

**Agency Application and Forms
2019 - 2021**

(Revised November 2018)

Application to: **City of Medford** **City of Ashland** **United Way**
(Choose one only)

ORGANIZATION LEGAL NAME Center for NonProfit Legal Services, Inc. **DATE:** 02/25/2019

OTHER NAMES ORGANIZATION KNOWN BY (DBA) _____

ADDRESS 225 West Main Street, Medford, OR 97501
Street City State Zip

FEDERAL EMPLOYER ID NUMBER (FEIN) [REDACTED]

PROGRAM/PROJECT TITLE Furthering Affordable and Fair Housing

See MEMO for important information on goals and priorities for Ashland, Medford and United Way.

Ashland – on which strategic priority does your program focus? Legal aid to obtain/retain housing

Medford – which essential safety net service is provided? _____

United Way – on which impact area does your program focus? Select Impact Area

AMOUNT REQUESTED from this funder for this program/project 2019-2020 \$ 15,000
2020-2021 \$ 15,900

GRANT CONTACT (If other than Executive Director listed below)

Name _____

Telephone _____

E-mail _____

EXECUTIVE DIRECTOR INFORMATION

Name Debra F. J. Lee

Telephone 541-779-7292 x 101

E-mail debralee@cnpls.net

CERTIFICATION

The information contained in this application is true and correct to the best of my knowledge.

[Signature]
Signature of Board President

Colette Boehmer
Type Name

[Signature]
Signature of Executive Director/CEO

Debra F. J. Lee
Type Name

SUMMARY INFORMATION

RECIPIENT AGENCY Center for NonProfit Legal Services, Inc.

PROGRAM/PROJECT TITLE Furthering Affordable and Fair Housing

1. Program/project is: new established/continuing pilot
If pilot, expected duration _____

2. Primary geographic location and population program funding will serve. *(If funding awarded, City of Medford and City of Ashland, will require tracking the number of city residents served for reporting purposes. United Way requires tracking for Jackson County.)*

The Center for NonProfit Legal Services (the Center) requests funding to continue providing critical life changing civil legal representation for elder and indigent residents of the City of Ashland.

3. What will this funding enable?

This funding will help maintain fair, safe, accessible and affordable housing for Ashland's veterans, seniors, disabled and low-income residents who are at risk of homelessness. The Center's attorneys protect tenants legal rights through legal education, negotiation and court representation.

4. Number of volunteers this program/project will engage: 2

Number of paid program employees this program/project will engage: 1.75

5. Total number volunteers agency utilizes: 25

Total number of paid agency employees: 18

6. Outline key strategies of the project/program with timeline and staff structure.

Funding this grant will support the Center's ongoing mission to provide legal education, advocacy and civil legal representation of elders, families and indigent City of Ashland residents. Our proposal protects nondiscriminatory housing for Ashland's most vulnerable citizens. This project will be completed within the biennium. Staff will include 0.75 FTE attorney time and 1.0 FTE paralegal time.

7. Use this space for comments, explanations, and exceptions to questions on this application that can't be included within the question format. You may also leave it blank.

AGENCY AND PROGRAM/PROJECT NARRATIVE

RECIPIENT AGENCY Center for NonProfit Legal Services, Inc.

PROGRAM/PROJECT TITLE Furthering Affordable and Fair Housing

*Answer all three narrative questions. Use **only the space provided** – place the question number and letter preceding each answer; the amount of space you allot for each response is your choice. Use Helvetica font – 11 point.*

1. **Description of organization (include inception date) and**
 - a. **mission statement, purpose(s) and how this program/project fits with your mission.**
 - b. **your organization's unique qualifications to accomplish your program outcomes?**
 - c. **what approach is your agency taking to serve clients and train staff on trauma informed care?**

2. **What:**
 - a. **issues(s) is the project/program intended to impact,**
 - b. **strategy for change your program will be based on,**
 - c. **evidence do you have that the project/program will be successful in the proposed setting, and**
 - d. **what tool(s) will you use to measure outcomes?**

3. **How would the community as a whole benefit if your program receives funding? (Include a description of collaborations and integration and the role program/project plays in the sector.)**

1. a) The Center for NonProfit Legal Services (the Center) has provided free civil legal assistance to low-income persons and seniors residing in Jackson County since December 27, 1972. Legal Services' mission is: "To secure justice for and protect the rights of needy persons residing in Jackson County so that such persons shall not by reason of being in financial need be denied equal protection under the law." Housing stabilization is essential to the Center's mission in building clients' capacity for self-sufficiency.

