

UTAH LEGAL SERVICES, INC.

(A NONPROFIT ORGANIZATION)

FINANCIAL STATEMENTS

WITH

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

YEARS ENDED JUNE 30, 2019 AND 2018

## ACRONYMS

AOG	Association of Governments
BJA	Bureau of Justice Assistance
CDBG	Community Development Block Grant
CFDA	Catalog of Federal Domestic Assistance
DOJ	Department of Justice
FEP	Federal Employment Program
GAD	General Assistance/Disability
HHS	United States Department of Health and Human Services
IOLTA	Interest on Lawyers Trust Accounts
LSC	Legal Services Corporation
OMB	Office of Management and Budget
PAI	Private Attorney Involvement
SA	Sexual Assault
SSBG	Social Services Block Grant
TANF	Temporary Assistance for Needy Families
TIG	Technology Initiative Grant
TLC	Timpanogas Legal Center
ULS	Utah Legal Services
VAWA	Violence Against Women Act
VOCA	Victims of Crime Act

UTAH LEGAL SERVICES, INC.

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**Burnham & Schumm, P.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

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A Professional Corporation  
Officers:  
Lonnie K. Burnham, C.P.A.  
Ted Schumm, C.P.A.

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of  
Utah Legal Services, Inc.

**Report on the Financial Statements**

We have audited the accompanying financial statements of Utah Legal Services, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Utah Legal Services, Inc. as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of support and expenses are presented for additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the

financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated October 18, 2019, on our consideration of Utah Legal Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of Utah Legal Services, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Utah Legal Services, Inc.'s internal control over financial reporting and compliance.



Burnham & Schumm, P.C.  
Salt Lake City, Utah  
October 18, 2019

UTAH LEGAL SERVICES, INC.  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2019 AND 2018

ASSETS	<u>2019</u>	<u>2018</u>
Current Assets:		
Cash and cash equivalents	\$1,490,220	\$ 998,864
Client escrow funds	356	100
Grants receivable, net of allowance of \$-0-	266,404	166,358
Sales tax receivable	2,669	1,319
Unconditional promises to give	30,000	45,000
Prepaid expenses	<u>32,936</u>	<u>32,166</u>
Total current assets	1,822,585	1,243,807
Property and equipment, at cost, net	304,052	292,239
Other assets, deposits	<u>13,262</u>	<u>13,262</u>
Total Assets	<u>\$2,139,899</u>	<u>\$1,549,308</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 172,812	\$ 69,263
Accrued payroll and related liabilities	148,583	125,901
Accrued vacation	99,015	88,249
Client trust deposits	<u>356</u>	<u>100</u>
Total current liabilities	<u>420,766</u>	<u>283,513</u>
Net assets:		
Without donor restrictions:		
Operations	895,791	694,959
Fixed assets	<u>304,052</u>	<u>292,239</u>
	<u>1,199,843</u>	<u>987,198</u>
With donor restrictions:		
Legal Services Corporation	282,038	163,597
Non - LSC	<u>237,252</u>	<u>115,000</u>
	<u>519,290</u>	<u>278,597</u>
Total net assets	<u>1,719,133</u>	<u>1,265,795</u>
Total Liabilities and Net Assets	<u>\$2,139,899</u>	<u>\$1,549,308</u>

The accompanying notes are an integral part of  
these financial statements.

UTAH LEGAL SERVICES, INC.  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
Change in Net Assets Without Donor Restrictions:		
Revenues and gains:		
Federal and state financial assistance	\$4,334,781	\$3,912,137
Other grants and contract revenue	364,728	432,248
In-kind contributions	3,920	4,480
Interest income	1,522	998
Other	<u>1,572</u>	<u>4,810</u>
Total revenues and gains without donor restrictions	4,706,523	4,354,673
Net assets released from restrictions:		
Restrictions satisfied by payments	163,597	38,284
Expiration of time restrictions	<u>45,000</u>	<u>106,010</u>
Total revenue, gains and other support without donor restrictions	<u>4,915,120</u>	<u>4,498,967</u>
Expenses:		
Program services	4,299,993	3,834,773
Support services:		
Administrative, management and general	259,012	238,776
Fund raising	<u>143,470</u>	<u>130,114</u>
	<u>4,702,475</u>	<u>4,203,663</u>
Increase in net assets without donor restrictions	<u>212,645</u>	<u>295,304</u>
Changes in net assets with donor restrictions:		
Contributions, United Way, Foundations and other funding for next year	167,252	115,000
Federal Support not expanded:		
Legal Services Corporation	282,038	163,597
Net assets released from restrictions:		
Restrictions satisfied by payments and expiration of time	<u>(208,597)</u>	<u>(144,294)</u>
Increase in net assets with donor restrictions	<u>240,693</u>	<u>134,303</u>
Increase in net assets	453,338	429,607
Net Assets at beginning of year	<u>1,265,795</u>	<u>836,188</u>
Net Assets at end of year	<u>\$1,719,133</u>	<u>\$1,265,795</u>

The accompanying notes are an integral part of these financial statements.



