

**LEGAL SERVICES TRUST FUND COMMISSION  
ELIGIBILITY AND BUDGET REVIEW COMMITTEE MEETING  
NOTES AND ACTION SUMMARY**

Friday, July 19, 2019  
9:00 a.m. – 1:00 p.m.

Videoconference  
State Bar of California, 180 Howard Street, San Francisco, CA  
State Bar of California, 845 South Figueroa Street, Los Angeles, CA

**I. ROLL CALL**

**Committee Members**

Banafsheh Akhlaghi  
Pamela Bennett  
Erica Connolly  
Rebecca Delfino  
Robert Planthold  
Melanie Snider

**Public**

Linda Hobbs  
Preeti Mishra

**Staff**

Rocío Avalos  
Christal Bundang  
Brady Dewar  
Donna Hershkowitz  
Elizabeth Hom  
Hellen Hong  
Rodney Low  
Dan Passamaneck  
Greg Shin

Roll call was conducted and a quorum was established.

**II. CALL FOR PUBLIC COMMENTS**

Committee Chair Banafsheh Akhlaghi inquired if there was any member of the public wishing to make a public comment. No member of the public came forward.

**III. CONSENT**

- a. Approval of Action Summary from April 23, 2019 Meeting

The Committee approved by roll call vote (Planthold moved, Connolly seconded) the Action Summary from the April 23, 2019 meeting.

**IV. MONITORING VISITS**

- a. Update on 2018 Monitoring Visits
  - i. Discuss Prison Law Office's 2018 monitoring visit letter and response

Senior Program Analyst Dan Passamaneck reported that Prison Law Office responded to the 2018 monitoring visit letter. Staff believed that Prison Law Office's response satisfactorily addressed the issues raised. Though no formal action was requested, the Committee supported accelerating another monitoring visit schedule for Prison Law Office.

Senior Program Analyst Rocío Avalos reported on 2018 monitoring visits with Public Advocates Inc. and Center for Health Care Rights. Issues raised at those organizations have come up during eligibility review and will be discussed in this meeting.

b. Update on 2019 Monitoring Visits

Program Supervisor Elizabeth Hom reported that staff have completed 17 monitoring visits so far and there are 18 visits remaining. She encouraged Commissioners to join upcoming visits. The Committee requested that an email be sent to all commissioners to encourage participation in site visits.

Elizabeth requested that part of item **VI. E. Review and Discuss Other Eligibility Issues** be taken out of order to accommodate staff attending the Partnership Grant Committee meeting. The Committee agreed, and Senior Program Analyst Christal Bundang presented on Health Insurance Counseling and Advocacy Program (HICAP) and whether these activities associated with four applicants were qualifying activities. There was inconsistency in how the four applicants, Center for Health Care Rights, Elder Law & Advocacy, Legal Assistance for Seniors, and Legal Services of Northern California deducted HICAP activities in their 2020 IOLTA/EAF applications. Staff recommended that, in the absence of a policy to provide guidance on the qualifying nature of HICAP services, that all four applications with their current HICAP-related deductions be accepted for grant year 2020 only. Recognizing the need for uniformity, staff also recommended that the LSTFC Rules Committee consider the qualifying nature of HICAP services during the codification process. There was Committee consensus with staff recommendations. The Committee also requested that each applicant be notified that the Rules Committee would address the qualifying nature of HICAP services in the future, and that qualifying HICAP activities as proposed in the 2020 applications would be accepted.

**V. IMPACT LITIGATION & ADVOCACY WORK (ILAW) REPORTS**

a. Approve impact cases and advocacy activities in 2018 ILAW reports

Rocío provided a summary of Impact Litigation and Advocacy Work Reports that the Committee reviewed in April.

Rocío requested that the Committee vote again on four advocacy activities from Legal Aid at Work because a majority vote could not be reached at the April 23 meeting. After discussion, the Committee approved by roll call vote (Snider moved, Connelly seconded, Bennett abstained) the following four activities as qualifying activities:

- **AB 2366** (Legal Aid at Work)
- **Advocacy concerning regulations about national origin discrimination, retaliation, and harassment being issued by the California Fair Employment and Housing Council** (Legal Aid at Work)
- **Berkeley Paid Family Leave Ordinance** (Legal Aid at Work)
- **SB 937** (Legal Aid at Work)

At the April 23 meeting, the Committee requested staff follow up on eight activities before determining whether they were qualifying. Staff provided updates on the activities and there was discussion. La Raza Centro Legal and Legal Services for Northern California declined to provide additional information regarding their specific activities, and agreed to deduct expenses related to those activities from their qualified expenditures.

The Committee approved by roll call vote (Planthold moved, Snider seconded) **Immigration Impact Advocacy** (Public Law Center) as a qualifying activity.

The Committee approved by roll call vote (Planthold moved, Snider seconded) the staff recommendation that **Census Planning & Outreach funding** (Advancing Justice – Asian Law Caucus) is not a qualifying activity.