1. b) The primary objective of the Center is to provide equal access to justice while educating and empowering our clients to be self sufficient. This program is consistent with our mission and Ashland's Strategic Priorities in that the cycle of poverty is broken when Ashland's seniors and indigent residents' have safe and secure housing. Secure housing is shown to stabilize health and well-being; allowing citizens to be more productive and engaged with their community. Only licensed attorneys are authorized to provide legal advice and representation. Our Oregon licensed staff attorneys specialize in poverty law including, housing, employment rights, public benefits, and family law involving domestic violence, protective services and immigration. This practice involves laws that are constantly changing and our concentration allows for a high level of responsiveness and competence. Our staff attorneys are highly trained and experienced with an 80% success rate.

1. c) The Center's primary goal is to break the cycle of poverty which is consistent with actions to diminish the impact of Adverse Childhood Experiences (ACE). Trauma informed care (TIC) is guided by Sanctuary Principles: safety; transparency and trustworthiness; choice; collaboration/mutuality; and empowerment. Staff receives TIC training from community trainers such as Jackson Care Connect. To prevent re-traumatizing clients we have established a physically safe, respectful and culturally competent environment. Staff seeks to be

transparent and trustworthy as we teach our clients about the law, help them understand their rights and provide legal options. The legal information we provide our clients gives them the knowledge to make informed choices in the development of their case. We require client investment in our representation and we will not move forward until the attorney is authorized by the client on how to proceed. Our confidential, client-centered relationships defuse client anxiety. Access to justice empowers the most marginalized members of our community.

2. a) Our Furthering Affordable and Fair Housing project will civilly enforce the state and federal Fair Housing Acts to maintain affordable, safe and non-discriminatory housing for seniors, low-income and protected classes of Ashland residents. Our representation holds landlords accountable to the Oregon Landlord/Tenant Act. Legal Services provides legal education, advocacy, advice and representation; empowering low-income households to become stable, adequately sheltered and self-sustaining. The Center's attorneys concentrate their legal assistance on the elderly, disabled and impoverished of Ashland. We are also proposing to provide fair housing training to elected and appointed officials. We propose to hold conversations with elected and appointed officials on finding solutions for the housing crisis.

2. b) Only Oregon licensed attorneys are authorized to provide legal advice and representation. Our Oregon licensed staff attorneys specialize in poverty law, including housing, employment rights public benefits, and family law involving domestic violence, protective services and immigration. These practice areas involve laws that are constantly changing and our concentration allows for a high level of responsiveness and competence. Our staff attorneys are highly trained and experienced with an 80% success rate. Some have been licensed to practice up to 40 years. Our housing attorney provides legal representation that protects affordable, safe and fair housing for Ashland's most vulnerable residents. He conducts outreach at Project Community Connect and legal education at ACCESS' Ready to Rent about fair housing laws to protected populations and our community partners. Presentations include educating HUD-targeted residents about their rights both under the Oregon Residential Landlord/Tenant Act, and under state and federal Fair Housing Acts.

2. c) For close to 50 years, the Center for NonProfit Legal Services has been the only source of civil legal assistance for low-income Ashland residents. Specialization by staff attorneys in poverty law, including employment rights, housing, public benefits, family law involving domestic violence, immigration services and protective services for elders and disabled can only be found within this legal services program. Our concentration allows for a high level of competence. Our highly trained and experienced lawyers achieve an 80% success rate.

2 d) Using our case management system, Legal Server, the Center generates statistical reports each quarter describing the number of clients served, client demographics, level of request for services and case disposition. This report tracks the results of our efforts within specific legal practice areas. Client satisfaction surveys and statistical reports are how we assess our success. In addition we use this information to verify that we have met our goals for outreach and representation.

3. Access to justice enfranchises the whole community. Civil legal aid levels the playing field by educating people to know their rights. It fulfills our nation's fundamental promise of justice for all-not for the few who can afford it. Our Executive Director serves on the Jackson County Continuum of Care Board of Directors. Our program partners with the Rogue Valley Council of Governments to provide legal services to seniors who are experiencing problems with housing, Medicare/Medicaid, and SNAP benefits. In addition, we collaborate with Southern Oregon Rehabilitation Clinic (SORCC) and Rogue Valley Veterans & Community Outreach (RVVCO), to help veterans, who are disabled and homeless, to secure government benefits so they are able to maintain their independence. Legal Services is working with ACCESS Ready to Rent and RVCOG's Home at Last program to teach second-chance renters how to be responsible tenants.

GENERAL FINANCIAL INFORMATION

RECIPIENT AGENCY Center for NonProfit Legal Services, Inc.