UTAH LEGAL SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2019

	Supportive Services			Program Services	Total
	Fund Raising	Administrative, Management & General	Total		
Salary - attorney	\$ 81,906	\$ 96,374	\$ 178,280	\$1,439,555	\$1,617,835
Salary - Other	14,309	74,489	88,798	1,126,331	1,215,129
Employee benefits	28,865	51,259	80,124	914,992	995,116
Contract services	--	--	--	251,121	251,121
Space costs	5,422	10,876	16,298	170,781	187,079
Travel	1,637	3,284	4,921	49,646	54,567
Consumable supplies	716	1,436	2,152	21,708	23,860
Telephone	1,471	2,950	4,421	44,608	49,029
Equipment expenses	1,905	3,821	5,726	57,776	63,502
Litigation	842	1,690	2,532	25,549	28,081
Library expenses	715	1,434	2,149	21,675	23,824
Licenses and fees	478	959	1,437	14,503	15,940
Insurance	705	1,414	2,119	21,378	23,497
Training Expenses	1,017	2,041	3,058	30,852	33,910
In-kind expenses	--	--	--	3,920	3,920
Miscellaneous	232	466	698	7,039	7,737
Depreciation	3,250	6,519	9,769	98,559	108,328
Total Expenses	\$ 143,470	\$ 259,012	\$ 402,482	\$4,299,993	\$4,702,475

The accompanying notes are an integral part of these financial statements.

UTAH LEGAL SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2018

	Supportive Services		Program Services	Total
	Fund Raising	Administrative, Management & General	Services	Total
Salary - attorney	\$ 78,006	\$ 90,069	\$1,334,187	\$1,502,262
Salary - Other	13,628	69,616	1,047,067	1,130,311
Employee benefits	25,657	44,712	802,465	872,834
Contract services	--	--	127,007	127,007
Space costs	3,894	11,247	170,284	185,425
Travel	1,335	3,856	58,371	63,562
Consumable supplies	599	1,731	26,209	28,539
Telephone	697	2,817	42,925	46,439
Equipment expenses	1,330	2,881	43,278	47,489
Litigation	--	2,231	34,546	36,777
Library expenses	1,110	1,320	19,326	21,756
Licenses and fees	685	815	11,942	13,442
Insurance	872	1,507	22,466	24,845
Training Expenses	35	155	2,365	2,555
In-kind expenses	--	--	4,480	4,480
Miscellaneous	428	509	7,457	8,394
Depreciation	1,838	5,310	80,398	87,546
Total Expenses	\$ 130,114	\$ 238,776	\$ 3,834,773	\$ 4,203,663

The accompanying notes are an integral part of these financial statements.

UTAH LEGAL SERVICES, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
Cash flows from operating activities:		
Increase in net assets	\$ 453,338	\$ 429,607
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	108,328	87,546
(Increase) decrease in grants receivable	(100,046)	58,621
Decrease in unconditional promises to give	15,000	9,166
(Increase) in other receivables and deposits	(1,350)	(780)
(Increase) in prepaid expenses	(770)	(8,076)
Increase (decrease) in accounts payable	103,549	(2,575)
Increase (decrease) in accrued payroll	22,682	(7,164)
Increase in accrued vacation	10,766	7,364
Net cash provided by operating activities	611,497	573,709
Cash flows from investing activities:		
Acquisition of property and equipment	(120,141)	(97,208)
Cash flows from financing activities:	--	--
Net increase in cash	491,536	476,501
Cash balance at beginning of year	998,864	522,363
Cash balance at end of year	\$1,490,220	\$ 998,864
Supplemental disclosure of cash flow information:		
Interest paid during the year	\$ --	\$ --
Income taxes paid during the year	\$ --	\$ --

The accompanying notes are an integral part of  
these financial statements.

UTAH LEGAL SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019 AND 2018

1. Nature of Organization and Significant Accounting Policies

Organization

Utah Legal Services, Inc., a nonprofit corporation, was established under the laws of the State of Utah on June 7, 1976. The Organization is dedicated to providing legal services of a civil nature to persons unable to pay for such services in all counties within the State of Utah.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

Grants Receivable

Grants and contracts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual receivables from grants and contracts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the applicable receivable. Changes in the valuation allowance have not been material to the financial statements.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Property and equipment are being depreciated over estimated useful lives of three to ten years using a straight-line method. The Organization capitalizes expenditures for property and equipment in excess of \$5,000.

