE ATTORNEY INVOLVEMENT**

ALSC expended funds supporting the Private Attorney Involvement (PAI) program totaling \$176,048 which represents 16.89% of the Legal Services Corporation - Basic Field Grant amount during 2022. The required level of PAI under the grant is 12.5%.

The portion funded by Alaska Bar Foundation was \$18,750 in 2022.

**10. LEGAL SERVICES CORPORATION (LSC) 10% LIMIT**

At December 31, 2022, funds contributed by LSC in advance of qualifying expenses of \$621,874 is recorded as deferred revenue in the Statement of Financial Position. The deferred revenue is comprised of \$318,061 in the FY22 Basic Field Grant, \$64,236 in the FY22 Technology Initiative Grant and \$239,577 in the FY22 Native American Grant. This is 31.74% of annualized LSC income. LSC allows the funded corporations to carryover funds into the next fiscal year in an amount of up to 10% of their LSC annualized income. In order to carry over amounts over 10% of LSC's annualized funding, ALSC must get approval from LSC. The Corporation has 30 days after audit submission to apply for the waiver.

**11. NET ASSETS RELEASED FROM DONOR RESTRICTIONS**

For the year ended December 31, 2022, net assets were released from donor restrictions when expenses were incurred to satisfy the restricted purposes as follows:

Satisfaction of Restricted Purpose:		
Restricted corporation:		
Bristol Bay Native Association	\$	99,948
Total	\$	99,948

**12. NET ASSETS WITH DONOR RESTRICTIONS**

At December 31, 2022, ALSC had net assets with donor restrictions for the following purposes and from the following sources:

Restricted Purpose:		
Nancy Schafer Women's Fund – Serving Women	\$	48,637
Bristol Bay Industrial, LLC		72,019
Native American Contributions		1,510
Private Attorney Involvement Contributions		1,007
Restricted Location:		
Barrow Office Contributions	\$	2,083
Bethel Office Contributions		27,421
Dillingham Office Contributions		16,440
Kenai Office Contributions		4,210
Nome Office Contributions		1,007
Bristol Bay Native Association		60,838
Total	\$	235,172

**13. BOARD DESIGNATED ENDOWMENT**

Board designated net assets at December 31, 2022 were \$1,095,580. These net assets are designated for the Alaska Legal Services Corporation Endowment Fund. Per ALSC's investment policy, unless stated otherwise by the donor 10% of all donations received through fundraising efforts are allocated to the endowment fund each year. ALSC's investment policy attempts to provide a predictable stream of income to grow and maintain endowment assets. The investment portfolio is structured over long-term to provide both capital appreciation (realized and unrealized) and current in-kind (interest and dividends). Income and gains from the endowment fund will not be disbursed until the total amount of the fund reaches one million dollars, unless at the sole discretion of the members of the ALSC Board of Directors, disbursements are necessary to the achievement of the goals and objectives of ALSC. Such a determination shall require a 2/3 majority vote of the ALSC Board. Once the fund revenues reach the one million dollar threshold, withdrawals of excess income and gains from the fund are subject to a majority vote of the ALSC board.

Changes in Board Designated Endowment net assets are as follows:

Balance December 31, 2021	\$	1,274,846
Net investment activity		( 179,266)
Total December 31, 2022	\$	1,095,580

The Board Designated Endowment Fund includes \$14,761 of investments which are classified as cash and cash equivalents on the Statement of Financial Position.

**14. LEASES**

ALSC leases certain office facilities at various terms under long-term non-cancelable operating lease and finance lease agreements. The leases expire at various dates through 2027 and provide for renewal options ranging from one year to three years. ALSC includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. ALSC operating lease provides for increases in future minimum annual rental payments.

**ALASKA LEGAL SERVICES CORPORATION**

**Notes to Financial Statements, Continued**

Additionally, one of the operating leases requires ALSC to pay for air conditioning. The weighted-average discount rate is based on the discount rate implicit in the lease. If the implicit rate is not readily determinable from the lease, we estimate an applicable incremental borrowing rate. The incremental borrowing rate is estimated using our applicable borrowing rates and the contractual lease term.

ALSC has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

ALSC has elected the practical expedient to not separate lease and non-lease components for office equipment leases.

Total lease costs for the year ended December 31, 2022 as follows:

Operating lease costs	\$ 398,471
Variable costs	5,582
Short-term leases	<u>59,708</u>
Total	\$ <u>463,761</u>

The following table summarizes the supplemental cash flow information for the years ended December 31, 2022:

Cash paid for amounts included in the measurement of lease assets and liabilities -	
Operating cash flows from operating leases	\$ 398,471

The following summarizes the weighted-average remaining average lease term and weighted-average discount rate:

Weighted-average remaining lease term in years:	
Operating leases	3.81
Weighted average discount rate:	
Operating leases	5%

The future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of December 31, 2022:

2023	\$ 328,738
2024	290,979
2025	249,901
2026	249,901
2027	41,650
Total lease payments	1,161,169
Less interest	<u>(107,800)</u>
Present value of lease liabilities	\$ <u>1,053,369</u>

# ALASKA LEGAL SERVICES CORPORATION

## Notes to Financial Statements, Continued

### 15. RELATED PARTY TRANSACTION

There were no significant related party transactions during 2022.

### 16. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and Cash Equivalents	\$ 295,395
Grant and Other Income Receivable	757,785
Endowment Fund Appropriation	1,095,580
	<u>\$ 2,148,760</u>

As part of our liquidity management plan, ALSC invests cash in excess of daily requirements from its general account in short-term money-market mutual funds.

Net assets from LSC Corporation are considered restricted until used, but these funds are available to fund program operations and so are included for the purposes of this section as unrestricted.

ALSC's endowment fund consists of cash and investments. Although the intent is not to spend these endowment funds (other than as part of a board approved plan), these funds are accessible by management with a 2/3 majority vote by the ALSC Board of Directors, and could be made available if necessary.

### 17. CHANGE IN ACCOUNTING PRINCIPLE

In 2022, the ALSC implemented FASB ASU 2016-02 – Leases (Topic 842). This established a standard of accounting and financial reporting for leases by lessees and lessors.

The new update requires ALSC to recognize the lease asset and lease liability associated with all leases (operating and financing) on the Balance Sheet. Accordingly, the new guidance provides both lessee and lessor accounting requirements for all entities and it applies to all leases except leases of intangible and biological assets, inventory, assets under construction, and leases to explore or use mineral, natural gas and similar resources.

As a result of adopting this new accounting pronouncement, ALSC was required to restate the 2021 financial statements for summarized comparative purposes. ALSC recognized the following amounts in the financial statements in regard to leases:

	<u>2021</u>
Statement of Financial Position:	
Right of use asset	\$ 1,389,985
Lease Liability	\$ 1,389,985

### 18. SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 25, 2023, the date which the financial statements were available for issue. No items were deemed necessary for disclosure.