PROGRAM/PROJECT TITLE Furthering Affordable and Fair Housing

1. For most recently completed 990:

a. FISCAL YEAR (mm/yyyy – mm/yyyy): 07/2017 - 06-2018

b. Administration & Fundraising expense: \$ 137,723 14.00 %

Administration & Fundraising (expressed as percent of total budget - also known as management and general, that portion of your expenses not dedicated solely to program or services), calculated directly from your IRS form 990. Part IX: Add Line 25 C (administrative cost total) and Line 25 D (fundraising cost total) and divide by Part IX, Line 25, Column A (total expenses).

c. Program expense \$ 776,046

d. **Total expenses:** \$ 913,769

e. Sources of revenue:

Memberships/ individual contributions \$ 7,588 9.10 %

Raised through fundraising activities \$ 17,424 2.11 %

Government \$ 128,927 15.60 %

Foundations \$ 39,992 4.84 %

United Way \$ 10,000 1.21 %

Fees for Service \$ %

Other (reimbursements, payments, bequests, etc.) \$ 554,754 67.14 %

f. **Total revenue:** \$ 758,685

2. What is the highest level of financial reporting required by your funders? Audit

3. Briefly describe your sustainability outlook for the project/program in the future.

Our Partnership for Justice Campaign, is taking a proactive approach to ensure our sustainability. Our goal is to expand our capacity to provide legal assistance to Ashland residents by building community support and our endowment fund. Our long-term focus is to expand our fund development capacity, building on our endowment fund and improving energy efficiency of our building to reduce expenses in order to continue our work for justice.

4. a. Total organizational annual budget **current ongoing** fiscal year: 904,561

b. Total program/project budget **current ongoing** fiscal year: 60,500

ORGANIZATION BUDGET 2019-20

PROJECT PERIOD July 1, 2019 to June 30, 2020

RECIPIENT AGENCY Center for NonProfit Legal Services, Inc.

REVENUE	Pending Commitments	Secured Commitments
City of Medford Funds	\$ 15,000	\$
City of Ashland Funds	\$ 15,000	\$
Jackson County Funds	\$	\$ 41,610
CDBG (identify) Medford	\$ 28,000	\$
Other State or Federal Funds	\$	\$ 27,267
United Way Funds	\$ 15,000	\$
Other Funds (identify) OSB LSP/OLF/Foundation	\$ 407,487	\$ 403,197
SUB TOTALS	\$ 480,487	\$ 472,074
TOTAL REVENUE (Pending & Secured)		\$ 952,561
EXPENDITURES		
A. PERSONNEL SERVICES		
Total Salaries		\$ 602,924
Total Benefits		\$ 113,702
TOTAL PERSONNEL SERVICES		\$ 716,626
B. MATERIALS & SERVICES: (please detail other major budget categories)		
Occupancy		\$ 36,687
Supplies/Equipment		\$ 23,627
Insurance		\$ 5,783
Technology		\$ 66,462
Printing		\$ 2,860
Other		\$ 100,516
TOTAL MATERIALS & SERVICES		\$ 235,935
C. CAPITAL OUTLAY (must constitute part or all of funded public service activity to be eligible expense)		
Equipment		\$
Furnishings		\$
Other capital expenses /Identify:		\$
TOTAL CAPITAL OUTLAY		\$ 0
TOTAL EXPENDITURES (Sum of A, B & C)		\$ 952,561

PROGRAM BUDGET 2019-20

PROJECT PERIOD July 1, 2019 to June 30, 2020

RECIPIENT AGENCY Center for NonProfit Legal Services, Inc.

REVENUE	Pending Commitments	Secured Commitments
City of Medford Funds	\$ 0	\$
City of Ashland Funds	\$ 15,000	\$
Jackson County Funds	\$	\$ 1,600
CDBG (identify)	\$ 0	\$
Other State or Federal Funds	\$ 0	\$
United Way Funds	\$ 0	\$
Other Funds (identify)	\$ 8,400	\$ 40,000
SUB TOTALS	\$ 23,400	\$ 41,600
TOTAL REVENUE (Pending & Secured)		\$ 65,000
EXPENDITURES		
A. PERSONNEL SERVICES		
Total Salaries		\$ 47,000
Total Benefits		\$ 5,173
TOTAL PERSONNEL SERVICES		\$ 52,173
B. MATERIALS & SERVICES: (please detail other major budget categories)		
Occupancy		\$ 3,528
Supplies/Equipment		\$ 1,595
Printing		\$ 360
Professional Expenses: Accounting/Insurance/Dues		\$ 5,944
Technology		\$ 1,400
		\$
TOTAL MATERIALS & SERVICES		\$ 12,827
C. CAPITAL OUTLAY (must constitute part or all of funded public service activity to be eligible expense)		
Equipment		\$
Furnishings		\$
Other capital expenses /Identify:		\$
TOTAL CAPITAL OUTLAY		\$ 0
TOTAL EXPENDITURES (Sum of A, B & C)		\$ 65,000

PROGRAM BUDGET 2020-21

PROJECT PERIOD July 1, 2020 to June 30, 2021

RECIPIENT AGENCY Center for NonProfit Legal Services, Inc.