## Notes to Financial Statements - Continued

Property and equipment acquired with funds from the various sources is considered to be owned by ULS while used in the program or in future authorized programs. However, the funding sources have a reversionary interest in the assets purchased with their respective funds.

### Revenue Recognition

The Organization recognizes grant funds from LSC as support on a straight-line basis over the grant period. Funds remaining unused at the end of an accounting period are carried forward in the applicable net assets. The LSC net assets are subject to the provisions of LSC's Fund Balance Regulation. LSC may, at its discretion, request reimbursement for expenses, the return of funds or both as a result of noncompliance by the Organization with the terms of the grant. In addition, if the Organization terminates its legal assistance activities, all unused funds are to be returned to LSC.

Revenues are recognized as funds are received on the LSC and other non cost reimbursement contracts and as costs are incurred, or units of service are provided on the cost reimbursement contracts.

The methods used to recognize revenues do not necessarily coincide with the flow of cash. Consequently, receivables have been recorded for amounts earned on the contracts for which cash has not been received. Conversely, donor restricted net assets have been recorded where grant/contract funds received in cash exceed the earned amounts.

Contributions and support, including unconditional promises to give, are recorded as made. All contributions and support are available for unrestricted use unless specifically restricted by the grantor/donor. Contributions that are restricted by the grantor/donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which contributions are recognized. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years, if any, are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are to be received.

## Notes to Financial Statements - Continued

### Noncash Contributions

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

### Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code and did not conduct unrelated business activities. Therefore, the Organization has made no provision for federal or state income taxes in the accompanying financial statements.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the years ending June 30, 2018, 2017 and 2016 are subject to examination by the IRS, generally for three years after they were filed.

### Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

### Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Allocation of Expenses

In some cases, common expenses are incurred which support the work performed under more than one grant or contract. Such expenses are allocated between the grants and contracts based on the percentage of time spent by ULS staff on the grant or contract. All grants and contracts, including the components of LSC funding (except PAI) are charged to the extent of the grant or contract budget.

Notes to Financial Statements - Continued

Excess expenses over revenue on programs with LSC eligibility screening are charged to LSC Basic, those with differing eligibility guidelines are charged to other unrestricted sources.

2. Cash - Credit Risk

The Organization has cash deposits totaling \$1,554,818 and \$1,041,123 at various banks at June 30, 2019 and 2018 respectively. This exceeds the \$250,000 covered by federal depository insurance by \$313,606 and \$-0- respectively.

3. Client Trust Accounts

The Organization holds funds in trust for its clients relating to settlements awarded by the courts and deposits held for filing and other fees. The balance of such accounts is included as both an asset and liability of the Organization.

4. Grants Receivable

Grants and contracts receivable at June 30, 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>
DOJ - Elder Abuse	\$129,964	\$ --
DOJ - SA	48,159	32,091
Title XX	21,799	12,000
Title III	28,970	26,922
Department of Justice - BJA	9,246	12,484
State of Utah - VOCA	16,776	9,550
State of Utah - GAD and FEP	8,016	14,737
State of Utah - TANF	--	29,574
Legal Services Corporation - TIG	--	29,000
Provo City PD - Victim Assistance	3,474	--
Total Grant Receivable	<u>\$266,404</u>	<u>\$166,358</u>

5. Unconditional Promises to Give

The amount due for unconditional promises to give consists of the following at June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Allocation for the next year:		
United Way	<u>\$ 30,000</u>	<u>\$ 45,000</u>

The amounts from unconditional promises to give at June 30, 2019 and 2018 are due within one year. Although actual grant payments may vary, differences between the amount



Notes to Financial Statements - Continued

recorded and collected have historically been insignificant. Accordingly, no provision is made for uncollectible amounts.

6. Donor Restrictions on Net Assets

Donor restricted net assets are available for the following purposes or periods at June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
For subsequent periods:		
United Way	\$ 30,000	\$ 45,000
Foundations	111,770	40,000
IOLTA	95,482	30,000
Federal support not expended:		
LSC-Basic	225,975	163,597
LSC-TIG	49,038	--
Native American	7,025	--
	<u>\$519,290</u>	<u>\$278,597</u>

7. Property and Equipment

The following is a summary of property and equipment as of June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Property and equipment	\$ 828,219	\$746,442
Less accumulated depreciation	<u>524,167</u>	<u>454,203</u>
Property and equipment, net	<u>\$ 304,052</u>	<u>\$292,239</u>

Property and equipment acquired with grant funds are subject to certain restrictions on the sale or other disposition of the property as specified by the grantor agency. Also, if the grantor discontinues funding, all property and equipment acquired with grant funds may be recovered by the grantor.

