

Financial Statements  
September 30, 2025  
**Disability Law Center**  
(With Comparative Totals for 2024)

Independent Auditor’s Report ..... 1

Financial Statements

    Statement of Financial Position ..... 4

    Statement of Activities..... 5

    Statement of Functional Expenses..... 6

    Statement of Cash Flows ..... 7

    Notes to Financial Statements ..... 8

Federal Awards Reports in Accordance with Uniform Guidance

    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* ..... 16

    Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control  
    Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform  
    Guidance ..... 18

    Schedule of Expenditures of Federal Awards ..... 21

    Notes to Schedule of Expenditures of Federal Awards ..... 23

    Schedule of Findings and Questioned Costs ..... 24



## Independent Auditor's Report

To the Board of Trustees  
Disability Law Center  
Salt Lake City, Utah

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the financial statements of Disability Law Center, which comprise the statement of financial position as of September 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Disability Law Center as of September 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

#### ***Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

## ***Report on Summarized Comparative Information***

We have previously audited the 2024 financial statements of Disability Law Center, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 29, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying

accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards 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 February 23, 2026, on our consideration of Disability Law Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Disability Law Center'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 Disability Law Center's internal control over financial reporting and compliance.

*Eide Bailly LLP*

Salt Lake City, Utah  
February 23, 2026

**Disability Law Center**  
 Statement of Financial Position  
 September 30, 2025  
 (with comparative totals for September 30, 2024)

	2025	2024
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 793,884	\$ 1,273,172
Grants receivable	369,271	374,668
Sales tax receivable	2,298	2,214
Certificates of deposit - current portion	1,871,938	1,580,891
Prepaid expenses	36,266	30,752
Total current assets	3,073,657	3,261,697
Contribution receivable - discounted lease	383,484	-
Certificates of deposit - less current portion	497,150	472,503
Operating lease right of use asset	196,257	-
Finance lease right of use asset	7,677	11,362
Total assets	\$ 4,158,225	\$ 3,745,562
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 7,433	\$ 29,161
Accrued expenses	271,544	268,883
Current maturities of operating lease liability	57,784	-
Current maturities of finance lease liability	3,825	3,666
Total current liabilities	340,586	301,710
Operating lease liability, less current maturities	138,473	-
Finance lease liability, less current maturities	4,332	8,157
Total liabilities	483,391	309,867
<b>Net Assets</b>		
Without donor restrictions	3,105,165	3,123,361
With donor restrictions	569,669	312,334
Total net assets	3,674,834	3,435,695
Total liabilities and net assets	\$ 4,158,225	\$ 3,745,562

**Disability Law Center**  
 Statement of Activities  
 For the Year Ended September 30, 2025  
 (with comparative totals for September 30, 2024)

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	Totals
Revenue and Support				
Federal revenue				
U.S. Dept. of Health and Human Services	\$ 1,113,201	\$ -	\$ 1,113,201	\$ 1,222,211
U.S. Dept. of Education	374,932	-	374,932	359,323
Social Security Administration	341,656	-	341,656	317,562
U.S. Dept. of Housing and Urban Development	425,000	-	425,000	425,000
U.S. Department of the Treasury "and Justice for All" Campaign	-	13,244	13,244	21,756
Other grants	282,488	-	282,488	1,126,198
Interest income	-	659,875	659,875	212,500
Donations	144,514	-	144,514	125,645
In-kind contributions	95,733	-	95,733	69,117
Program income	118,653	383,484	502,137	143,330
Net assets released from restrictions	-	104,731	104,731	81,129
	903,999	(903,999)	-	-
Total revenue and support	<u>3,800,176</u>	<u>257,335</u>	<u>4,057,511</u>	<u>4,103,771</u>
Expenses				
Program services	3,484,300	-	3,484,300	2,992,976
Management and general	331,515	-	331,515	290,701
Fundraising	2,557	-	2,557	717
Total expenses	<u>3,818,372</u>	<u>-</u>	<u>3,818,372</u>	<u>3,284,394</u>
Change in Net Assets	(18,196)	257,335	239,139	819,377
Net Assets, Beginning of Year	<u>3,123,361</u>	<u>312,334</u>	<u>3,435,695</u>	<u>2,616,318</u>
Net Assets, End of Year	<u>\$ 3,105,165</u>	<u>\$ 569,669</u>	<u>\$ 3,674,834</u>	<u>\$ 3,435,695</u>