REVENUE	Pending Commitments	Secured Commitments
City of Medford Funds	\$	\$
City of Ashland Funds	\$ 15,500	\$
Jackson County Funds	\$	\$ 1,600
CDBG (identify)	\$	\$
Other State or Federal Funds	\$	\$
United Way Funds	\$	\$
Other Funds (identify)	\$ 8,400	\$ 40,000
SUB TOTALS	\$ 23,900	\$ 41,600
TOTAL REVENUE (Pending & Secured)		\$ 65,500
EXPENDITURES		
A. PERSONNEL SERVICES		
Total Salaries		\$ 47,000
Total Benefits		\$ 5,713
TOTAL PERSONNEL SERVICES		\$ 52,713
B. MATERIALS & SERVICES: (please detail other major budget categories)		
Occupancy		\$ 2,514
Supplies/Equipment		\$ 1,595
Printing		\$ 360
Professional Expenses-Accounting/Insurance/Dues		\$ 7,458
Technology		\$ 1,400
		\$
TOTAL MATERIALS & SERVICES		\$ 13,327
C. CAPITAL OUTLAY (must constitute part or all of funded public service activity to be eligible expense)		
Equipment		\$
Furnishings		\$
Other capital expenses /Identify:		\$
TOTAL CAPITAL OUTLAY		\$ 0
TOTAL EXPENDITURES (Sum of A, B & C)		\$ 65,500

CURRENT MEMBER/CLIENT DEMOGRAPHIC PROFILE

(Use absolute numbers only – no percentages.)

RECIPIENT AGENCY Center for NonProfit Legal Services, Inc.

PROGRAM/PROJECT TITLE Furthering Affordable and Fair Housing

City of Medford and City of Ashland applicants fill out right column only. United Way applicants fill out left column only.

	# Whole Program	# Medford or Ashland	III. Residence* For Whole Program
			FOR UNITED WAY APPLICANTS ONLY
I. Gender			
Female	441	28	Ashland _____
Male	243	16	Central Point _____
Other			Eagle Point _____
Totals	684	44	Gold Hill and _____
II. Age*			Rogue River _____
0 to 5			Jacksonville, Ruch, _____
6 to 12			& Applegate _____
13 to 17	10	22	Medford _____
18 to 30	100	8	Phoenix/Talent _____
31 to 50	421	7	Shady Cove, Butte _____
51 to 61	85	3	Falls, Trail, Prospect _____
62 +	68	4	& other Upper Rogue _____
Unknown			White City _____
Total	684	44	Other _____
			Unknown _____
			Total <u>0</u>

*at point of entry for service

IV. Race/Ethnicity

City of Medford and City of Ashland applicants fill out ethnicity and Medford/Ashland columns. United Way applicants fill out Whole Program and Ethnicity portions.

	#Whole Program	Ethnicity Hispanic/Latino*	#Medford or Ashland
White	495		32
Black/African American	15		1
American Indian/Alaskan Native	11		1
Native Hawaiian/other Pacific Islander			
American Indian/Alaskan Native and White			
Black/African American and White			
American Indian/Alaskan Native and Black/African American			
Other Multi Racial	154	154	
Other	9		10
Totals	684	154	44

* Fill out this column as it relates to Whole Program or Medford/Ashland columns according to the entity you are applying to. Ethnicity is a portion of each Race category listed and will likely not match the total demographic served – it would only match if 100% of your clients identify as Hispanic/Latino.

Agency Board Profile

RECIPIENT AGENCY Center for NonProfit Legal Services, Inc.

PROGRAM/PROJECT TITLE Furthering Affordable and Fair Housing

(For City of Medford and City of Ashland, Board must have residents of respective city.)

1. Number of board members required in bylaws? Minimum 9 Maximum 15
2. Number of board members currently active? # Voting 12 Vacancies 0
3. Average percentage board meeting attendance (over last completed year): 75.00%
4. Percent of board in attendance required for a quorum: 51.00%
5. List various board, advisory and ad hoc committees and the number of people on each.