Depreciation expense for the years ended June 30, 2019 and 2018 was \$108,328 and \$87,546, respectively.

8. Lease Commitments

Utah Legal Services, Inc. leases office space for their Salt Lake, Ogden and Provo offices. Each Office is leased under a separate lease agreement. Each lease contains a defunding clause making the lease generally cancelable upon 60-90 days notice if ULS loses its funding from Legal



Notes to Financial Statements - Continued

Services Corporation. Lease payments for the years ended June 30, 2019 and 2018 amounted to \$182,798 and \$180,967, respectively. The lease payments are classified as space costs in the accompanying financial statements.

For all offices maintained by ULS, the related future minimum lease payments (based on leases with terms of one year or more) are as follows:

<u>June 30,</u>	<u>Amount</u>
2020	\$ 76,847
2021	46,988
2022	11,805
	<u>\$ 135,640</u>

9. Private Attorney Involvement (PAI) Expenditures

The assurances given by ULS as a condition for approval of the LSC Basic Field grant include an assurance and certification that at least the minimum amount of LSC funds prescribed by LSC rules, regulations, guidelines, and instructions will be provided for the involvement of private attorneys in the delivery of legal assistance to the eligible clients.

45 CFR 1614.1 defines the minimum amount of "funds to be devoted to involvement of private attorneys as an amount equal to at least twelve and one-half percent (12.5%) of the recipient's LSC annualized basic field award."

Based on these assurances, ULS is required to expend \$298,086 on PAI during the year ended June 30, 2019. As noted in the following summary, ULS exceeded the requirement by \$65,219.

	<u>PAI</u>
LSC annualized basic field award at 12.5%	<u>\$298,086</u>
Expenses:	
Salaries	\$226,425
Employee benefits	81,191
Contract services	27,198
Space costs	7,632
Travel	5,439
Consumable supplies	987
Telephone	2,000
Equipment expense	2,591
Litigation	3,724

Notes to Financial Statements - Continued

Library expense	972
Licenses and fees	650
Insurance	959
Miscellaneous	945
Training	<u>2,592</u>
	<u>363,305</u>
Expenses in excess of requirement	<u>\$65,219</u>

10. Tax Sheltered Annuity Plan

Utah Legal Services sponsors a 403 (b) salary reduction plan that covers employees. Employees are eligible to participate in salary reduction contributions on their hire date. With respect to non-salary reduction contributions, employees are eligible to participate if they have completed six months of service and have attained age 21. Salary reduction contributions are limited in any year to a certain dollar amount set by law. For the years ended June 30, 2019 and 2018, Utah Legal Services matching contributions amounted to \$62,952 and \$53,198, respectively.

11. Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. The unconditional promise to give from the United Way is considered available for use within one year for general purposes.

	<u>2019</u>	<u>2018</u>
Financial assets at year-end	\$1,789,293	\$1,211,541
Less those unavailable for general expenditures within one year	<u>          --</u>	<u>          --</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$1,789,293</u>	<u>\$1,211,541</u>

As part of the Organization's liquidity management it invests cash in excess of daily requirements in short-term investments, typically bank savings accounts under \$250,000.

Notes to Financial Statements - Continue

12. Major Grantor

During the year ended June 30, 2019 and 2018, Utah Legal Services received \$2,696,968 and \$2,560,404, respectively, from Legal Services Corporation. This represents 52.31% and 55.26% of total revenues for the years ended June 30, 2019 and 2018, respectively. A loss of funding from this grantor would have a materially adverse effect on the financial condition of ULS.

13. In-kind Contributions

During the years ended June 30, 2019 and 2018, the Organization recorded in-kind contributions of \$3,920 and \$4,480 respectively. During the years ended June 30, 2019, and 2018 the Organization received approximately 280 and 320 hours of service, respectively, from volunteers valued at an average of \$14.00 per hour.

14. Evaluation of Subsequent Events

The Organization has evaluated subsequent events through October 22, 2019, the date which the financial statements were available to be issued.

