

**Legal Services Trust Fund Commission
Meeting**

Monday, January 28, 2019

3:00 pm – 5:00 pm

Held via conference call and in person at:

**State Bar of California, 180 Howard Street, San Francisco
State Bar of California, 845 Figueroa Street, Los Angeles**

MINUTES

The meeting was called to order at 3:00 p.m.

OPEN SESSION

I. ROLL CALL

The following Commission members and advisors were present:

- In Los Angeles: Hon. Lisa Jaskol and Eric Isken
- In San Francisco: Chair Corey Friedman, Fred Bailard, Robert Planthold, and Christian Schreiber
- On the Telephone: Kim Bartleson, Pariss Knox, Prof. James Meeker, Hon. William Murray, Hon. Brad Seligman, and Melanie Snider

The following Commission members and advisors were not present: Vice Chair Banafsheh Akhlaghi, Amin Al-Sarraf, Hon. Louise Bayles-Fightmaster, Prof. Rebecca Delfino, and Prof. Herman DeBose

The following staff were present:

- In San Francisco: Hellen Hong, Doan Nguyen, Catherine Borgeson, and Raquel Hines
- In Los Angeles: None
- On the Telephone: Leah Wilson

The following liaisons and guests were present:

- In Los Angeles: None
- In San Francisco: None
- On the Telephone: Mark Broughton (BOT liaison), Salena Copeland (Legal Aid Association of California liaison), and Debbie Y. Manning (BOT liaison)

No other guests identified themselves.

II. CALL FOR PUBLIC COMMENT

No comments were offered by members of the public.

III. WELCOME AND INTRODUCTIONS

Roll Call was taken and all Commission members, staff, liaisons and guests introduced themselves.

IV. CONSENT

A. Approval of Minutes from November 16, 2018 Legal Services Trust Fund Commission Meeting

A Motion was made to approve Minutes of the November 16, 2018 Legal Services Trust Fund Commission Meeting. Fred Bailard moved, and Bob Planthold seconded. The Motion was approved by roll call vote; eight (8) approved and one (1) abstained, Eric Isken.

V. STATE BAR REPORTS

A. Office of Access & Inclusion Staff Report and Staffing Update

Staff reminded the Commission about the integrated model that has been instituted in the Office of Access & Inclusion to provide greater synchronicity between grant administration, access issues, and diversity issues. Under this model, Senior Program Analysts will be responsible for a portfolio of projects spanning multiple areas, including access to justice, diversity, and grants administration. Three new staff members introduced themselves: Director of the Office of Access & Inclusion Hellen Hong; Senior Program Analyst Raquel Hines; and Program Coordinator Vicky Avila. The search is underway to fill one remaining Senior Program Analyst position.

Corey Friedman requested that Bar staff provide an explanation on how staff duties are allocated and how expenses are allocated, including how staff time and expenses are billed for the Legal Services Trust Fund Commission Stakeholder Process Working Group ('Working Group') and the Task Force on Access Through Innovation of Legal Services (ATILS). Staff will provide the information by the Commission's May meeting.

A discussion was held regarding the Justice Gap Study. Staff confirmed that the Bar's Office of General Counsel is researching the funding options and the analysis will be discussed with the Commission. The California Justice Gap will follow the methodology of the 2017 LSC national study,

including a household panel survey and an intake census of field programs. The study will also include an evaluation of the costs of legal education in California and the impact of those costs on access to justice and suggest possible approaches to addressing the costs of legal education, including loan forgiveness programs and other means.

B. Staff Report on Status of Grant Administration and 2019 Monitoring Visits

Staff noted that the Commission currently has three (3) subcommittees: Eligibility & Budget Review, Partnership Grants, and Bank Grants. Ms. Nguyen requested that Commission Members currently on two subcommittees please email her if they would like to remain on two subcommittees. Staff is in the process of finalizing subcommittee meeting dates and will poll Commissioners on their availability over the next few weeks. Staff confirmed that the State Bar's BOT did not make Commission officer appointments at its January 24-25 meeting.

Monitoring Visits: An official 2019 Monitoring Visits list has been provided to each Commission Member. Ms. Nguyen reminded members of the opportunity to observe one (1) visit per year. She has asked that those interested should review SmartSimple for the details of the specific Grantee being reviewed. The staff associated with each visit should be contacted directly to make this request. Staff will do their best to accommodate schedules, but must begin securing times with grantees at the start of February. Staff will provide updates at the next scheduled meeting of the full Commission.