<i>Committee</i>	<i>Number of Members</i>
Personnel Committee	<u>3</u>
Executive Committee	<u>3</u>
Finance Committee/Audit	<u>4</u>
Local Campaign for Equal Justice	<u>10</u>
Partnership for Justice	<u>8</u>

6. **Characteristics of Board of Directors at time of application:**

Race/Ethnicity

	<i>Number Identifying</i>	<i>Ethnicity Hispanic/Latino*</i>
White	<u>10</u>	<u> </u>
Black/African American	<u>1</u>	<u> </u>
American Indian/Alaskan Native	<u> </u>	<u> </u>
Native Hawaiian/other Pacific Islander	<u> </u>	<u> </u>
American Indian/Alaskan Native and White	<u> </u>	<u> </u>
Black/African American and White	<u> </u>	<u> </u>
American Indian/Alaskan Native and Black/African American	<u> </u>	<u> </u>
Other Multi Racial	<u>1</u>	<u>1</u>
Other	<u> </u>	<u> </u>
Totals	<u>12</u>	<u>1</u>

* Fill out this column pertaining to board Ethnicity is a portion of each Race category listed. It will very likely not match the total board category – it would only match if 100% of your board identifies as Hispanic/Latino.

Residence

	<i>Male</i>	<i>Female</i>	<i>Other</i>
Ashland	<u>2</u>	<u> </u>	<u> </u>
Central Point	<u> </u>	<u> </u>	<u> </u>
Eagle Point	<u>1</u>	<u> </u>	<u> </u>
Gold Hill/Rogue River	<u> </u>	<u> </u>	<u> </u>
Jacksonville, Ruch, Applegate	<u> </u>	<u>1</u>	<u> </u>
Medford	<u>3</u>	<u>4</u>	<u> </u>
Phoenix/Talent	<u> </u>	<u> </u>	<u> </u>
Shady Cove, Butte Falls, Trail, Prospect, Other Upper Rogue	<u> </u>	<u> </u>	<u> </u>
White City	<u> </u>	<u>1</u>	<u> </u>
Other	<u> </u>	<u> </u>	<u> </u>
Total	<u>6</u>	<u>6</u>	<u>0</u>

CENTER FOR NONPROFIT LEGAL SERVICES BOARD ROSTER, 09/2/18

COLETTE BOEHMER (PRESIDENT)
ATTORNEY AT LAW
210 LAUREL STREET
MEDFORD, OR 97501
541-779-7552 PHONE
541-772-3374 FAX
cboehmerlaw@gmail.com
Member since 1990

JACOB H. HERRING
CREATIVE CULTURAL CHANGES
1257 SISKIYOU BLVD., STE 176
ASHLAND, OR 97520
541-531-2302 CELL
541-582-3500 FAX
herrjh2@centurylink.net
Member since 2003

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ST MARY'S SCHOOL
816 BLACK OAK DRIVE
MEDFORD, OR 97504
541 776-6120 X 248 PHONE
541 680-6054 CELL
petersonlucinda@gmail.com
MEMBER SINCE 2015

MATT ROWAN (TREASURER)
COLLINS ROWAN, LLP
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MEMBER since 2017

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Member since 1986

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JACKSONVILLE, OR 97530
541 778-1647
christina.h.hayes@gmail.com
Member since 2017

Internal Revenue Service

Department of the Treasury

District
Director

P.O. Box 2350 Los Angeles, Calif. 90053

Person to Contact:

L. BARRAGAN
Telephone Number:

(213) 894-2336
Refer Reply to:

EO (0406)94
Date:

APR 07 1994

CENTER FOR NON PROFIT LEGAL
SERVICES
P.O. BOX 1586
MEDFORD, OR 97501-0266

RE: CENTER FOR NON PROFIT LEGAL SERVICES
EIN: [REDACTED]

Dear Taxpayer:

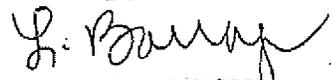
This letter is in response to your request for a copy of the determination letter for the above named organization.

Our records indicate that this organization was recognized to be exempt from Federal Income Tax in DECEMBER 1972 as described in Internal Revenue Code Section 501(c)(3). It is further classified as an organization that is not a private foundation as defined in Section 509(a) of the code, because it is an organization described in Section 170(b)(1)(A)(vi).

The exempt status for the determination letter issued in DECEMBER 1972 continues to be in effect.

If you need further assistance, please contact our office at the above address or telephone number.

Sincerely,


LUCILLE BARRAGAN
Disclosure Assistant



FINANCIAL STATEMENTS

For the year ended June 30, 2018

with Independent Auditor's Report

CENTER FOR NONPROFIT LEGAL SERVICES, INC.
FINANCIAL STATEMENTS
For the year ended June 30, 2018

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Center for Nonprofit Legal Services, Inc.
P.O. Box 1586
Medford, Oregon 97501

We have audited the accompanying financial statements of Center for Nonprofit Legal Services, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and cash flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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.

P 541-773-5910 | F 541-336-6020
1910 ELM AVENUE SUITE 100 | MEDFORD, OR 97501

WWW.DAHLINACCOUNTING.COM

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Center for Nonprofit Legal Services, Inc. as of June 30, 2018, 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.

A handwritten signature in black ink, consisting of several overlapping loops and lines, positioned above the typed name of the accounting firm.