GOVERNMENTAL AUDITING STANDARDS REPORTS  
AND SINGLE AUDIT INFORMATION

UTAH LEGAL SERVICES, INC.  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA <u>Number</u>	Contract <u>Number</u>	Federal <u>Expenditures</u>
<u>Legal Services Corporation</u>			
Legal Services Corporation	N/L	745000	\$ <u>2,578,527</u>
<u>US Department of Health and Human Serv. (HHS)</u>			
Passed Through State of Utah:			
Department of Workforce			
Services	93.558	176476	17,210
Davis County	93.044	N/A	6,397
Mountainlands AOG	93.044	N/A	13,000
Southeastern UT AOG	93.044	N/A	2,500
San Juan County	93.044	N/A	1,420
Six County Aging Program	93.044	N/A	6,714
Five County Aging Program	93.044	N/A	15,000
Bear River Assoc of Govt- Title III	93.044	N/A	6,000
Uintah County Aging Program	93.044	N/A	1,910
Uintah Basin Aging Program	93.044	N/A	1,149
Weber County Title III	93.044	N/A	5,912
Tooele County Title XX	93.667	N/A	6,000
Tooele County Aging Program Title III	93.044	N/A	1,735
Salt Lake County SSBG Title XX	93.667	HCD18103SS	40,000
Passed Through State of Utah Through Salt Lake County:			
Dept of Aging Services	93.044	0000000995	<u>47,381</u>
Total US Dept of HHS			<u>172,328</u>
<u>US Department of Justice</u>			
Department of Justice -			
Legal Assistance for Survivors of Sexual Abuse	16.524	2017-WL- AX-0041	173,791
Department of Justice -			
Innovative Remedies to Reduce Elder Abuse and Financial Exploitation	16.582	2017-VF- GX-K141	188,731

UTAH LEGAL SERVICES, INC.  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2019

Passed Through Provo City Police Department:			
Victim Assistance	16.588	2016-WE-AX-0032	12,671
Passed through the State of Utah:			
Commission on Criminal and Juvenile Justice	16.588	16V17081	798,177
Bureau of Justice Assistance	16.815	2015-AL-BX-0002	<u>46,147</u>
		2015-AL-BX-0001	
Total US Department of Justice			<u>1,219,517</u>
Total Federal Financial Assistance			<u>\$3,970,372</u>

N/A = No contract number provided in the agreement.  
 N/L = No Federal CFDA number is available.

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

### A. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Utah Legal Services, Inc. under programs of the federal government for the year ended June 30, 2019. 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 Utah Legal Services, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Utah Legal Services, Inc.

### B. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-122, Cost Principles for Non-profit Organizations wherein certain types of expenditures are not allowable or are limited as to reimbursement.

UTAH LEGAL SERVICES, INC.  
 SCHEDULE OF SUPPORT AND EXPENSES  
 YEAR ENDED JUNE 30, 2019

SUMMARY

	Department of				Total
	LSC	Justice	Other	Property	
Support					
Grants and contracts	\$2,696,968	\$1,219,517	\$ 700,334	\$ --	\$4,616,819
Other	2,099	4,020	532,875	--	538,994
	<u>2,699,067</u>	<u>1,223,537</u>	<u>1,233,209</u>	<u>--</u>	<u>5,155,813</u>
Expenses					
Salary - attorney	924,412	377,020	316,403	--	1,617,835
Salary - other	735,740	324,645	154,744	--	1,215,129
Employee benefits	566,130	268,329	160,657	--	995,116
Contract services	43,994	207,127	--	--	251,121
Space costs	104,566	47,103	35,410	--	187,079
Travel	19,108	12,969	22,490	--	54,567
Consumable supplies	7,332	4,664	11,864	--	23,860
Telephone	24,082	11,037	13,910	--	49,029
Equipment expenses	40,410	11,820	11,272	--	63,502
Litigation	16,126	4,531	7,424	--	28,081
Library expenses	13,711	4,973	5,140	--	23,824
Licenses and fees	--	--	15,940	--	15,940
Insurance	14,176	4,721	4,600	--	23,497
Training Expenses	11,928	5,219	16,763	--	33,910
In-kind expenses	--	3,920	--	--	3,920
Miscellaneous	3,911	90	3,736	--	7,737
Depreciation	--	--	--	108,328	108,328
	<u>2,525,626</u>	<u>1,288,168</u>	<u>780,353</u>	<u>108,328</u>	<u>4,702,475</u>
Excess (deficiency) of support over expenses	173,441	(64,631)	452,856	(108,328)	453,338
Property acquisition	(55,000)	(7,425)	(57,716)	120,141	--
Property disposition	--	--	--	--	--
Fund transfers	--	72,056	(72,056)	--	--
Increase (decrease) in net assets	118,441	--	323,084	11,813	453,338
Beginning net assets	163,597	--	809,959	292,239	1,265,795
Ending net assets	<u>\$ 282,038</u>	<u>\$ --</u>	<u>\$1,133,043</u>	<u>\$ 304,052</u>	<u>\$1,719,133</u>

The accompanying notes are an integral part of these financial statements.