## **SUPPLEMENTARY INFORMATION**

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**ALASKA LEGAL SERVICES CORPORATION**

**Combining Statement of Activities  
Program Funds - All Sources**

<i>Year Ended December 31, 2022</i>	Federal	State	Other	Total
Support and revenue:				
Grants and contracts	\$ 3,166,379	1,541,206	1,120,573	5,828,158
Litigation income	727	1,546	7,971	10,244
Investment income	6,486	965	7,574	15,025
Miscellaneous income	-	-	-	-
Donated services	-	-	776,482	776,482
Contributed nonfinancial assets:				
Contributions	-	-	336,821	336,821
Other-Endowment gain/loss	-	-	(207,989)	(207,989)
Total support and revenue	3,173,592	1,543,717	2,041,432	6,758,741
Expenses:				
Salaries	1,814,729	908,874	994,723	3,718,326
Fringe	594,753	277,873	359,556	1,232,182
Travel	46,622	20,629	24,041	91,292
Office expense	236,158	148,055	154,800	539,013
Supplies	14,707	6,129	7,570	28,406
Minor equipment	32,681	3,528	10,100	46,309
Other	332,700	33,827	848,558	1,215,085
Administrative costs	106,609	189,176	(295,785)	-
Depreciation	-	-	35,603	35,603
Total expenses	3,178,959	1,588,091	2,139,166	6,906,216
Change in net assets	(5,367)	(44,374)	(97,734)	(147,475)
Transfers from (to) other funds	(2,760)	833	1,927	-
Net assets, beginning of year	8,643	50,664	2,048,111	2,107,418
Net assets, end of year	\$ 516	7,123	1,952,304	1,959,943



**ALASKA LEGAL SERVICES CORPORATION**

**Combining Statement of Activities**

**Federal Sources**

Year Ended December 31, 2022	Legal Services Corporation							
	Basic Field Grant	Native American	Technology Initiative Grant	Technology Initiative Grant	Pro Bono Innovation Fund	Disaster Relief Grant	Technology Initiative Grant	Total
Support and revenue:								
Grants and contracts	\$ 724,562	852,168	34,490	57,250	23,537	-	17,154	1,709,161
Litigation income	-	214	-	-	-	513	-	727
Investment income	2,784	2,032	-	486	-	4	-	5,306
<b>Total support and revenue</b>	<b>727,346</b>	<b>854,414</b>	<b>34,490</b>	<b>57,736</b>	<b>23,537</b>	<b>517</b>	<b>17,154</b>	<b>1,715,194</b>
Expenses:								
Salaries	393,369	480,933	6,692	16,533	8,051	-	970	906,548
Fringe	140,557	144,355	696	1,755	2,107	-	289	289,759
Travel	22,079	7,602	-	-	46	-	27	29,754
Office expense	71,076	70,733	-	184	373	-	153	142,519
Supplies	4,654	4,061	-	123	21	-	13	8,872
Minor equipment	19,840	4,857	-	-	51	-	30	24,778
Other	75,771	135,979	27,102	39,141	12,888	-	15,672	306,553
Administrative costs	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>727,346</b>	<b>848,520</b>	<b>34,490</b>	<b>57,736</b>	<b>23,537</b>	<b>-</b>	<b>17,154</b>	<b>1,708,783</b>
Change in net assets	-	5,894	-	-	-	517	-	6,411
Transfers (to) from other funds	-	(5,894)	-	-	-	-	-	(5,894)
<b>Net assets, beginning of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net assets, end of year</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>517</b>	<b>-</b>	<b>517</b>

(continued)

**ALASKA LEGAL SERVICES CORPORATION**

**Combining Statement of Activities  
Federal Sources, continued**

Year Ended December 31, 2022	Department of Health and Human Services			Department of Justice		Department of Housing and Urban Development			Total
	Nutrition, Transport- ation, & Support Grants	National Family Caregiver Grant	ANDVSA Victims of Crime Grant	MLSA Civil and Criminal Legal Grant Fund	Office on Violence Against Women Grants	Fair Housing Grants	Municipality of Anchorage Children At-Risk Project	Other Federal Grants	All Federal Sources
Support and revenue:									
Grants and contracts	\$ 170,948	32,555	79,724	52,155	218,595	463,791	373	439,077	3,166,379
Litigation income	-	-	-	-	-	-	-	-	727
Investment income	-	31	-	8	-	372	-	769	6,486
<b>Total support and revenue</b>	<b>170,948</b>	<b>32,586</b>	<b>79,724</b>	<b>52,163</b>	<b>218,595</b>	<b>464,163</b>	<b>373</b>	<b>439,846</b>	<b>3,173,592</b>
Expenses:									
Salaries	102,121	22,294	60,469	35,157	141,642	255,561	263	290,674	1,814,729
Fringe	32,538	6,922	19,255	11,456	37,648	99,966	73	97,136	594,753
Travel	107	302	-	322	244	14,405	-	1,488	46,622
Office expense	17,917	2,663	-	6,839	13,594	39,044	34	13,548	236,158
Supplies	315	91	-	132	723	4,020	-	554	14,707
Minor equipment	229	53	-	68	181	519	-	6,853	32,681
Other	4,696	555	-	2,083	3,628	9,476	3	5,706	332,700
Administrative costs	13,025	2,839	-	4,751	20,935	41,172	-	23,887	106,609
<b>Total expenses</b>	<b>170,948</b>	<b>35,719</b>	<b>79,724</b>	<b>60,808</b>	<b>218,595</b>	<b>464,163</b>	<b>373</b>	<b>439,846</b>	<b>3,178,959</b>
Change in net assets	-	(3,133)	-	(8,645)	-	-	-	-	(5,367)
Transfers (to) from other funds	-	3,134	-	-	-	-	-	-	(2,760)
<b>Net assets, beginning of year</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>8,645</b>	<b>-</b>	<b>(3)</b>	<b>-</b>	<b>-</b>	<b>8,643</b>
<b>Net assets, end of year</b>	<b>\$ 1</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>-</b>	<b>-</b>	<b>516</b>

**ALASKA LEGAL SERVICES CORPORATION**

**Combining Statement of Activities  
State Sources**

Year Ended December 31, 2022	Department of Health and Social Services								Department of Commerce, Community and Economic Development	Alaska Court System	Alaska Housing Finance Corporation	Alaska Mental Health Trust Authority	Total	
	Fairbanks North Star Borough Individual and Family Crisis Project		Matanuska- Susitna Borough Grants	Nutrition, Transport- ation, & Support Grants	National Family Caregiver Grants	FASD Engagement Grant	Community Initiative Grants	Civil Legal Services Fund	Program Operations	Early Resolution Project	Housing Assistance Program	Disability Justice Holistic Defense	Housing Legal Resources	All State Sources
	Municipality of Anchorage													
Support and revenue:														
Grants and contracts	\$ 13,541	32,803	28,858	63,228	8,653	61,933	190,218	65,964	800,000	-	-	197,312	78,696	1,541,206
Litigation income	-	-	1,546	-	-	-	-	-	-	-	-	-	-	1,546
Investment income	-	-	7	-	8	8	464	-	1	-	39	330	108	965
Total support and revenue	13,541	32,803	30,411	63,228	8,661	61,941	190,682	65,964	800,001	-	39	197,642	78,804	1,543,717
Expenses:														
Salaries	9,406	16,505	19,197	37,772	5,925	39,323	110,198	42,143	468,215	-	-	125,285	34,905	908,874
Fringe	2,741	9,226	6,371	12,035	1,840	14,971	40,151	11,483	142,365	-	-	31,415	5,275	277,873
Travel	-	-	-	40	80	1,454	-	-	-	-	-	1,200	17,855	20,629
Office expense	1,185	4,611	1,480	6,627	708	557	18,797	4,767	90,223	-	-	14,812	4,288	148,055
Supplies	19	196	106	117	24	-	829	119	3,589	-	-	968	162	6,129
Minor equipment	16	39	32	85	14	-	286	72	2,204	-	-	314	466	3,528
Other	174	664	298	1,737	149	3,010	2,551	783	13,405	-	-	5,177	5,879	33,827
Administrative costs	-	1,562	1,374	4,815	754	2,626	17,870	6,597	125,133	-	-	18,471	9,974	189,176
Total expenses	13,541	32,803	28,858	63,228	9,494	61,941	190,682	65,964	845,134	-	-	197,642	78,804	1,588,091
Change in net assets	-	-	1,553	-	(833)	-	-	-	(45,133)	-	39	-	-	(44,374)
Transfers (to) from other funds	-	-	-	-	833	-	-	-	-	-	-	-	-	833
Net assets, beginning of year	-	-	-	(2)	-	-	-	-	45,133	-	5,533	-	-	50,664
Net assets, end of year	\$ -	-	1,553	(2)	-	-	-	-	-	-	5,572	-	-	7,123