**Disability Law Center**  
 Statement of Functional Expenses  
 For the Year Ended September 30, 2025  
 (with comparative totals for September 30, 2024)

	2025			2024	
	Program Services	Management and General	Fundraising	Total	Total
Salaries and wages	\$ 2,436,893	\$ 247,475	\$ 2,000	\$ 2,686,368	\$ 2,271,224
Payroll taxes and benefits	557,926	56,980	461	615,367	499,457
Rent	56,171	3,323	-	59,494	63,072
Rent - in-kind	110,103	6,513	-	116,616	112,130
Donated professional services	2,037	-	-	2,037	31,200
Contract services	36,792	2,176	-	38,968	37,876
Travel	36,509	2,160	-	38,669	52,524
Office supplies and postage	20,810	1,231	11	22,052	17,036
Conferences	8,985	532	5	9,522	10,956
Telephone	17,590	1,041	10	18,641	18,676
Insurance	12,766	756	7	13,529	12,184
Client litigation expenses	26,914	-	-	26,914	9,870
Newsletter and outside printing	30,479	1,804	17	32,300	7,264
Dues/fees	18,421	1,090	-	19,511	15,263
Repairs and maintenance	1,454	86	-	1,540	-
Small equipment and computer systems	81,105	4,800	44	85,949	90,096
Library and subscriptions	17,862	1,057	-	18,919	23,217
Recruitment	1,367	81	-	1,448	1,427
Board expenses	3,457	204	-	3,661	4,788
Consulting	3,182	-	-	3,182	2,449
<b>Total expenses before amortization</b>	<b>3,480,823</b>	<b>331,309</b>	<b>2,555</b>	<b>3,814,687</b>	<b>3,280,709</b>
Amortization	3,477	206	2	3,685	3,685
<b>Total expenses</b>	<b>\$ 3,484,300</b>	<b>\$ 331,515</b>	<b>\$ 2,557</b>	<b>\$ 3,818,372</b>	<b>\$ 3,284,394</b>

**Disability Law Center**  
 Statement of Cash Flows  
 For the Year Ended September 30, 2025  
 (with comparative totals for September 30, 2024)

	2025	2024
<b>Operating Activities</b>		
Change in net assets	\$ 239,139	\$ 819,377
Adjustments to reconcile change in net assets to net cash flows from (used for) operating activities		
Amortization	3,685	3,685
Increase in contributions receivable - discounted lease	(383,484)	-
Changes in operating assets and liabilities		
Grants receivable	5,397	(213,551)
Related party interest receivable	-	9,629
Sales tax receivable	(84)	(363)
Prepaid expenses	(5,514)	(4,401)
Accounts payable	(21,728)	20,657
Accrued expenses	2,661	51,895
<b>Net Cash from (used for) Operating Activities</b>	<b>(159,928)</b>	<b>686,928</b>
<b>Investing Activities</b>		
Maturity of certificates of deposit	524,709	-
Acquisition of certificates of deposit	(840,403)	(831,230)
Principal payments on related party notes receivable	-	704,195
<b>Net Cash used for Investing Activities</b>	<b>(315,694)</b>	<b>(127,035)</b>
<b>Financing Activities</b>		
Principal payments on finance lease	(3,666)	(3,224)
<b>Net Change in Cash and Cash Equivalents</b>	<b>(479,288)</b>	<b>556,669</b>
Cash and Cash Equivalents, Beginning of Year	1,273,172	716,503
Cash and Cash Equivalents, End of Year	<b>\$ 793,884</b>	<b>\$ 1,273,172</b>

## **Note 1 - Summary of Significant Accounting Policies**

### **Organization and Nature of Activities**

Disability Law Center (the Organization) was incorporated under the laws of the State of Utah on April 16, 1975, as a nonprofit corporation. The Organization is part of a nationwide network of protection and advocacy systems (P & A's) which are mandated by Congress to provide legal representation and advocacy services on behalf of all persons with disabilities. Funding for these services is provided under grants from the Department of Health and Human Services, the Department of Education, the Department of Housing and Urban Development, the Social Security Administration, private foundations, and donations.

### **Comparative Financial Information**

The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with the Organization's audited financial statements for the year ended September 30, 2024, from which the summarized information was derived.