UTAH LEGAL SERVICES, INC.  
SCHEDULE OF SUPPORT AND EXPENSES  
YEAR ENDED JUNE 30, 2018

SUMMARY

	Department of				Total
	LSC	Justice	Other	Property	
Support					
Grants and contracts	\$2,560,404	\$ 786,665	\$ 728,665	\$ --	\$4,075,734
Other	1,361	4,630	551,545	--	557,536
	<u>2,561,765</u>	<u>791,295</u>	<u>1,280,210</u>	<u>--</u>	<u>4,633,270</u>
Expenses					
Salary - attorney	899,980	421,310	180,972	--	1,502,262
Salary - other	702,432	330,838	97,041	--	1,130,311
Employee benefits	524,732	242,200	105,902	--	872,834
Contract services	36,078	68,323	22,606	--	127,007
Space costs	71,436	3,741	110,248	--	185,425
Travel	25,366	17,372	20,824	--	63,562
Consumable supplies	9,703	--	18,836	--	28,539
Telephone	15,626	--	30,813	--	46,439
Equipment expenses	26,790	--	20,699	--	47,489
Litigation	17,307	150	19,320	--	36,777
Library expenses	7,400	--	14,356	--	21,756
Licenses and fees	5,455	--	7,987	--	13,442
Insurance	14,447	--	10,398	--	24,845
Training Expenses	848	--	1,707	--	2,555
In-kind expenses	--	4,480	--	--	4,480
Miscellaneous	3,852	--	4,542	--	8,394
Depreciation	--	--	--	87,546	87,546
	<u>2,361,452</u>	<u>1,088,414</u>	<u>666,251</u>	<u>87,546</u>	<u>4,203,663</u>
Excess (deficiency) of support over expenses	200,313	(297,119)	613,959	(87,546)	429,607
Property acquisition	(75,000)	--	(22,208)	97,208	--
Property disposition	--	--	--	--	--
Fund transfers	--	297,119	(297,119)	--	--
Increase (decrease) in net assets	125,313	--	294,632	9,662	429,607
Beginning net assets	38,284	--	515,327	282,577	836,188
Ending net assets	\$ 163,597	\$ --	\$ 809,959	\$ 292,239	\$1,265,795

The accompanying notes are an integral part of these financial statements.

UTAH LEGAL SERVICES, INC.  
SCHEDULE OF SUPPORT AND EXPENSES  
JUNE 30, 2019

LSC FUNDS

	Basic Field	Migrant	Native American	TIG	Vieth Leadership	Total
Support						
Grants and contracts	\$ 2,384,688	\$ 89,145	\$ 90,997	\$ 128,418	\$ 3,720	\$ 2,696,968
Other	<u>2,099</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,099</u>
	<u>2,386,787</u>	<u>89,145</u>	<u>90,997</u>	<u>128,418</u>	<u>3,720</u>	<u>2,699,067</u>
Expenses						
Salary - attorney	861,504	22,548	28,989	11,371	--	924,412
Salary - other	679,279	30,931	25,354	176	--	735,740
Employee benefits	522,964	19,773	19,675	3,718	--	566,130
Contract services	43,994	--	--	--	--	43,994
Space costs	96,744	3,749	4,073	--	--	104,566
Travel	13,894	4,101	1,113	--	--	19,108
Consumable supplies	6,146	539	647	--	--	7,332
Telephone	22,254	914	914	--	--	24,082
Equipment expense	29,715	1,048	1,142	8,505	--	40,410
Litigation	12,959	2,484	683	--	--	16,126
Library expense	12,818	427	466	--	--	13,711
Dues and fees	--	--	--	--	--	--
Insurance	13,248	444	484	--	--	14,176
Training expense	5,190	2,081	327	610	3,720	11,928
In-kind expense	--	--	--	--	--	--
Miscellaneous	3,700	106	105	--	--	3,911
Depreciation	--	--	--	--	--	--
	<u>2,324,409</u>	<u>89,145</u>	<u>83,972</u>	<u>24,380</u>	<u>3,720</u>	<u>2,525,626</u>
Excess (deficiency) of support over expenses	62,378	--	7,025	104,038	--	173,441
Property acquisition	--	--	--	(55,000)	--	(55,000)
Property disposition	--	--	--	--	--	--
Fund transfers	--	--	--	--	--	--
Increase (decrease) in net assets	62,378	--	7,025	49,038	--	118,441
Beginning net assets	163,597	--	--	--	--	163,597
Ending net assets	<u>\$ 225,975</u>	<u>\$ --</u>	<u>\$ 7,025</u>	<u>\$ 49,038</u>	<u>\$ --</u>	<u>\$ 282,038</u>

The accompanying notes are an integral part of these financial statements.