**ALASKA LEGAL SERVICES CORPORATION**

**Combining Statement of Activities  
Other Sources**

<i>Year Ended December 31, 2022</i>	Tlingit & Haida Indian Tribes	Mat-Su Health Foundation	North Slope Borough	Matanuska- Susitna Borough Grants	Alaska Bar Foundation	Bristol Bay Native Association	Association of Village Council Presidents	Juneau Community Foundation	Tanana Chiefs Conference	Maniilaq Association	Partners in Justice Campaign	Other	Total All Other Sources
Support and revenue:													
Grants and contracts	\$ 61,500	5,057	144,070	12,368	23,403	177,000	246,000	135,408	65,461	75,337	-	174,969	1,120,573
Litigation income	-	108	-	663	7,200	-	-	-	-	-	-	-	7,971
Investment income (loss)	-	147	1,087	2	302	904	290	402	-	-	1,468	2,972	7,574
Miscellaneous income	-	-	-	-	-	-	-	-	-	-	-	-	-
Donated services	-	-	-	-	-	-	-	-	-	-	-	776,482	776,482
Contributed nonfinancial assets:													
Contributions	-	-	-	-	-	-	-	-	-	-	310,821	26,000	336,821
Other-Endowment Gain/Loss	-	-	-	-	-	-	-	-	-	-	(207,989)	-	(207,989)
Total support and revenue	61,500	5,312	145,157	13,033	30,905	177,904	246,290	135,810	65,461	75,337	104,300	980,423	2,041,432
Expenses:													
Salaries	45,334	3,206	90,538	8,227	16,859	59,225	126,758	92,612	34,146	52,998	25,327	439,493	994,723
Fringe	12,997	1,425	16,810	2,730	5,002	19,986	42,585	26,870	13,748	11,517	7,918	197,968	359,556
Travel	-	15	925	-	-	4,452	2,338	452	-	-	29	15,830	24,041
Office expense	-	235	16,154	634	2,507	1,253	20,022	3,454	7,057	4,727	4,611	94,146	154,800
Supplies	-	23	381	46	178	313	859	290	187	380	145	4,768	7,570
Minor equipment	-	8	150	14	46	314	296	1	90	185	51	8,945	10,100
Other	1,789	109	1,495	127	1,602	2,094	7,690	2,487	1,862	1,100	16,491	811,712	848,558
Administrative costs	1,380	183	18,704	590	2,341	12,311	29,112	9,644	8,371	4,430	7,897	(390,748)	(295,785)
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-	35,603	35,603
Total expenses	61,500	5,204	145,157	12,368	28,535	99,948	229,660	135,810	65,461	75,337	62,469	1,217,717	2,139,166
Change in net assets	-	108	-	665	2,370	77,956	16,630	-	-	-	41,831	(237,294)	(97,734)
Transfers to (from) other funds	-	-	-	-	-	-	(16,630)	-	-	-	(185,325)	203,882	1,927
Net assets, beginning of year	-	-	-	-	41,595	54,900	-	20	-	-	1,494,019	457,577	2,048,111
Net assets, end of year	\$ -	108	-	665	43,965	132,856	-	20	-	-	1,350,525	424,165	1,952,304

**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of Grant and Contract Revenues by Funding Sources**

Grantor	Period	Amount of Award	Revenue recognized in FY 2022	Support	
				Expended During 2022	Unexpended at December 31, 2022
<u>Legal Services Corporation</u>					
Basic Field	01/01/22-12/31/22	1,042,623	724,562	724,562	318,061 (1)
Native American	01/01/22-12/31/22	708,975	469,398	469,398	239,577 (1)
Native American	01/01/21-12/31/21	672,243	382,770	382,770	-
Technology Initiative	10/01/18-08/31/22	217,553	34,490	34,490	50,878 (2)
Technology Initiative	10/01/19-06/30/23	283,089	57,250	57,250	143,824 (2)
Technology Initiative	11/01/21-04/30/23	35,000	17,154	17,154	17,846 (2)
Pro Bono Innovation Fund	10/01/22-09/30/25	350,206	23,537	23,537	326,669 (2)
<u>State of Alaska - Dept of Health</u>					
607-309-22001	07/01/21-06/30/22	227,669	135,057	135,057	-
607-307-22001	07/01/21-06/30/22	71,085	24,920	24,920	17,551 (2)
167-309-23001	07/01/22-06/30/23	158,440	99,119	99,119	59,321 (2)
167-307-23001	07/01/22-06/30/23	70,752	16,288	16,288	54,464 (2)
605-230-22001	07/01/21-06/30/22	50,000	25,001	25,001	-
605-230-22009	07/01/21-06/30/22	50,000	25,001	25,001	-
605-230-22015	07/01/21-06/30/22	50,000	33,855	33,855	-
605-230-22020	07/01/21-06/30/22	15,853	7,927	7,927	-
605-230-22006	07/01/21-06/30/22	15,853	7,927	7,927	-
165-230-23001	07/01/22-06/30/23	50,000	24,905	24,905	25,095 (2)
165-230-23009	07/01/22-06/30/23	50,000	24,905	24,905	25,095 (2)
165-230-23015	07/01/22-06/30/23	50,000	24,905	24,905	25,095 (2)
165-230-23020	07/01/22-06/30/23	15,853	7,896	7,896	7,957 (2)
165-230-23006	07/01/22-06/30/23	15,853	7,896	7,896	7,957 (2)
FASD Engagement Sponsorship 2021-2022	None	100,000	61,933	61,933	-
<u>State of Alaska-Dept of Commerce, Community, and Economic Development</u>					
22-DO-006	07/01/21-06/30/22	400,000	400,000	400,000	-
22-DO-004	07/01/21-06/30/22	311,584	65,964	65,964	-
23-DO-003	07/01/22-06/30/23	400,000	400,000	400,000	-
<u>Montana Legal Services Association</u>					
Tribal Criminal Legal Assistance	10/01/18-09/30/23	22,794	10,840	10,840	22 (2)
Tribal Civil Legal Assistance	10/01/21-09/30/23	27,588	8,859	8,859	18,729 (2)
Tribal Criminal Legal Assistance	10/01/21-09/30/23	32,456	32,456	32,456	-
<u>Department of Justice</u>					
2015-WR-AX-0015	10/01/15-09/30/23	1,300,000	136,010	136,010	422,986 (2)
2016-WR-AX-0003	10/01/16-09/30/23	533,666	77,582	77,582	112,123 (2)
2020-WR-AZ-0059	10/01/20-09/30/23	45,000	5,003	5,003	39,782 (2)
<u>Department of the Treasury</u>					
COVID-19 Emergency Rental Assistance	07/01/21-09/30/22	250,000	145,953	145,953	16,302 (2)
ARPA Civil Legal Aid to MOA	08/18/21-12/31/22	200,000	107,732	107,732	82,774 (3)
ARPA Civil Legal Aid to FNSB	07/01/22-12/31/24	33,333	6,445	6,445	26,888 (2)
<u>Housing &amp; Urban Development</u>					
FH800G14002	01/01/15-12/31/15	250,001	173	173	17,770 (3)
FPEI190027	09/01/22-08/30/23	375,000	106,175	106,175	268,825 (2)
FH800G14040	01/01/16-06/30/17	125,000	(50)	-	7,084 (3)
FE0120031	02/01/21-07/31/22	125,000	36,728	36,728	32,795 (2)
FE0120056	08/01/22-07/31/23	125,000	38,384	38,384	86,616 (2)
FPEI190027	10/01/21-09/30/22	360,000	256,373	256,373	28,985 (2)
FPE2122000	04/01/22-03/31/23	75,000	26,008	26,008	48,992 (2)
<u>Association of Village Council Presidents</u>					
2022 Contract	01/01/22-12/31/22	246,000	246,000	229,370	-
<u>Bristol Bay Native Association</u>					
Contract for Professional Services	01/01/22-12/31/22	77,000	77,000	50,738	-
Contract for Professional Estate Services	01/01/22-12/31/22	100,000	100,000	48,306	-
<u>Matanuska-Susitna Borough</u>					
20398-5507 #1	07/01/21-06/30/22	47,865	20,451	20,451	-
20402-5501	07/01/22-06/30/23	41,548	20,775	20,775	20,773 (2)
<u>Municipality of Anchorage</u>					
PSG-21-ALSC-001	07/01/21-06/30/23	144,510	373	373	141,157 (2)
HP-21-ALS-007	03/01/21-06/30/23	200,000	123,264	123,264	67,242 (2)