Dahlin Accounting & Consulting LLC
Medford, Oregon
December 20, 2018

CENTER FOR NONPROFIT LEGAL SERVICES, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2018

ASSETS

CURRENT ASSETS

Cash	\$ 450,081
Grants and contracts receivable	139,962
Prepaid expenses	20,931
Client escrow funds	<u>127</u>

Total current assets \$ 611,101

PROPERTY AND EQUIPMENT, net of accumulated depreciation 150,401

OTHER ASSETS

Beneficial interest in assets held by others 24,256

Total assets \$ 785,758

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 6,572
Trust accounts payable	127
Accrued payroll taxes and benefits	<u>12,176</u>

Total liabilities \$ 18,875

NET ASSETS

Unrestricted	766,883
Temporarily restricted	<u>-</u>

Total net assets 766,883

Total liabilities and net assets \$ 785,758

CENTER FOR NONPROFIT LEGAL SERVICES, INC.
STATEMENT OF ACTIVITIES
For the year ended June 30, 2018

UNRESTRICTED NET ASSETS		
Public support and revenue:		
Grants and contracts	\$	40,807
Legal service fees		56,377
Contributions		37,559
Gain (loss) on investments		2,043
Interest and dividends		533
Miscellaneous		<u>2,660</u>
Total unrestricted support and revenue		139,979
Net assets released from restrictions		<u>693,719</u>
Total public support and revenue	\$	833,698
Expenses:		
Program services:		
Legal services	\$	776,046
Support services:		
Fundraising		11,390
Management and general		<u>126,333</u>
Total expenses		<u>913,769</u>
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS		(80,071)
TEMPORARILY RESTRICTED NET ASSETS		
Grants		687,956
Net assets released from restrictions		<u>(693,719)</u>
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS		<u>(5,763)</u>
INCREASE (DECREASE) IN NET ASSETS		(85,834)
NET ASSETS AT BEGINNING OF YEAR		<u>852,717</u>
NET ASSETS AT END OF YEAR	\$	<u><u>766,883</u></u>

See independent auditor's report and accompanying notes to the financial statements.

CENTER FOR NONPROFIT LEGAL SERVICES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended June 30, 2018

	<u>Legal Services</u>	<u>Fundraising</u>	<u>Management and General</u>	<u>Total</u>
OPERATING EXPENSES:				
Salaries and wages	\$ 518,280	\$ -	\$ 84,371	\$ 602,651
Payroll taxes	37,321	-	6,075	43,396
Employee benefits	58,280	-	9,487	67,767
	<u>613,880</u>	<u>-</u>	<u>99,934</u>	<u>713,814</u>
Accounting / auditing	50,966	-	8,297	59,263
Repairs & maintenance	11,690	-	1,903	13,593
Rental / storage	13,494	-	2,197	15,691
Insurance expense	4,512	-	734	5,246
Utilities	13,484	-	2,195	15,679
Telephone	9,914	-	1,614	11,528
Fundraising	-	11,390	-	11,390
Dues / licenses	8,284	-	1,348	9,632
Office expense	3,912	-	637	4,549
Professional services	18,026	-	2,935	20,961
Postage	3,071	-	500	3,571
Travel / training	6,084	-	990	7,074
Printing	2,460	-	400	2,860
	<u>759,776</u>	<u>11,390</u>	<u>123,685</u>	<u>894,851</u>
OTHER EXPENSES:				
Depreciation	16,269	-	2,649	18,918
	<u>16,269</u>	<u>-</u>	<u>2,649</u>	<u>18,918</u>
TOTAL EXPENSES	<u>\$ 776,046</u>	<u>\$ 11,390</u>	<u>\$ 126,333</u>	<u>\$ 913,769</u>

CENTER FOR NONPROFIT LEGAL SERVICES, INC.
STATEMENT OF CASH FLOWS
For the year ended June 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES		
Excess / (deficit) of revenue over expense	\$	(85,834)
Adjustments to reconcile excess of revenue over expense to net cash provided by operating activities:		
Depreciation		18,918
Change in value of beneficial interest		(2,021)
(Increase) decrease in:		
Grants and contracts receivable		(8,849)
Prepaid expenses		(7,431)
Accounts payable		(4,886)
Accrued expenses		2,217
		<hr/>
Net cash provided / (used) by operating activities	\$	<u>(87,886)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment		<u>(5,684)</u>
Net cash provided / (used) by investing activities		<u>(5,684)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash provided / (used) by financing activities		<u>-</u>
NET INCREASE / (DECREASE) IN CASH		(93,570)
CASH, beginning of year		<u>543,651</u>
CASH, end of year	\$	<u><u>450,081</u></u>

CENTER FOR NONPROFIT LEGAL SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2018

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Center for Nonprofit Legal Services, Inc., (the Center) is a nonprofit corporation organized in 1972 for the purpose of securing justice for and protecting the rights of needy persons of the County of Jackson, in the State of Oregon, so that such persons shall not, by reason of being in need, be denied equal protection of the law. The Center provides crisis civil legal assistance to low income and elder residents of Jackson County who are experiencing problems in housing, public welfare, family dissolution, employment, immigration, and major life situations amenable to legal relief. The Center's principal sources of revenue are from the legal services they provide or grants and contributions which provide for such services.