### **Cash and Cash Equivalents**

All cash and highly liquid financial instruments with original maturities of three months or less, including money market funds, which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents. At times, amounts on deposit may exceed federally insured limits. To date, the Organization has not experienced any losses from such deposits and believes it is not exposed to any significant credit risk on cash and cash equivalents. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. At September 30, 2025, the Organization had approximately \$1,730,000 in excess of FDIC-insured limits including certificates of deposit which are not considered cash and cash equivalents but are FDIC-insured.

### **Grants Receivable**

The Organization records unconditional promises to give (grants receivable) that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. All of the grants receivable at September 30, 2025 are expected to be collected within one year. Allowance for uncollectable promises to give is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At September 30, 2025 the allowance was \$0.

### **Certificates of Deposit**

Certificates of deposit consist of certificates of deposit with financial institutions with original maturities greater than 90 days. These are recorded at the lower of cost or fair value on the statement of financial position. Most are included with current assets as the maturities are less than one year. Certificates of deposit totaling \$497,150 are presented as non-current assets as \$270,906 will mature during the year ending September 30, 2026, and \$226,244 will mature during the year ending September 30, 2027. Interest income from these investments is reported on the statement of activities.

### **Property and Equipment**

Property and equipment additions over \$5,000 are recorded at cost or, if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any remaining gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

### **Right of Use Leased Assets and Liabilities**

Right of use leased assets and the related liabilities are recognized at the lease commencement date and represent the Organization's right to use an underlying asset and lease obligations for the lease term. Right of use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right of use leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the straight-line method. The amortization period varies among the leases.

The Organization has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The Organization has applied the risk-free rate option to the office space and copier leases.

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

### **Net Assets**

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

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) restrictions. Some donor imposed (or grantor) restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. The Organization reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

### **Revenue and Revenue Recognition**

Revenue is recognized from litigation services when the performance obligations of providing the services are met. Litigation revenue is recognized at a point in time when the performance obligation is satisfied. Amounts received in advance are deferred to the applicable period.

Contributions are recognized when cash, securities, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. The Organization received cost-reimbursable grants of \$541,638 that have not been recognized at September 30, 2025, because qualifying expenditures have not yet been incurred.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. No amounts have been received in advance under federal and state contracts and grants.

### **In-Kind Contributions**

Contributed nonfinancial assets include donated professional services, donated equipment, and other in-kind contributions which are recorded at the respective fair values of the goods or services received (Note 5). The Organization does not sell donated gifts-in-kind. Contributions of donated services that create or enhance non-financial 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. The Organization received donated services in the amount of \$2,037 for the year ended September 30, 2025. The donated services are reported as client litigation expenses in the accompanying statement of functional expenses. Contributed goods are recorded at fair value at the date of donation. Donated rent represents the difference between the market value of the rent and the actual rate being charged to the Organization by "and Justice for all," as further discussed in Note 3.

### **Functional Allocation of Expenses**

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include rent and amortization, which are allocated on a square footage basis, as well as salaries and wages, payroll taxes and benefits, small equipment and computer systems, contract services, travel, office supplies and postage, insurance, and various other expenses, which are allocated on the basis of estimates of time and effort.

### **Income Taxes**

Disability Law Center is organized as a Utah nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), qualifying for the charitable contribution deduction, and has been determined not to be a private foundation. The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS.

In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. The Organization has determined it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

The Organization believes that it has appropriate support for any tax positions taken affecting its annual filing requirements and, as such, does not have any uncertain tax positions that are material to the financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

### **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

### **Concentrations**

The Organization receives a significant amount of its funding from government sources. Decreases in this government support would have an adverse effect upon the Organization.

### **Government Funding**

Funding from all government sources is considered to be unrestricted as long as it is expended under contract guidelines and is expended in the year for which it is contracted.

**Advertising Costs**

Advertising costs are expensed as incurred and totaled \$26,211 during the year ended September 30, 2025.

**Subsequent Events**

The Organization has evaluated subsequent events through February 23, 2026, the date the financial statements were available to be issued.

**Note 2 - Liquidity and Availability**

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

Cash and cash equivalents	\$	793,884
Grants receivable		369,271
Promises to give		383,484
Sales tax receivable		2,298
Certificates of deposit - current portion		<u>1,871,938</u>
		3,420,875
 With donor restrictions		 <u>(569,669)</u>
		 <u><u>\$ 2,851,206</u></u>

As part of a liquidity management plan, management invests cash in excess of daily requirements in certificates of deposit.