(continued)

**ALASKA LEGAL SERVICES CORPORATION**  
Schedule of Grant and Contract Revenues by Funding Sources, continued

Grantor	Period	Amount of Award	Revenue recognized in FY 2022	Support	
				Expended During 2022	Unexpended at December 31, 2022
<u>Municipality of Anchorage</u>					
HSCMG22	07/01/21-06/30/22	94,505	17,711	17,711	12,883 (2)
<u>Fairbanks North Star Borough</u>					
HSS22A	07/01/21-06/30/22	31,374	15,687	15,687	-
HSS23A	07/01/22-06/30/23	34,232	17,116	17,116	17,116 (2)
<u>Corporation for Community and National Service</u>					
AmeriCorps MLP Fellowships	9/01/19-8/31/23	185,710	24,761	24,761	104,462 (2)
<u>Alaska Network on Domestic Violence &amp; Sexual Assault</u>					
2018-V2-GX-0019	07/01/21-06/30/22	92,523	47,778	47,778	10,493 (2)
2018-V2-GX-0019	07/01/22-06/30/23	98,482	31,946	31,946	66,536 (2)
<u>City of Ketchikan</u>					
2022 Agreement	01/01/22-12/31/22	25,271	25,271	25,271	-
<u>Ketchikan Gateway Borough</u>					
SFY 2023	07/01/22-06/30/23	25,000	14,216	14,216	10,784 (2)
<u>Alaska Bar Foundation</u>					
IOLTA-Fiscal Year 2022	07/01/22-06/30/23	18,750	18,750	18,750	-
Default Avoidance & Foreclosure Prevention	01/01/17-06/30/23	407,566	4,608	4,608	-
Tribal Court Assistance	01/01/17-06/30/23	112,081	45	45	1,486 (3)
<u>Alaska Mental Health Trust Authority</u>					
ALSC Training Project	07/01/22-06/30/23	25,000	25,000	25,000	-
Housing: Legal Resources for Trust Beneficiaries	07/01/22-06/30/23	50,000	33,149	33,149	16,851 (2)
Housing: Legal Resources for Trust Beneficiaries	07/01/21-06/30/22	50,000	20,547	20,547	-
Disability Justice: Holistic Defense Model	07/01/21-06/30/22	180,000	81,514	81,514	-
Disability Justice: Holistic Defense Model	07/01/22-06/30/23	180,000	115,798	115,798	64,202 (2)
<u>North Slope Borough</u>					
2022-014	07/01/21-06/30/22	127,393	51,393	51,393	-
2023-006	07/01/22-06/30/23	127,393	41,938	41,938	85,455 (2)
Prior Years'	N/A	N/A	50,739	50,739	102,691 (3)
<u>Maniilaq Association</u>					
Contract for Professional Services	10/01/20-09/30/21	77,000	7,138	7,138	-
Contract for Professional Services	10/01/21-09/30/22	77,000	44,021	44,021	-
Contract for Professional Services	10/01/22-09/30/23	77,000	24,178	24,178	52,822 (2)
<u>Tlingit &amp; Haida Indian Tribes</u>					
Contract for Professional Services	10/1/21-09/30/22	82,000	61,500	61,500	-
<u>Tanana Chiefs Conference</u>					
Contract for Professional Services	10/01/16-09/30/22	492,000	62,334	62,334	-
Contract for Professional Services	10/1/22-09/30/23	82,000	3,127	3,127	78,873 (2)
<u>Alaska Native Tribal Health Consortium</u>					
Contract for Medical/Legal Partnership	01/01/22-12/31/22	82,000	82,000	82,000	-
<u>Alaska Court System</u>					
Early Resolution Project	07/01/17-09/30/18	6,000	-	-	2,709 (3)
<u>Juneau Community Foundation</u>					
Hope Endowment-Equitable Access to Justice	07/01/21-06/30/22	78,000	30,004	30,004	-
Hope Endowment-Equitable Access to Justice	07/01/22-06/30/23	97,000	97,000	97,000	-
Community Assistance Fund-COVID-19	None	88,735	8,404	8,404	78,652 (3)
<u>Inupiat Community of the Arctic Slope</u>					
Native Allotment Contract	None	10,000	(16)	-	2,428 (3)
<u>Kodiak Area Native Association</u>					
Partnering for Native Health Contract	01/01/21-12/31/22	100,000	37,774	37,774	24,978 (3)

(continued)

**ALASKA LEGAL SERVICES CORPORATION**  
Schedule of Grant and Contract Revenues by Funding Sources, continued

Grantor	Period	Amount of Award	Revenue recognized in FY 2022	Support		
				Expended During 2022	Unexpended at December 31, 2022	
<u>Equal Justice Works</u>						
Elder Justice Fellowship	06/15/20-08/31/22	100,387	30,922	30,922	888	(2)
<u>RurAL CAP</u>						
RurAL CAP Contract	08/03/21-09/30/24	21,000	4,704	4,704	16,296	(2)
<u>National Health Law Program</u>						
Health Law Partnership Contract	08/01/21-07/31/23	27,000	6,850	6,850	17,447	(3)
<u>Mat-Su Health Foundation</u>						
Connect Mat-Su contract	01/01/21-12/31/22	50,000	5,057	5,057	19,740	(3)
		\$	5,828,158	5,733,638	3,547,027	

Note: ALSC is funded through a grant from LSC plus various other grants and cost-reimbursement contracts. In accordance with LSC disclosure requirements, funds not earned or expended during the year must be disclosed as unrecognized or unexpended support. Unrecognized support does not represent receivables or grant advances. The availability of these funds for future use is dependent upon terms of the individual grants.

(1) These amounts represent grant funds received but not expended as of December 31, 2022.

(2) These amounts represent the unexpended grant amount available and not receivables or grant advances.

(3) These amounts represent the unexpended grant amount available and grant advances.

**ALASKA LEGAL SERVICES CORPORATION**

**Combining Schedule of Private Attorney Involvement Expense**

*Year Ended December 31, 2022*

Sources	IOLTA 23	LSC Basic Field	Other Funds	Subtotal	Donated Services	Total
Revenue	\$ 18,750	93,463	63,835	176,048	745,759	921,807
Expenses:						
Salaries	12,000	58,275	41,217	111,492	-	111,492
Employee benefits	3,600	14,063	14,971	32,634	-	32,634
Office and premises	1,845	6,026	557	8,428	-	8,428
Travel	-	238	1,454	1,692	-	1,692
Supplies	157	755	-	912	-	912
Equipment and furniture	36	317	-	353	-	353
Other	1,112	13,789	5,636	20,537	745,759	766,296
Total expenses	\$ 18,750	93,463	63,835	176,048	745,759	921,807
Excess of revenue over expenses	-	-	-	-	-	-



**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of Revenue and Expenses - Budget and Actual  
Nutrition, Transportation, & Support  
Grant 607-309-22001**