Basis of Accounting

The financial statements of the Center have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and accordingly, reflect all significant receivables, payables, and other liabilities, and recognizes revenues when earned and expenses when incurred.

Basis of Presentation

Net assets, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Center and changes therein are classified and reported as follows:

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

Temporarily Restricted Net Assets – Net assets subject to donor-imposed stipulations that will be met either by actions of the Center or the passage of time.

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Center.

Revenues are reported as increases in unrestricted net assets unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled or the stipulated time period has lapsed) are reported as reclassifications between the applicable classes of net assets.

Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents include demand deposits and money market accounts at financial institutions with original maturities of three months or less. Balances in these accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Balances at brokerage institutions are insured by SIPC up to \$500,000.

CENTER FOR NONPROFIT LEGAL SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2018

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Client Escrow Funds

The Center is required to hold client funds in a separate escrow account. At June 30, 2018, the balance of this account, \$127, is shown as a current asset with an equal amount shown as "trust accounts payable" on the Statement of Financial Position.

Property and Equipment

Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions 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 contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Center reclassifies temporarily restricted net assets to unrestricted net assets at that time. For financial reporting purposes the costs of property and equipment are depreciated over the estimated useful lives of the assets using the straight-line method.

Contributions

Donations of assets are recorded as support at their estimated fair value at the date of donation. Assets whose estimated fair value cannot be reasonably determined are not recorded. Recorded donations are reported as increases in unrestricted net assets 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 contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Center reclassifies temporarily restricted net assets at that time.

Donated services are recognized as contributions in accordance with ASC 958, if the services (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Center. Volunteers may provide various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under ASC 958 are not met, or the valuation of such services cannot be reasonably determined. No amounts have been reflected in the financial statements for donated services for the year ended June 30, 2018.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical methods.

Program services include expenses directly related to the exempt purpose of the Center. Fundraising activities provide the structure necessary to encourage and secure private financial support from individuals, foundations, and corporations. Management and General activities include the functions necessary to maintain an equitable employment program; ensure an adequate working environment; provide coordination and articulation of the Center's program strategy; secure proper administrative functioning of the Board of Directors; and manage the financial and budgetary responsibilities of the Center.

CENTER FOR NONPROFIT LEGAL SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2018

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Tax-Exempt Status

The Center is a not-for-profit organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and received their latest determination letter from the IRS in April 1984 which extended their original status from December 1972. The Center qualifies for the charitable contribution deduction and has also been classified as an organization that is not a private foundation under Section 509(a) because it is an organization described in Section 170(b)(1)(A)(vi). Although exempt from income tax under IRC section 501(c)(3), it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Center has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Center has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. The Center is also exempt from property tax under 307-130 of the Oregon Revised Statutes. As a result, there is no provision for income taxes.

NOTE 2—GRANTS AND CONTRACTS RECEIVABLE

The Center receives grants and contracts from various organizations which are substantially all local agencies. The Center had \$139,962 in grants and contracts receivable at June 30, 2018. An allowance for doubtful accounts has not been recorded by management for these balances as they estimate any uncollectible amount to be insignificant.

NOTE 3—PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2018:

	<u>6/30/2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>6/30/2018</u>
Land	\$ 29,685	\$ -	\$ -	\$ 29,685
Computer equipment	59,128	491	-	59,619
Office equipment	19,379	-	-	19,379
Building	161,586	-	-	161,586
Building improvements	185,349	5,193	-	190,542
	<u>455,127</u>	<u>\$ 5,684</u>	<u>\$ -</u>	<u>460,811</u>
Less: accumulated depreciation	<u>291,492</u>	<u>\$ 18,918</u>	<u>\$ -</u>	<u>310,410</u>
Net book value	<u>\$ 163,635</u>			<u>\$ 150,401</u>

Depreciation expense for the year ended June 30, 2018 was \$18,918.

NOTE 4—BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

The Oregon Community Foundation (OCF) administers the endowment fund for the benefit of the Center, under OCF's Endowment Partners Program. The Center for Nonprofit Legal Services, Inc.'s Endowment Fund is a subfund of the Campaign for Equal Justice Endowment Fund of the Oregon Community Foundation. Under terms of the agreement between OCF and the Center, OCF has the authority to modify restrictions and conditions of the fund agreement under certain circumstances, without the approval of the Center. This authority is referred to as variance power.