C. Report on IOLTA revenue

Staff reported that in 2018, the State Bar began recertifying the nearly 200 eligible financial institutions that offer IOLTA accounts. Staff reviewed IOLTA products to ensure that the interest rates provided comply with statutory requirements. These efforts, combined with rising interest rates have yielded significant income growth: from a low \$7 million in 2017 to \$16.4 million as of November 30, 2018, and will yield close to \$20 million by year end. Effective January 1, 2019, the Established Compliance Rate (ECR) increased to 1.7%.

Staff will provide additional updates to the Commission regarding re-establishing a Leadership Bank Program in 2019.

Lastly, a discussion was held on Cy Pres and the interest of the State Bar to raise additional funds as a recipient of residual cy pres funds. Hellen Hong agreed to work with Christian Schreiber on this item. They will report back to the full Commission.

VI. PARTNERSHIP GRANTS

A. Review and Approve 2018 Partnership Grant Project Carryover Request from San Diego Volunteer Lawyer Program

A discussion was held regarding San Diego Volunteer Lawyer Program's (SDVLP) partnership grant carryover request. Staff confirmed that SDVLP does not have a history of submitting carryover requests or late reports. SDVLP is now aware of the importance of submitting a timely carryover request and they have agreed to adhere to it.

A Motion was made to approve San Diego Volunteer Lawyer Program's 2018 partnership grant project carryover request. Corey Friedman moved, and Fred Bailard seconded. The Motion was unanimously approved by roll call vote.

B. Review and Approve 2019 Final Partnership Grant Project Budgets

Staff summarized Neighborhood Legal Services' 2019 partnership grant budget revision request.

A Motion was made to approve the request. Fred Bailard moved, and Robert Planthold seconded. The Motion was unanimously approved by roll call vote.

VII. EQUAL ACCESS FUND GRANTS (EAF)

A. Review and Approve 2018 EAF Grant Project Carryover Request from Legal Services of Northern California

Legal Services of Northern California (LSNC) requested a 2018 EAF carryover for an additional \$34,000 (bringing their total carryover request to \$270, 584) due to diversion of resources to address wildfire disaster services. A 2018 carryover request of \$236,584 was previously approved for LSNC.

A Motion was made to approve LSNC's 2018 EAF carryover request. Robert Planthold moved, and Fred Bailard seconded. The Motion was unanimously approved by roll call vote.

VIII. LEGAL SERVICES TRUST FUND COMMISSION (LSTFC) STAKEHOLDER WORKING GROUP

A. Update on LSTFC Stakeholder Working Group

Corey Friedman provided an update on the discussion held at the Bar's Board of Trustees meeting on January 24-25. The BOT agreed with the recommendation that LSTFC will continue, but did not act on the Working Group recommendation to maintain the existing size of the Commission. Action on that item was deferred to the March meeting. Leah Wilson confirmed that State Bar staff and BOT would prefer to obtain the input of the Commission and Working Group before making a final determination based on the functional analysis of the subcommittee work. Corey and Christian reiterated that the Working Group's recommendation was to remain the same size at 24. Leah Wilson asked that the Commission meet again and make a recommendation to the Working Group prior to their February 22 scheduled meeting based on the functional analysis. Using this analysis the Working Group will be asked to make a recommendation for the number of Commission members necessary to conduct the work of the Commission. The BOT will consider this recommendation at its March 2019 meeting.

The Commission agreed to this request and asked that staff work with them to expand and update the Functional Analysis reviewed during the meeting. Staff will take lead on some initial changes and solicit feedback to the members by February 8, 2019.

B. Update on January Board of Trustees Meeting

Hellen Hong and Leah Wilson provided additional updates on the BOT's January 24 -25 meeting in Los Angeles. The BOT approved the transition of the Access Commission to a separate entity. The State Bar will continue its commitment to ensuring access to the legal system and carryout access initiatives pursuant to its mission statement.

Commission members requested an update on the Conflicts of Interest Policy put out for public comment after the January BOT meeting, and how the policy would apply to each Commissioner. Leah Wilson agreed to have the Bar's Office of General Counsel provide a response to Commission members as soon as possible.

Meeting adjourned at 5:21 p.m.