For the Grant Period Ended June 30, 2022	Budget	Actual		Total	Variance
		Prior Year	Current		
Revenue:					
Federal sources	\$ 176,315	65,137	111,178	176,315	-
State sources	51,354	27,475	23,879	51,354	-
Total revenue	227,669	92,612	135,057	227,669	-
Expenses:					
Personal services	170,349	70,052	107,986	178,038	(7,689)
Travel	1,000	-	147	147	853
Facility expense	24,611	10,189	13,903	24,092	519
Supplies	1,389	195	176	371	1,018
Equipment	561	178	169	347	214
Other expense	7,809	3,069	3,846	6,915	894
Administrative expense	21,950	8,929	8,830	17,759	4,191
Total expenses	227,669	92,612	135,057	227,669	-
Excess of revenue over expenses	\$ -	-	-	-	-

**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of Revenue and Expenses - Budget and Actual  
Nutrition, Transportation & Support  
Grant 167-309-23001**

<i>Six months ended December 31, 2022</i>	Budget	Actual	Variance
Revenue:			
Federal sources	\$ 106,000	59,770	(46,230)
State sources	52,440	39,349	(13,091)
Total revenue	158,440	99,119	(59,321)
Expenses:			
Personal services	121,528	76,480	45,048
Facility expense	17,400	10,642	6,758
Supplies	900	318	582
Equipment	500	145	355
Other expense	3,709	2,524	1,185
Administrative expense	14,403	9,010	5,393
Total expenses	158,440	99,119	59,321
Excess of revenue over expenses	\$ -	-	-

**ALASKA LEGAL SERVICES CORPORATION**  
**Schedule of Revenue and Expenses - Budget and Actual**  
**National Family Caregiver Program**  
**Grant 607-307-22001**

For the Grant Period Ended June 30, 2022	Budget	Actual		Total	Variance
		Prior Year	Current		
Revenue:					
Federal sources	\$ 56,143	21,460	19,438	40,898	(15,245)
State sources	14,942	7,154	5,482	12,636	(2,306)
Total revenue	71,085	28,614	24,920	53,534	(17,551)
Expenses:					
Personal services	52,798	22,544	20,248	42,792	10,006
Travel	1,000	-	104	104	896
Facility expense	8,045	2,371	1,997	4,368	3,677
Supplies	700	45	33	78	622
Equipment	400	223	49	272	128
Other expense	1,289	673	381	1,054	235
Administrative expense	6,853	2,758	2,108	4,866	1,987
Total expenses	71,085	28,614	24,920	53,534	17,551
Excess of revenue over expenses	\$ -	-	-	-	-

**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of Revenue and Expenses - Budget and Actual  
National Family Caregiver Support Program  
Grant 167-307-23001**

<i>Six Months Ended December 31, 2022</i>	Budget	Actual	Variance
Revenue:			
Federal sources	\$ 55,810	13,117	(42,693)
State sources	14,942	3,171	(11,771)
Total revenue	70,752	16,288	(54,464)
Expenses:			
Personal services	53,667	12,768	40,899
Travel	1,000	278	722
Facility expense	7,085	1,374	5,711
Supplies	700	82	618
Equipment	400	18	382
Other expense	1,140	284	856
Administrative expense	6,760	1,484	5,276
Total expenses	70,752	16,288	54,464
Excess of revenue over expenses	\$ -	-	-

**ALASKA LEGAL SERVICES CORPORATION**  
**Schedule of Revenue and Expenses - Budget and Actual**  
**State of Alaska CIG Grant**  
**Bethel Region**  
**Grant 605-230-22001**

<i>For the Grant Period Ended June 30, 2022</i>	Budget	Actual		Total	Variance
		Prior Year	Current		
Revenues - state sources	\$ 50,000	24,999	25,001	50,000	-
Expenses:					
Personal services	34,447	17,543	17,302	34,845	(398)
Facility expense	9,800	4,706	5,010	9,716	84
Supplies	300	2	12	14	286
Equipment	100	100	-	100	-
Other expense	533	238	267	505	28
Administrative expense	4,820	2,410	2,410	4,820	-
Total expenses	50,000	24,999	25,001	50,000	-
Excess of revenue over expenses	\$ -	-	-	-	-

**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of Revenue and Expenses - Budget and Actual  
State of Alaska CIG Grant  
Bethel Region  
Grant 165-230-23001**

<i>Six Months Ended December 31, 2022</i>	Budget	Actual	Variance
Revenues - state sources	\$ 50,000	24,905	(25,095)
Expenses:			
Personal services	34,447	17,028	17,419
Facility expense	9,800	5,010	4,790
Supplies	300	211	89
Equipment	100	80	20
Other expense	533	304	229
Administrative expense	4,820	2,272	2,548
Total expenses	50,000	24,905	25,095
Excess of revenue over expenses	\$ -	-	-

**ALASKA LEGAL SERVICES CORPORATION**  
**Schedule of Revenue and Expenses - Budget and Actual**  
**State of Alaska CIG Grant**  
**Kenai Region**  
**Grant Grant 605-230-22009**

<i>For the Grant Period Ended June 30, 2022</i>	Budget	Actual		Total	Variance
		Prior Year	Current		
Revenues - state sources	\$ 50,000	24,999	25,001	50,000	-
Expenses:					
Personal services	38,830	20,714	20,439	41,153	(2,323)
Facility expense	5,300	1,562	1,786	3,348	1,952
Supplies	300	20	-	20	280
Equipment	100	24	33	57	43
Other expense	650	269	333	602	48
Administrative expense	4,820	2,410	2,410	4,820	-
Total expenses	50,000	24,999	25,001	50,000	-
Excess of revenue over expenses	\$ -	-	-	-	-

**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of Revenue and Expenses - Budget and Actual  
State of Alaska CIG Grant  
Kenai Region  
Grant 165-230-23009**

<i>Six Months Ended December 31, 2022</i>	Budget	Actual	Variance
Revenues - state sources	\$ 50,000	24,905	(25,095)
Expenses:			
Personal services	38,830	18,229	20,601
Facility expense	5,300	3,996	1,304
Supplies	300	75	225
Equipment	100	69	31
Other expense	650	263	387
Administrative expense	4,820	2,273	2,547
Total expenses	50,000	24,905	25,095
Excess of revenue over expenses	\$ -	-	-



**ALASKA LEGAL SERVICES CORPORATION**  
**Schedule of Revenue and Expenses - Budget and Actual**  
**State of Alaska CIG Grant**  
**Bristol Bay Region**  
**Grant 605-230-22015**

<i>For the Grant Period Ended June 30, 2022</i>	Budget	Prior Year	Actual Current	Total	Variance
Revenues - state sources	\$ 50,000	16,145	33,855	50,000	-
Expenses:					
Personal services	43,665	13,701	30,036	43,737	(72)
Facility expense	500	550	-	550	(50)
Supplies	300	35	168	203	97
Equipment	100	9	53	62	38
Other expense	615	294	334	628	(13)
Administrative expense	4,820	1,556	3,264	4,820	-
Total expenses	50,000	16,145	33,855	50,000	-
Excess of revenue over expenses	\$ -	-	-	-	-

**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of Revenue and Expenses - Budget and Actual  
State of Alaska CIG Grant  
Bristol Bay Region  
Grant 165-230-23015**

<i>Six Months Ended December 31, 2022</i>	Budget	Actual	Variance
Revenues - state sources	\$ 50,000	24,905	(25,095)
Expenses:			
Personal services	43,665	21,422	22,243
Facility expense	875	600	275
Supplies	300	200	100
Equipment	100	10	90
Other expense	515	400	115
Administrative expense	4,545	2,273	2,272
Total expenses	50,000	24,905	25,095
Excess of revenue over expenses	\$ -	-	-

**ALASKA LEGAL SERVICES CORPORATION**  
**Schedule of Revenue and Expenses - Budget and Actual**  
**State of Alaska CIG Grant**  
**Southeast Region**  
**Grant 605-230-22020**