UTAH LEGAL SERVICES, INC.  
 SCHEDULE OF SUPPORT AND EXPENSES  
 JUNE 30, 2019

LSC FUNDS - Technology Initiative Grants

	TIG Grant 18009	TIG Grant 16020	Total
Support			
Grants and contracts	\$ 122,418	\$ 6,000	\$ 128,418
Other	<u>122,418</u>	<u>6,000</u>	<u>128,418</u>
Expenses			
Salary - attorney	6,683	4,688	11,371
Salary - other	176	--	176
Employee benefits	2,406	1,312	3,718
Contract services	--	--	--
Space costs	--	--	--
Travel	--	--	--
Consumable supplies	--	--	--
Telephone	--	--	--
Equipment expense	8,505	--	8,505
Litigation	--	--	--
Library expense	--	--	--
Dues and fees	--	--	--
Insurance	--	--	--
Training expense	610	--	610
Miscellaneous	--	--	--
Depreciation	<u>18,380</u>	<u>6,000</u>	<u>24,380</u>
Excess (deficiency) of support			
Over expenses	104,038	--	104,038
Property acquisition	(55,000)	--	(55,000)
Property disposition	--	--	--
Fund transfers	--	--	--
Increase (decrease) in net assets	49,038	--	49,038
Beginning net assets	--	--	--
Ending net assets	<u>\$ 49,038</u>	<u>\$ --</u>	<u>\$ 49,038</u>

The accompanying notes are an integral part of these financial statements.



UTAH LEGAL SERVICES, INC.  
 SCHEDULE OF SUPPORT AND EXPENSES  
 JUNE 30, 2018

LSC FUNDS - Technology Initiative Grants

	<u>TIG</u>	<u>Total</u>
	<u>Grant 16020</u>	
Support		
Grants and contracts	\$ 54,000	\$ 54,000
Other	--	--
	<u>54,000</u>	<u>54,000</u>
Expenses		
Salary - attorney	7,028	7,028
Salary - other	2,606	2,606
Employee benefits	2,677	2,677
Contract services	--	--
Space costs	--	--
Travel	--	--
Consumable supplies	--	--
Telephone	--	--
Equipment expense	--	--
Litigation	--	--
Library expense	--	--
Dues and fees	--	--
Insurance	--	--
Training expense	--	--
Miscellaneous	--	--
Depreciation	--	--
	<u>12,311</u>	<u>12,311</u>
Excess (deficiency) of support		
Over expenses	41,689	41,689
Property acquisition	(75,000)	(75,000)
Property disposition	--	--
Fund transfers	--	--
Increase (decrease) in net assets	(33,311)	(33,311)
Beginning net assets	33,311	33,311
Ending net assets	<u>--</u>	<u>\$ --</u>

The accompanying notes are an integral part of these financial statements.

UTAH LEGAL SERVICES, INC.  
SCHEDULE OF SUPPORT AND EXPENSES  
JUNE 30, 2019

	DOJ FUNDS				Total
	Elder Abuse	Bureau of Justice Assistance	Sexual Assault	Thru State of Utah City PD Victim Assistance	
Support					
Grants and contracts	\$ 188,731	\$ 46,147	\$ 173,791	\$ 12,671	\$ 1,219,517
Other	--	--	--	--	4,020
	<u>188,731</u>	<u>46,147</u>	<u>173,791</u>	<u>12,671</u>	<u>1,223,537</u>
Expenses					
Salary - attorney	18,276	7,042	59,026	4,263	377,020
Salary - other	1,713	29,210	43,406	3,576	324,645
Employee benefits	6,914	9,895	41,408	3,294	268,329
Contract services	158,333	--	29,951	--	207,127
Space costs	1,555	--	--	651	47,103
Travel	401	--	--	180	12,969
Consumable supplies	192	--	--	64	4,664
Telephone	349	--	--	153	11,037
Equipment expense	421	--	--	163	11,820
Litigation	59	--	--	64	4,531
Library expense	173	--	--	69	4,973
Dues and fees	--	--	--	--	--
Insurance	179	--	--	70	4,721
Training expense	127	--	--	73	5,219
In-kind expense	--	--	--	--	3,920
Miscellaneous	39	--	--	51	90
Depreciation	--	--	--	--	--
	<u>188,731</u>	<u>46,147</u>	<u>173,791</u>	<u>12,671</u>	<u>1,288,168</u>
Excess (deficiency) of support over expenses	--	--	--	--	(64,631)
Property acquisition	--	--	--	--	(7,425)
Property disposition	--	--	--	--	--
Fund transfers	--	--	--	--	72,056
Increase (decrease) in net assets	--	--	--	--	--
Net assets beginning of year	--	--	--	--	--
Net assets end of year	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>

The accompanying notes are an integral part of these financial statements.