**Note 3 - Leases**

The Organization entered into an agreement to lease office space under a long-term non-cancelable operating lease agreement with “and Justice for all” (AFJA). The lease expires in December 2028. The Organization includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. The Organization’s operating lease provides an option to the lessor for increases in future minimum annual rental payments. Additionally, the operating lease agreement requires the Organization to pay real estate taxes, insurance, and repairs. An initial lease liability was recorded in the amount of \$224,322. As of September 30, 2025, the value of the total lease liability was \$196,257. Under the terms of the lease, the Organization pays a monthly base fee of \$5,363. The right of use asset is being amortized over a period of 45 months. The value of the right of use asset was \$196,257 as of September 30, 2025. The fair market value lease rate is estimated to be \$116,616 more per year and has been recorded as an in-kind contribution from the related party during the year ended September 30, 2025. An additional \$383,484 has been recorded as a contribution receivable from the lessor, representing the unconditional promise to give to the organization from the lessor for the discounted rent relating to the remainder of the lease period through December 2028.

The Organization leases a copier under a long-term non-cancelable finance lease agreement. The lease expires in October 2027. An initial lease liability was recorded in the amount of \$15,335. As of September 30, 2025, the value of the total lease liability was \$8,157. Under the terms of the lease, the Organization pays a monthly base fee of \$342. The right of use asset is being amortized over a period of 5 years. The value of the right of use asset was \$18,426 as of September 30, 2025, and had accumulated amortization of \$10,749.

Total lease costs for the year ended September 30, 2025, are as follows:

Operating lease cost	\$	32,181
Short-term lease cost		27,313
Finance lease cost:		
Interest expense		434
Amortization of right-of-use assets		3,685

The following table summarizes the supplemental cash flow information for the year ended September 30, 2025:

Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating lease	\$	32,181
Operating cash flows from finance lease		434
Financing cash flows from finance lease		3,666
Right-of-use assets obtained in exchange for lease liabilities		
Operating lease	\$	224,322

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

Weighted-average remaining lease term:	
Operating lease	3.25 Years
Finance lease	2.09 Years
Weighted-average discount rate:	
Operating lease	3.87%
Finance lease	4.27%

The future minimum lease payments under noncancelable operating and finance leases with terms greater than one year are listed below as of September 30, 2025:

<u>Years Ending September 30,</u>	<u>Operating</u>	<u>Finance</u>
2026	\$ 64,361	\$ 4,099
2027	64,361	4,099
2028	64,361	342
2029	16,090	-
	<hr/>	<hr/>
Total lease payments	209,173	8,540
Less interest	<u>(12,916)</u>	<u>(383)</u>
Present value of lease liabilities	<u><u>\$ 196,257</u></u>	<u><u>\$ 8,157</u></u>

**Note 4 - Net Assets with Donor Restrictions**

Net assets with donor restrictions consist of the following at September 30, 2025:

Subject to Expenditure for Specified Purpose	
Grants for legislative advocacy/other grants	\$ 82,554
Grants for specific litigation projects	103,631
Subject to the Passage of Time	
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due - discounted rent - fiscal years 2027 - 2029	<u>383,484</u>
	<u><u>\$ 569,669</u></u>

**Note 5 - In-kind Contributions**

For the year ending September 30, 2025, in-kind contributions recognized within the statement of activities included the following:

Discounted rent (Note 3) - current fiscal year	\$	116,616
Professional services		2,037
		118,653
		118,653
 Discounted Rent (Note 3) - fiscal years 2027 - 2029	 \$	 383,484
		383,484

**Note 6 - Benefit Plan**

The Organization maintains a defined-contribution 401(k) plan. Under the 401(k) plan, employees are eligible for participation after three months of continuous employment as long as they work at least 1,000 hours during the calendar year. The Board of Trustees determines the percentage of the Organization’s contribution on an annual basis. For the fiscal year ended September 30, 2025, the Organization contributed \$128,805.

**Note 7 - Related Party Transactions**

“and Justice for all” (AJFA) is a 501(c)(3) organization that was established by members of Utah’s legal community and the state’s primary providers of civil legal services to increase access to civil legal services for the disadvantaged and for persons with disabilities throughout Utah. The Organization is one of the three members who jointly control AJFA by equal appointments on AJFA’s Board of Directors.