<i>For the Grant Period Ended June 30, 2022</i>	Budget	Actual		Total	Variance
		Prior Year	Current		
Revenues - state sources	\$ 15,853	7,926	7,927	15,853	-
Expenses:					
Personal services	11,763	5,377	6,455	11,832	(69)
Facility expense	2,000	1,500	500	2,000	-
Supplies	100	15	13	28	72
Equipment	50	-	9	9	41
Other expense	412	270	186	456	(44)
Administrative expense	1,528	764	764	1,528	-
Total expenses	15,853	7,926	7,927	15,853	-
Excess of revenue over expenses	\$ -	-	-	-	-

**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of Revenue and Expenses - Budget and Actual  
State of Alaska CIG Grant  
Southeast Region  
Grant 165-230-23020**

<i>Six Months Ended December 31, 2022</i>	Budget	Actual	Variance
Revenues - state sources	\$ 15,853	7,896	(7,957)
Expenses:			
Personal services	11,763	5,384	6,379
Facility expense	2,000	1,406	594
Supplies	100	52	48
Equipment	50	-	50
Other expense	412	334	78
Administrative expense	1,528	720	808
Total expenses	15,853	7,896	7,957
Excess of revenue over expenses	\$ -	-	-

**ALASKA LEGAL SERVICES CORPORATION**  
**Schedule of Revenue and Expenses - Budget and Actual**  
**State of Alaska CIG Grant**  
**Northwest Region**  
**Grant 605-230-22006**

<i>For the Grant Period Ended June 30, 2022</i>	Budget	Actual		Total	Variance
		Prior Year	Current		
Revenues - state sources	\$ 15,853	7,926	7,927	15,853	-
Expenses:					
Personal services	12,727	6,669	6,905	13,574	(847)
Facility expense	1,346	300	246	546	800
Supplies	95	25	11	36	59
Equipment	30	30	1	31	(1)
Other expense	127	138	-	138	(11)
Administrative expense	1,528	764	764	1,528	-
Total expenses	15,853	7,926	7,927	15,853	-
Excess of revenue over expenses	\$ -	-	-	-	-

**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of Revenue and Expenses - Budget and Actual  
State of Alaska CIG Grant  
Northwest Region  
Grant 165-230-23006**

<i>Six Months Ended December 31, 2022</i>	Budget	Actual	Variance
Revenues - state sources	\$ 15,853	7,896	(7,957)
Expenses:			
Personal services	12,727	6,686	6,041
Facility expense	1,346	244	1,102
Supplies	95	87	8
Equipment	30	31	(1)
Other expense	127	128	(1)
Administrative expense	1,528	720	808
Total expenses	15,853	7,896	7,957
Excess of revenue over expenses	\$ -	-	-

**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of Revenue and Expenses - Budget and Actual  
Fairbanks North Star Borough -  
Individual and Family Legal Crisis Project  
Grant HSS22A**

<i>For the Grant Period Ended June 30, 2022</i>	Budget	Actual		Total	Variance
		Prior Year	Current		
Revenues - state sources	\$ 31,374	15,687	15,687	31,374	-
Expenses:					
Professional services	24,809	12,321	12,488	24,809	-
Facility expenses	4,300	2,150	2,150	4,300	-
Supplies	280	198	82	280	-
Equipment	50	50	-	50	-
Other expenses	441	101	220	321	120
Administrative expenses	1,494	867	747	1,614	(120)
Total expenses	31,374	15,687	15,687	31,374	-
Excess of revenue over expenses	\$ -	-	-	-	-

**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of Revenue and Expenses - Budget and Actual  
Fairbanks North Star Borough -  
Individual and Family Legal Crisis Project  
Grant HSS23A**

<i>Six Months Ended December 31, 2022</i>	Budget	Actual	Variance
Revenues - state sources	\$ 34,232	17,116	(17,116)
Expenses:			
Professional services	26,551	13,243	13,308
Facility expenses	4,921	2,461	2,460
Supplies	280	114	166
Equipment	50	39	11
Other operating expenses	800	444	356
Administrative expenses	1,630	815	815
Total expenses	34,232	17,116	17,116
Excess of revenue over expenses	\$ -	-	-



**ALASKA LEGAL SERVICES CORPORATION**  
**Schedule of Revenue and Expenses - Budget and Actual**  
**Matanuska-Susitna Borough Children At Risk Program**  
**Grant 20398-5507 #1**

For the Grant Period Ended June 30, 2022	Budget	Actual		Total	Variance
		Prior Year	Current		
Revenue:					
State sources	\$ 33,505	19,190	14,315	33,505	-
Local sources	14,360	8,224	6,136	14,360	-
Total revenue	47,865	27,414	20,451	47,865	-
Expenses:					
Program services	45,472	26,109	19,477	45,586	(114)
Administrative expense	2,393	1,305	974	2,279	114
Total expenses	47,865	27,414	20,451	47,865	-
Excess of revenue over expenses	\$ -	-	-	-	-

**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of Revenue and Expenses - Budget and Actual  
Matanuska-Susitna Borough Children At Risk Program -  
Grant 20402-5501**

<i>Six Months Ended December 31, 2022</i>	Budget	Actual	Variance
Revenue:			
State sources	\$ 29,088	14,543	(14,545)
Local sources	12,460	6,233	(6,227)
Total revenue	41,548	20,776	(20,772)
Expenses:			
Program services	39,570	19,786	19,784
Administrative expense	1,978	990	988
Total expenses	41,548	20,776	20,772
Excess of revenue over expenses	\$ -	-	-

**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of Revenue and Expenses - Budget and Actual  
Municipality of Anchorage-  
Families At Risk Project  
Grant HSCMG22**

<i>For the Grant Period Ended June 30, 2022</i>	Budget	Actual		Total	Variance
		Prior Year	Current		
Revenue:					
State sources	\$ 62,112	48,571	13,541	62,112	-
Local sources	32,393	15,339	4,170	19,509	(12,884)
Total revenue	94,505	63,910	17,711	81,621	(12,884)
Expenses:					
Personal services	87,971	58,794	15,877	74,671	13,300
Rent	3,633	3,773	1,492	5,265	(1,632)
Phone	495	345	67	412	83
Supplies	1,015	84	25	109	906
Equipment	412	74	22	96	316
Insurance	773	812	180	992	(219)
Library	206	28	48	76	130
Total expenses	94,505	63,910	17,711	81,621	12,884
Excess of revenue over expenses	\$ -	-	-	-	-

**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of Revenue and Expenses - Budget and Actual  
FASD Engagement  
2021-2022**

For the Grant Period Ended December 31, 2022	Budget	Actual		Total	Variance
		Prior Year	Current		
Revenue:					
State sources	100,000	38,066	61,934	100,000	-
Total revenue	100,000	38,066	61,934	100,000	-
Expenses:					
Personal services	87,236	32,942	54,294	87,236	-
Travel	1,454	-	1,454	1,454	-
Facility expense	722	165	557	722	-
Other expense	7,962	4,959	3,003	7,962	-
Administrative expense	2,626	-	2,626	2,626	-
Total expenses	100,000	38,066	61,934	100,000	-
Excess of revenue over expenses	\$ -	-	-	-	-

**ALASKA LEGAL SERVICES CORPORATION**

Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2022

Grant Pass-through Number	Grant Period	Assistance Listing Number	Award Amount	Expenditures
Granting Agency/Grant Title				
Legal Services Corporation - direct:				
FY 22 Basic Field	902000	01/01/22-12/31/22	09.902000 \$ 1,042,623	724,562
FY 21 Native American	902001	01/01/21-12/31/21	09.902000 672,243	382,770
FY 22 Native American	902001	01/01/22-12/31/22	09.902000 708,975	469,398
Technology Initiative	18046	01/01/19-8/30/23	09.902000 217,553	34,490
Technology Initiative	19016	10/01/19-09/30/22	09.902000 283,089	57,250
Technology Initiative	GT-TG21T-00008	11/1/21-4/30/23	09.902000 35,000	17,154
Pro Bono Innovation Fund	GT-PB22T-00001	10/1/22-9/30/25	09.902000 350,206	23,537
Total Legal Services Corporation				1,709,161
Department of Health and Human Services:				
Aging Cluster-Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers - passed through the State of Alaska Department of Health:				
Nutrition, Transportation & Support SFY 22	607-309-22001	07/01/21-06/30/22	93.044 176,315	111,178
Nutrition, Transportation & Support SFY 23	167-309-23001	07/01/22-06/30/23	93.044 106,000	59,770
Total Aging Cluster				170,948
National Family Caregiver Support, Title III, Part E - passed through the State of Alaska Department of Health:				
National Family Caregiver Program SFY 22	607-307-22001	07/01/21-06/30/22	93.052 56,143	19,438
National Family Caregiver Program SFY 23	167-307-23001	07/01/22-06/30/23	93.052 55,810	13,117
Total National Family Caregiver Support, Title III, Part E, and ALN 93.052				32,555
Total Department of Health and Human Services				203,503
Corporation for National and Community Service AmeriCorps MLP Fellowships passed through Alaska Pacific University	19TNHAK001	09/01/14-08/31/23	94.006 185,710	24,761