UTAH LEGAL SERVICES, INC.  
SCHEDULE OF SUPPORT AND EXPENSES  
JUNE 30, 2018

	DOJ FUNDS				Total
	Bureau of Justice Assistance	Sexual Assault	Elder Abuse	Thru State of Utah VOCA	
Support					
Grants and contracts	\$ 34,888	\$ 156,349	\$ 45,742	\$ 549,686	\$ 786,665
Other	--	--	--	4,630	4,630
	<u>34,888</u>	<u>156,349</u>	<u>45,742</u>	<u>554,316</u>	<u>791,295</u>
Expenses					
Salary - attorney	25,475	58,466	15,475	321,894	421,310
Salary - other	1,782	51,985	2,629	274,442	330,838
Employee benefits	7,631	30,926	4,332	199,311	242,200
Contract services	--	14,972	23,086	30,265	68,323
Space costs	--	--	220	3,521	3,741
Travel	--	--	--	17,372	17,372
Consumable supplies	--	--	--	--	--
Telephone	--	--	--	--	--
Equipment expenses	--	--	--	--	--
Litigation	--	--	--	150	150
Library expenses	--	--	--	--	--
Licenses and fees	--	--	--	--	--
Insurance	--	--	--	--	--
Training Expenses	--	--	--	--	--
In-kind expenses	--	--	--	4,480	4,480
Miscellaneous	--	--	--	--	--
Depreciation	--	--	--	--	--
	<u>34,888</u>	<u>156,349</u>	<u>45,742</u>	<u>851,435</u>	<u>1,088,414</u>
Excess (deficiency) of support over expenses	--	--	--	(297,119)	(297,119)
Property acquisition	--	--	--	--	--
Property disposition	--	--	--	--	--
Fund transfers	--	--	--	297,119	297,119
Increase (decrease) in net assets	--	--	--	--	--
Net assets beginning of year	--	--	--	--	--
Net assets end of year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

The accompanying notes are an integral part of these financial statements.



**Burnham & Schumm, P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS

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A Professional Corporation  
Officers:  
Lonnie K. Burnham, C.P.A.  
Ted Schumm, C.P.A.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT  
AUDITING STANDARDS

To the Board of Trustees of  
Utah Legal Services, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Utah Legal Services, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 18, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Utah Legal Services, Inc.'s internal control over financial reporting (internal control) to determine the audit 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 Utah Legal Services, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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. However, material weaknesses may exist that have not been identified.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Utah Legal Services, Inc.'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

#### **Purpose of this Report**

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



Burnham & Schumm, P.C.  
Salt Lake City, Utah  
October 18, 2019

**Burnham & Schumm, P.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

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A Professional Corporation  
Officers:  
Lonnie K. Burnham, C.P.A.  
Ted Schumm, C.P.A.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Trustees of  
Utah Legal Services, Inc.

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

We have audited Utah Legal Services, Inc.'s compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Utah Legal Services, Inc.'s major federal programs for the year ended June 30, 2019. Utah Legal Services, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of finding and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Utah Legal Services, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred

to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Utah Legal Services, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Utah Legal Services, Inc.'s compliance.

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

In our opinion, Utah Legal Services, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for year ended June 30, 2019.

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

Management of Utah Legal Services, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Utah Legal Services, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Utah Legal Services, Inc.'s 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

A handwritten signature in blue ink that reads "Burnham & Schumm". The signature is written in a cursive, flowing style.

Burnham & Schumm, P.C.  
Salt Lake City, Utah  
October 18, 2019

UTAH LEGAL SERVICES, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2019

Summary of Auditor's Results

1. The Auditor's report expresses an unmodified opinion on whether the financial statements of Utah Legal Services, Inc. were prepared in accordance with GAAP.
2. No significant deficiencies were disclosed during the audit of the financial statements which are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of Utah Legal Services, Inc. were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs were disclosed in the audit report of Utah Legal Services, Inc. for the year ended June 30, 2019. No material weaknesses are reported.
5. The auditor's report on compliance for the major federal awards program for Utah Legal Services, Inc. expresses an unmodified opinion on the major federal program.
6. There were no audit findings to be reported in accordance with 2CFR section 200.516(a).
7. The programs tested as a major program were: Legal Services Corporation, CFDA#09.745000 and U.S. Department of Justice, Commission on Criminal and Juvenile Justice, CFDA # 16.588.
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Utah Legal Services, Inc. does not qualify as a low risk auditee.