AJFA also operates the Community Legal Center (the Center), which provides subsidized rents to organizations housed in the Center, including the Organization, as further described in Note 3.

Federal Awards Reports in Accordance with  
the Uniform Guidance  
September 30, 2025

**Disability Law Center**



**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***

The Board of Trustees  
Disability Law Center  
Salt Lake City, Utah

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of Disability Law Center, which comprise the statement of financial position as of September 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 23, 2026.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Disability Law Center's internal control over financial reporting (internal control) as a basis for designing 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 Disability Law Center's internal control. Accordingly, we do not express an opinion on the effectiveness of Disability Law Center'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 or significant deficiencies may exist that were not identified.

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

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of Disability Law Center'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.

A handwritten signature in black ink that reads "Eide Sallie LLP". The signature is written in a cursive, flowing style.

Salt Lake City, Utah  
February 23, 2026



**Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

The Board of Trustees  
Disability Law Center  
Salt Lake City, Utah

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

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

We have audited Disability Law Center’s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Disability Law Center’s major federal programs for the year ended September 30, 2025. Disability Law Center’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, Disability Law Center complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

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

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

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

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

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Disability Law Center's federal programs.

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

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis.

*A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Salt Lake City, Utah  
February 23, 2026

Disability Law Center  
Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Expenditures
U.S. Department of Health and Human Services			
Protection and Advocacy for Individuals with Mental Illness	93.138	N/A	\$ 521,567
Protection and Advocacy for Traumatic Brain Injury	93.873	N/A	53,367
Voting Access for Individuals with Disabilities	93.618	N/A	106,932
Protection and Advocacy for People with Developmental Disabilities	93.630	N/A	442,390
Assistive Technology State Grants for Protection and Advocacy	93.843	N/A	<u>64,225</u>
Total U.S. Department of Health and Human Services			<u>1,188,481</u>
U.S. Department of Education			
Client Assistance Program	84.161A	N/A	165,591
Protection and Advocacy of Individual Rights	84.240A	N/A	<u>209,791</u>
Total U.S. Department of Education			<u>375,382</u>
Social Security Administration			
Work Incentives Assistance to Disabled Beneficiaries	96.009	N/A	141,225
Work Incentives Assistance to Disabled Beneficiaries - Representative Payee	96.009	N/A	<u>200,656</u>
Total Social Security Administration			<u>341,881</u>
U.S. Department of Housing and Urban Development			
Fair Housing Initiative Project	14.418	N/A	<u>453,777</u>
Total U.S. Department of Housing and Urban Development			<u>453,777</u>

Disability Law Center  
Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Expenditures
U.S. Department of the Treasury Passed through Salt Lake City Corporation Coronavirus State and Local Fiscal Recovery Funds	21.027	GDCAJRRXKSM3	<u>13,244</u>
Total U.S. Department of Veterans Affairs			<u>13,244</u>
Total Federal Financial Assistance			<u>\$ 2,372,765</u>

**Note 1 – Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Disability Law Center (the Organization) under programs of the federal government for the year ended September 30, 2025. The information 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 the Disability Law Center, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Disability Law Center.

**Note 2 – Summary of Significant Accounting Policies**

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

**Note 3 – Indirect Cost Rate**

The Organization has not elected to use the 10% de minimis cost rate.

**Note 4 – PAIMI**

In accordance with the terms of the grant, program income totaling \$47,867 was received in the program and is included as expenditures in the accompanying schedule of expenditures of federal awards.

**Note 5 – PADD**

In accordance with the terms of the grant, program income totaling \$27,413 was received in the program and is included as expenditures in the accompanying schedule of expenditures of federal awards.

**Note 6 – HUD**

In accordance with the terms of the grant, program income totaling \$28,777 was received in the program and is included as expenditures in the accompanying schedule of expenditures of federal awards.

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

**FINANCIAL STATEMENTS**

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

**FEDERAL AWARDS**

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516 (a):	No

**Identification of major programs:**

<u>Name of Federal Program or Cluster</u>	<u>Federal Financial Assistance Listing</u>
Protection and Advocacy for Individuals with Mental Illness	93.138
Protection and Advocacy for People with Developmental Disabilities	93.630
Dollar threshold used to distinguish between type A and type B programs:	\$1,000,000
Auditee qualified as low-risk auditee?	No

**Section II – Financial Statement Findings**

**None**

**Section III – Federal Award Findings and Questioned Costs**

**None**