(continued)

**ALASKA LEGAL SERVICES CORPORATION**

Schedule of Expenditures of Federal Awards, continued

Granting Agency/Grant Title	Grant Pass-through Number	Grant Period	Assistance Listing Number	Award Amount	Expenditures
Department of Housing and Urban Development - direct:					
Fair Housing Organization Initiatives:					
Fair Housing Grant FY 15	FH800G14002	01/01/15-12/31/15	14.417	\$ 250,001	173
Fair Housing Enforcement -ARPA	FPE2122000	4/1/22-3/31/23	14.418	75,000	26,008
Fair Housing Grant FY 21	FPE1190027	10/01/21-09/30/22	14.418	360,000	256,373
Fair Housing Grant FY 22	FPE1190027	09/01/22-08/30/23	14.418	375,000	106,125
Total ALN 14.418					388,506
Education and Outreach Initiatives - direct:					
Fair Housing Enforcement Education and Outreach	FEO1120031	02/01/21-07/31/22	14.416	125,000	36,728
Fair Housing Enforcement Education and Outreach	FEO1120056	08/01/22-07/31/23	14.416	125,000	38,384
Total ALN 14.416					75,112
Community Development Block Grants/ Entitlement Grants - passed through the Municipality of Anchorage					
Eviction Diversion Project	HP-21-ALS-007	07/01/21-06/30/23	14.231	200,000	123,264
Municipality of Anchorage					
Domestic Violence Prevention Project	PSG-21-ALSC-001	07/01/21-06/30/23	14.218	72,255	373
Total Department Housing and Urban Development					587,428
Department of Justice:					
Corporation for Community and National Service					
Americorps Elder Justice Fellowship					
passed through Equal Justice Works	2020-OVC-EJP-001	06/15/20-08/31/22	16.582	100,387	30,922
Tribal Civil and Criminal Legal Assistance					
Grant, Training and Technical Assistance-					
passed through the Native American Rights					
Fund					
Civil Legal Assistance	15PBJA-21-GG-025	10/01/21-09/30/23	16.815	27,588	8,859
Criminal Legal Assistance	2018-AL-BX-0001	10/01/18-09/30/23	16.815	22,794	10,840
Criminal Legal Assistance	15PBJA-21-GG-025	10/01/21-09/30/23	16.815	32,456	32,456
Total Tribal Civil and Criminal Legal Assistance and ALN 16.815					52,155
Office on Violence Against Women - direct:					
Rural Domestic Violence	2015-WR-AX-0015	10/01/20-09/30/22	16.589	1,300,000	136,010
Office on Violence Against Women - passed					
through Alaska Native Tribal Health Consortium					
Partnering for Native Health	2020-WR-AZ-0059	10/01/20-09/30/23	16.589	45,000	5,003
Office on Violence Against Women - passed					
through Aiding Women in Abuse and Rape					
Emergencies					
Southeast Rural Domestic Violence	2016-WR-AX-0003	10/01/16-09/30/23	16.589	533,666	77,582
Total Office on Violence Against Women and ALN 16.589					218,595
Enhanced Services for Victims of Crime-passed					
through Alaska Network on Domestic Violence &					
Sexual Assault					
2018-V2-GX-0019	2018-V2-GX-0019	07/01/21-06/30/22	16.575	92,523	47,778
2018-V2-GX-0019	2018-V2-GX-0019	07/01/22-06/30/23	16.575	98,482	31,946
Total ALN 16.575					79,724
Total Department of Justice					381,396

(continued)

**ALASKA LEGAL SERVICES CORPORATION**

Schedule of Expenditures of Federal Awards, continued

Granting Agency/Grant Title	Grant Pass-through Number	Grant Period	Assistance Listing Number	Award Amount	Expenditures
Department of the Treasury:					
COVID-19 Relief & Recovery, passed through:					
Cook Inlet Housing Authority	None	07/01/21-09/30/22	21.023	\$ 250,000	145,953
Municipality of Anchorage - ARPA	None	08/18/21-12/31/22	21.027	200,000	107,732
Fairbanks North Star Borough - ARPA	None	07/01/22-12/31/24	21.027	33,333	6,445
Total ALN 21.027					<u>114,177</u>
Total Department of the Treasury					<u>260,130</u>
Total Expenditures of Federal Awards				\$	<u><u>3,166,379</u></u>

See accompanying notes to schedule.

# ALASKA LEGAL SERVICES CORPORATION

## Notes to Schedule of Expenditures of Federal Awards

Year Ended December 31, 2022

### **Note 1. Basis of Presentation**

The accompanying schedule of federal awards (the "Schedule") includes the federal grant activity of Alaska Legal Services Corporation under programs of the federal government for the year ended December 31, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Alaska Legal Services Corporation, it is not intended to and does not present the financial position, changes in net assets or cash flows of Alaska Legal Services Corporation.

### **Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the full accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-122, Cost Principles for Non-Profit Organizations, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

### **Note 3. Indirect Cost Rate**

Alaska Legal Services Corporation has elected not to use the 10-percent de minimus indirect cost rate allowed under Uniform Guidance.

### **Note 4. Subrecipients**

No federal awards were passed through to subrecipients.



**ALASKA LEGAL SERVICES CORPORATION**

**Schedule of State Financial Assistance  
Year Ended December 31, 2022**

Name of Award	Grant - Passed-through	Grant Award	State Share of Expenditures
Department of Health:			
Nutrition, Transportation & Support Services	167-309-23001	\$ 52,440	39,349
Nutrition, Transportation & Support Services	607-309-22001	51,354	23,879
National Family Caregiver Support Program	607-307-22001	14,942	5,482
National Family Caregiver Support Program	167-307-23001	14,942	3,171
Community Initiative Grant	165-230-23001	50,000	24,905
Community Initiative Grant	165-230-23006	15,853	7,896
Community Initiative Grant	165-230-23009	50,000	24,905
Community Initiative Grant	165-230-23015	50,000	24,905
Community Initiative Grant	165-230-23020	15,853	7,896
Community Initiative Grant	605-230-22001	50,000	25,001
Community Initiative Grant	605-230-22006	15,853	7,927
Community Initiative Grant	605-230-22009	50,000	25,001
Community Initiative Grant	605-230-22015	50,000	33,855
Community Initiative Grant	605-230-22020	15,853	7,927
FASD Engagement Grant	None	100,000	61,933
Passed through the Fairbanks North Star Borough:			
Individual and Family Legal Crisis Project	HSS22A	31,374	15,687
Individual and Family Legal Crisis Project	HSS23A	34,232	17,116
Passed through Matanuska-Susitna Borough:			
Mat-Su Children at Risk	20398-5507	29,088	14,543
Mat-Su Children at Risk	20398-5507 #1	33,506	14,315
Passed through Municipality of Anchorage:			
Families at Risk	HSCMG22	62,112	13,541
Total Department of Health			<u>399,234</u>
Alaska Mental Health Trust Authority:			
ALSC Training Project	7411.06	25,000	25,000
Housing: Legal Resources for Trust Beneficiaries	4119.10	50,000	20,547
Housing: Legal Resources for Trust Beneficiaries	4119.11	50,000	33,149
Disability Justice: Holistic Defense Model	6732.06	180,000	81,514
Disability Justice: Holistic Defense Model	6732.07	180,000	115,798
Total Alaska Mental Health Trust Authority			<u>276,008</u>
Department of Commerce, Community and Economic Development:			
* Civil Legal Services Fund	22-DO-004	311,584	65,964
*Program Operations	22-DO-006	400,000	400,000
*Program Operations	23-DO-003	400,000	400,000
Total Department of Commerce, Community and Economic Development			<u>865,964</u>
Total State Financial Assistance		\$	<u><u>1,541,206</u></u>

See accompanying notes to Schedule.

