

LEGAL SERVICES TRUST FUND COMMISSION MEETING

Friday, May 10, 2019

12:00 pm – 4:00 pm

Held via video conference, in person and conference call

State Bar of California

San Francisco and Los Angeles locations

MEETING NOTES AND ACTION SUMMARY

The meeting was called to order at 12:00 p.m.

OPEN SESSION

I. CO-CHAIR'S REPORT

A. Roll Call

Roll call was conducted and a quorum was established.

The following Commission members and advisors were present:

- In San Francisco: Co-Chair Corey N. Friedman; Banafsheh Akhlaghi; Hon. Louise Bayles-Flightmaster; Erica Connolly; and Robert Planthold
- In Los Angeles: Pamela Bennett; Hon. Lisa R. Jaskol; Richard Reinis, Susan Ryan; and Christina Vanarelli
- On the Telephone: Prof. Rebecca Delfino; Prof. James Meeker; Amin Al-Sarraf; and Melanie Snider

The following Commission members and advisors were not present: Kim Bartleson; Prof. Herman DeBose; Parissh Knox; Kim Savage; and Co-Chair Christian Schreiber. In addition, Eric Isken participated as member of the public.

The following staff were present:

- In San Francisco: Brady Dewar; Raquel Hines, and Doan Nguyen

- In Los Angeles: Hellen Hong

The following liaisons and guests were present:

- On the Telephone: Mark Broughton (Board of Trustees); Selena Copeland (Legal Aid Association of California Liaison), and Debbie Y. Manning (Board of Trustees)

No other guests identified themselves.

Chair Update: Staff provided a joint update with Co-Chair that they are currently developing a draft timeline and process to codify existing practices and procedures. The process will commence this year through a staff led working group with LAAC and volunteer Commissioners on specific topic areas which will then bring recommendations to a new subcommittee of the Commission.

B. Call For Public Comment

No comments were offered by members of the public.

II. CONSENT

A. Approval of Meeting Minutes from April 4, 2019

A Motion was made to approve the Meeting Minutes from April 4, 2019. Robert Planthold moved, and Hon. Louise Bayles-Flightmaster seconded. The Motion was approved by roll call vote; nine (9) approved and three (3) abstained: Pamela Bennett; Corey Friedman; and Susan Ryan.

III. RECENT DEVELOPMENTS

A. State Bar report on Board actions

The State Bar Board of Trustees' Programs Committee voted and approved the distribution plan for 2020 Bank Grant funds at their April 25, 2019 meeting. Staff is actively working to release Bank Grant RFP within the next two weeks. The deadline for grantees to submit applications will be September 13, 2019. Commission members will be included in announcement of Bank Grant release and updates will be posted to the Administrative Calendar, found on SmartSimple.

B. Update from Office of General Counsel regarding voting process for approval of Commission and Committee Minutes

The State Bar's Office of General Counsel (OGC) addressed the question from the Commission regarding whether a member needs to abstain from voting on Minutes for a meeting in which they were absent. OGC confirmed that it is not a requirement that the member abstain and that based on Robert's Rule of Order commissioners may make their own decision on voting on minutes, even if they were not in attendance.

IV. BAGLEY-KEENE OPEN MEETING ACT TRAINING

Brady Dewar conducted a training for the Commission on the Bagley-Keene Open Meeting Act. At the conclusion, the Commission members were invited to contact OGC through State Bar staff should they have questions that were not directly addressed during this training.

V. APPROVAL OF 2020 IOLTA DISBURSEMENT AND RESERVE POLICY FOR RECOMMENDATION TO BOARD OF TRUSTEES

A. Meeting Materials: 2020 IOLTA Distribution Worksheet and BOT Legal Services Trust Fund Commission Reserve Policy

To facilitate the discussion on reserves, staff provided a copy of the current Reserve Policy on record and outlined materials from the March 2006 Board of Governors meeting indicating that reserves should be maintained between 30% and 75% of current grant programs. Three disbursement scenarios for 2020 IOLTA grants were considered as detailed in Item V of the meeting materials.

Staff recommended the distribution plan under Scenario 1 which would follow the current Reserve Policy from 2006 to provide a distribution increase of 102% from the previous year of more than \$55.5M and maintain a reserve in the amount of \$29.5M (53% of current grant distribution). This plan conservatively assumes a small decrease in IOLTA income based on the likelihood of decreased interest rates in 2019.

Salena Copeland, on behalf of LAAC, supported the Scenario 1 distribution recommendation.

A Motion was made to approve a 2020 IOLTA disbursement of \$55,581,082 with a reserve level at 53%, based on Scenario 1. Banafsheh Akhlaghi moved, and Robert Planthold seconded. The Motion was unanimously approved by roll call vote.

Staff will now bring recommendation to approve the IOLTA 2020 Grant Distribution to the Board of Trustees' July 2019 meeting.

VI. STAFF UPDATES ON GRANT ADMINISTRATION

A. 2020 Partnership Grants

A status update was provided and staff confirmed that 39 applications have been received with a total ask of; \$3,069,272.

B. 2020 Bank Grants

The 2020 Bank Grant RFP should be released in May and due September 13, 2019. Commission members will all receive Notice of official release.

C. 2020 IOLTA and EAF applications

Staff reported that the 2020 IOLTA and EAF application is due on Monday, June 3. Staff anticipate at least three new applicants. In addition, the Legal Services Trust Fund Commission Eligibility and Budget Review Committee (E+B Committee) met on April 23, 2019 to review potentially non-qualifying impact litigation and advocacy activities, as reported by both qualified legal services projects (QLSPs) and support centers (SCs) in the Impact Litigation and Advocacy Work (ILAW) report. Activities found to be non-qualifying would need to be deducted in the organizations' 2020 IOLTA and EAF grant application.

Of the 390 impact cases and 437 advocacy activities reported, staff requested the E+B Committee's determination for the 2020 IOLTA and EAF grant application on 12 impact cases and 23 advocacy activities as noted in meeting material.

Lastly, staff identified four categories for which organizations were not able to provide clear data to demonstrate that the activities primarily impact indigent persons, although the sheer number of indigent persons who benefitted was large and the substantial impact on indigent persons was clear. In the absence of existing policy, staff proposed that the E+B Committee approve activities this year in four categories as meeting the indigency requirement: affordable housing, low-income immigrants, public benefits, and education equity where free or reduced lunch statistics were used as a proxy for indigent persons. The first three were approved. The final on education equity was not, instead the E+B Committee requested the review of each case and/or activity individually at the next meeting of the E+B Committee.

D. 2019 monitoring visits schedule

The majority of Monitoring Visits for 2019 have been scheduled and are underway. If members are still interested in participating in a visit, members were asked to reach out to the staff contact listed in SmartSimple.

E. 2019 administrative calendar

The Administrative calendar showing all release and due dates for IOLTA/EAF, partnership and bank grants was discussed and the Commission was shown where to locate the document for future reference on SmartSimple.

In addition, a calendar showing full Commission and Committee meetings was provided and discussed. Staff confirmed that Bank Grants Committee meeting schedule will change based on release of Bank Grant application. The calendar will be updated if and when dates are adjusted.

F. SmartSimple overview

In anticipation of the application review process, Staff member Vicky Avila provided an overview of SmartSimple and a guided tour through the Application submission and documents.

VII. Meeting Adjourned

Meeting was adjourned at 3:15 pm