CENTER FOR NONPROFIT LEGAL SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2018

NOTE 4—BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS (continued)

The Center has recorded a beneficial interest in funds held by OCF. The Center transferred endowment and other funds to OCF with no donor obligations to do so and named itself as beneficiary. According to the agreement, OCF distributes an appropriate percentage, as determined by OCF, of the fair value of the fund, at least annually, under its grant percentage payout policy for permanent funds. The Center transfers contributions to the endowment fund held by OCF as general endowment contributions are received. For the years ended June 30, 2018 there were no new endowment contributions.

NOTE 5—FAIR VALUE MEASUREMENT

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). The Center groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

- Level 1 Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
- Level 2 Other observable inputs, either directly or indirectly, including:
 - Quoted prices for similar assets/liabilities in active markets;
 - Quoted prices for identical or similar assets in non-active markets;
 - Inputs other than quoted prices that are observable for the asset/liability; and
 - Inputs that are derived principally from or corroborated by other observable market data
- Level 3 Unobservable inputs that cannot be corroborated by observable market data.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2018.

Beneficial interest in assets held by the Oregon Community Foundation (OCF) – The beneficial interest in assets held at the Oregon Community Foundation has been valued at the fair value of the Center's share of assets held with OCF as represented by the Fund's management.

The underlying investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities and investment contracts, and the level of uncertainty related to changes in the value of the investment securities, it is at least reasonably possible that changes in risk in the near term could materially affect account balances and the amounts reported in the statement of financial position, and the statement of activities and changes in net assets.

Assets measured at fair value on a recurring basis as of June 30:

	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
Beneficial interest in assets held by Oregon Community Foundation	\$ -	\$ -	\$ 24,256	\$ 24,256
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,256</u>	<u>\$ 24,256</u>

CENTER FOR NONPROFIT LEGAL SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2018

NOTE 5—FAIR VALUE MEASUREMENT (continued)

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the accompanying statement of financial position using significant unobservable (Level 3) inputs for the year ended June 30, 2018:

Beneficial Interest in assets held by OCF

Balance, June 30, 2017	\$	22,235
Contributions		-
Investment income		187
Administrative expenses		(209)
Total realized and unrealized gains (losses)		2,043
Amounts appropriated for expenditure		-
		<hr/>
Balance, June 30, 2018	\$	<u>24,256</u>

NOTE 6—LEASES

The Center has lease contracts for telephone equipment with Avaya Financial Services. The equipment lease payment is \$543 per month, and culminates with a fair market value purchase option. A second lease with Pacific Office Automation for office equipment is an additional \$944 per month. Total lease expense under these contracts for the year ended June 30, 2018 was \$18,455. Future minimum lease payments under these contracts are as follows:

Year ended June 30:	2019	\$	14,043
	2020		11,328
	2021		4,720
	thereafter		<hr/> -
		\$	<u>30,091</u>

NOTE 7—COMPENSATED ABSENCES

Each full-time employee of the Center is entitled to 30 days per year of paid time off. This amount must cover all absences, including sickness. Of the 30 days, only seven (7) may be taken as pay in lieu of time off. As of June 30, 2018, \$11,973 is included in accrued payroll taxes and benefits on the Statement of Financial Position for compensated absences.

NOTE 8—TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at June 30:

	<u>2018</u>	<u>2017</u>
Meyer Memorial Foundation	\$ -	\$ 5,763
	<hr/>	<hr/>
Total temporarily restricted net assets	<u>\$ -</u>	<u>\$ 5,763</u>

CENTER FOR NONPROFIT LEGAL SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2018

NOTE 9—CONCENTRATIONS

Concentration of contributions

In the normal course of operations, the Center receives grant funds, certain contracts, and donations from various Federal and State agencies and private foundations. A significant portion of their funding—approximately 47% at June 30, 2018—is from the Legal Services Program maintained by the Oregon State Bar. All grant programs are subject to the administrative directives, rules and regulations, and audits of federal, state and local regulatory agencies, the purpose of which is to ensure compliance with conditions precedent to the granting of funds.

Such administrative directives, rules and regulations are subject to changes which may occur with little notice or could make the Center susceptible to inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change or an audit. The Center believes any liability for reimbursement which may arise as the result of these changes, or costs related to potential changes, audits, or otherwise are not material to this financial statement presentation.

NOTE 10—SUBSEQUENT EVENTS

Management evaluates events and transactions that occur after the statement of financial position date as potential subsequent events. Management has performed this evaluation through the date of the independent auditor's report and is not aware of any material subsequent events requiring disclosure.