## ALASKA LEGAL SERVICES CORPORATION

### Notes to Schedule of State Financial Assistance

Year Ended December 31, 2022

#### **Note 1. Basis of Presentation**

The accompanying schedule of state financial assistance (the "Schedule") includes the state grant activity of Alaska Legal Services Corporation under programs of the State of Alaska for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Because the Schedule presents only a selected portion of the operations of Alaska Legal Services Corporation, it is not intended to and does not present the financial position, changes in net assets, functional expenses or cash flows of Alaska Legal Services Corporation.

#### **Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the full accrual basis of accounting, which are described in Note I to the Corporation's financial statements. Negative amounts shown on the Schedule represents adjustments or credits made in the normal course of business to amounts reported as expenditures in the prior years.

#### **Note 3. Subrecipients**

No state awards were passed through to subrecipients.

#### **Note 4. Major Programs**

\* Denotes a major program for compliance purposes.

## **COMPLIANCE REPORTS**

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**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards**

**Independent Auditor's Report**

Members of the Board of Directors  
Alaska Legal Services Corporation  
Anchorage, Alaska

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in [Government Auditing Standards](#), issued by the Comptroller General of the United States (Government Auditing Standards), the financial statements of Alaska Legal Services Corporation, which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, expenses by function, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated April 25, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Alaska Legal Services Corporation's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Alaska Legal Services Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of Alaska Legal Services Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Alaska Legal Services Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

## **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Altman, Rogers & Co.*

Anchorage, Alaska  
April 25, 2023

**Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance as Required by the Uniform Guidance and the Compliance Supplement for Audits of LSC Recipients**

**Independent Auditor's Report**

Members of the Board of Directors  
Alaska Legal Services Corporation  
Anchorage, Alaska

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Alaska Legal Services Corporation's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *Compliance Supplement for Audits of LSC Recipients* that could have a direct and material effect on each of Alaska Legal Services Corporation's major federal programs for the year ended December 31, 2022. Alaska Legal Services Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying federal schedule of findings and questioned costs.

In our opinion, Alaska Legal Services Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards); the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the *Compliance Supplement for Audits of LSC Recipients*. Our responsibilities under those standards, the Uniform Guidance, and the *Compliance Supplement for Audits of LSC Recipients* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Alaska Legal Services Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Alaska Legal Services Corporation's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Alaska Legal Services Corporation federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Alaska Legal Services Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, the Uniform Guidance, and the *Compliance Supplement for Audits of LSC Recipients* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Alaska Legal Services Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, the Uniform Guidance, and the *Compliance Supplement for Audits of LSC Recipients* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Alaska Legal Services Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Alaska Legal Services Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *Compliance Supplement for Audits of LSC Recipients*, but not for the purpose of expressing an opinion on the effectiveness of Alaska Legal Services Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

***Report on Internal Control Over Compliance***

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the *Compliance Supplement for Audits of LSC Recipients*. Accordingly, this report is not suitable for any other purpose.

*Altman, Rogers & Co.*

Anchorage, Alaska  
April 25, 2023



ALASKA LEGAL SERVICES CORPORATION

Federal Schedule of Findings and Questioned Costs

Year Ended December 31, 2022

**Section I – Summary of Auditor's Results**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Is going concern emphasis-of-matter paragraph included in the audit report?

\_\_\_\_\_ Yes X No

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_\_ Yes X No

Significant deficiency(ies) identified?

\_\_\_\_\_ Yes X None reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ Yes X No

**Federal Awards**

Internal control over major programs (2 CFR 200.516 (a)(1)):

Material weakness(es) identified?

\_\_\_\_\_ Yes X No

Significant deficiency(ies) identified?

\_\_\_\_\_ Yes X None reported

Any material noncompliance with the provisions of laws, regulations, contracts, or grant agreements related to a major program (2 CFR 200.516 (a)(2))?

\_\_\_\_\_ Yes X No

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a) (3) or (4)?

\_\_\_\_\_ Yes X No

Identification of Major Programs:

**Assistance Listing Number(s)**

09.90200

**Name of Federal Program or Cluster**

Basic Field, Native American, Technology Initiative, Pro Bono Innovation Fund, Disaster Relief, COVID-19 Response Native American Private Enforcement Initiatives

Dollar threshold used to distinguish Between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

\_\_\_\_\_ Yes X No

ALASKA LEGAL SERVICES CORPORATION

Federal Schedule of Findings and Questioned Costs, Continued

**Financial Statement Findings**

Alaska Legal Services Corporation did not have any findings related to the financial statements.

**Federal Award Findings**

Alaska Legal Services Corporation did not have any findings related to the Federal Awards.

**Report on Compliance for Each Major State Program and Report on Internal Control over Compliance as Required by the State of Alaska Audit Guide and Compliance Supplement for State Single Audits**

**Independent Auditor's Report**

Members of the Board of Directors  
Alaska Legal Services Corporation  
Anchorage, Alaska

**Report on Compliance for Each Major State Program**

***Opinion on Each Major State Program***

We have audited Alaska Legal Services Corporation's compliance with the types of compliance requirements identified as subject to audit in the State of Alaska Audit Guide and Compliance Supplements that could have a direct and material effect on each of Alaska Legal Services Corporation's major state programs for the year ended December 31, 2022. Alaska Legal Services Corporation's major state programs are identified on the Schedule of State Financial Assistance.

In our opinion, Alaska Legal Services Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended December 31, 2022.

***Basis for Opinion on Each Major State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements of the State of Alaska Audit Guide. Our responsibilities under those standards and the State of Alaska Audit Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Alaska Legal Services Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of Alaska Legal Services Corporation's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Alaska Legal Services Corporation state programs.

### ***Auditors Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Alaska Legal Services Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the State of Alaska Audit Guide requirements will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Alaska Legal Services Corporation's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the State of Alaska Audit Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Alaska Legal Services Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Alaska Legal Services Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State of Alaska requirements, but not for the purpose of expressing an opinion on the effectiveness of Alaska Legal Services Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Report on Internal Control Over Compliance***

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State of Alaska Audit Guide. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Altman, Rogers & Co.".

Anchorage, Alaska  
April 25, 2023

ALASKA LEGAL SERVICES CORPORATION

State Schedule of Findings and Questioned Costs

Year Ended December 31, 2022

**Section I – Summary of Auditor's Results**

Financial Statements

Type of report the auditor issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

       Yes   X   No

Significant deficiency(ies) identified?

       Yes   X   None Reported

Noncompliance material to financial statements noted?

       Yes   X   No

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified?

       Yes   X   No

Significant deficiency(ies) identified?

       Yes   X   None Reported

Type of auditor's report issued on compliance  
for major programs:

Unmodified

Dollar threshold used to distinguish

Between major programs:

\$ 750,000

Auditee qualified as a Low-risk auditee?

  X   Yes        No

**Financial Statement Findings**

Alaska Legal Services Corporation did not have any findings related to the financial statements.

**State Awards Findings and Questioned Costs**

Alaska Legal Services Corporation did not have any findings related to the State Awards.