The Committee approved by roll call vote (Planthold moved, Snider seconded) as qualifying activities the following three activities:

- **AB 617 Blueprint Comments** (California Rural Legal Assistance, Inc.)
- **HCD/HUD Community Development Block Grant Disaster Recovery Program** (California Rural Legal Assistance, Inc.)
- **Fresno Council of Governments Regional Transportation Plan Justice Advisory Committee** (California Rural Legal Assistance, Inc.)

At the April 23 meeting, the Committee requested information on the specific activities where organizations used free or reduced lunch statistics as a proxy for indigency. In the absence of a policy, staff recommended that the activities be approved as qualifying activities and that the Rules Committee review this issue during the codification process.

After discussion, the Committee approved by roll call vote (Snider moved, Connelly seconded) as qualifying activities the following five activities:

- **Positive School Climate Resolution in West Contra Costa Unified School District** (Bay Area Legal Aid)
- **Fighting School Push-Out in Oakland Unified School District advocacy** (East Bay Community Law Center)
- **Advocating for removal of suspensions for “defiance/disruption” in California 4-12 classrooms** (Lawyers' Committee for Civil Rights)
- **Long Beach Unified LCFF Enforcement** (Public Advocates Inc.)
- **Legislative campaign to remove Defiance/Disruption Cal. Ed. Code as a suspendable offense (SB607)** (Public Counsel)

Senior Program Analyst Rodney Low presented 11 activities identified during the application review process. Rodney reported that the programs acknowledged the following activities as non-qualifying and agreed to deduct expenses related to the specific activities:

- **Jin Kwon et al v. Crittenden** (Advancing Justice-Los Angeles)
- **Creating an inclusive campus climate-AB 2291 (Chiu)** (Advancing Justice - Asian Law Caucus)
- **AB 2291 (Chiu) - Creating in inclusive campus climate** (Advancing Justice-Los Angeles)
- **Sign on for Letters to Big Rock LLC Team and Partner Organizations** (La Raza Centro Legal)

After discussion, the Committee approved by roll call vote (Connelly moved, Delfino seconded) **AB 2845 - Pardon and Commutation Reform Act of 2018** (Advancing Justice-Los Angeles) as a qualifying activity.

After discussion, the Committee approved by roll call vote (Planthold moved, Snider seconded, Bennett abstained) **Health For All - Budget Proposal** (Advancing Justice-Los Angeles) as a qualifying activity.

After a lengthy discussion, the Committee approved (Planthold moved, Delfino seconded, Connelly recused as to Higgenson v. Becerra, et al) a motion to refer the following activities to an Eligibility Review Conference:

- **Higginson v. Becerra, et al.** (Advancing Justice-Los Angeles)
- **Asian Americans Advancing Justice – Los Angeles et al. v. Padilla** (Advancing Justice-Los Angeles)

- **Council on American-Islamic Relations – California, et al. v. Federal Emergency Management Agency, et al., Case No. 2:17-cv-07887 & Council on American-Islamic Relations – California, et al. v. Los Angeles Mayor’s Office of Public Safety, et al., Case No. BS174139** (Advancing Justice-Los Angeles)
- **Stop CVE in LA Campaign** (Advancing Justice-Los Angeles)
- **Implementation of the Voter Choice Act** (Advancing Justice-Los Angeles)

Rocío reported that Public Advocates Inc. requested reconsideration for two advocacy activities that the Committee determined as non-qualifying. The Committee agreed to reconsider the activities at an Eligibility Review Conference.

Elizabeth requested that item **VI. D. Update on Support Center Subject to Deeming in 2019 for 2020 Funding: Center on Gender and Refugee Studies – California** be taken out of order. The Committee agreed. Elizabeth reported that ballots were sent to qualified legal services projects on June 21, and that voting would close on July 22. Staff plans to update the Committee on results at the next meeting.

## **VI. REVIEW IOLTA/EAF ELIGIBILITY CRITERIA AND 2020 APPLICATIONS**

Elizabeth reported that there were 103 applications for 2020 IOLTA/EAF funding with 97 renewal applications and 6 applications for first time funding. There were 81 Legal Services Projects applicants and 22 Support Center applicants. One applicant, Senior Citizens Legal Services, that was funded for 2019 was did not reapply for funding.

Applications were due on June 3 at 5 p.m. There was one late application, Legal Aid of Marin, which came in at 5:59pm on June 3. After discussion, the Committee approved (Planthold moved, Bennett seconded) a motion to accept the late application from Legal Aid of Marin.

### **A. Review and Discuss Programs Applying for First-Time Funding**

Staff provided a summary of Community Lawyers Inc.’s application. Community Lawyers Inc. is a first time applicant. At the time of application, Community Lawyers Inc.’s board of directors was in the process of revising the organization’s Bylaws and Articles of Incorporation to include as its purpose the provision of legal services to indigent people, but that was not defined as the organization’s purpose at the time. The organization also did not submit the required audited or reviewed financial statement to complete their application. The Committee approved (Bennett moved, Connelly seconded) a motion to recommend as not eligible the application for Community Lawyers, Inc.

An application summary for Dependency Advocacy Center was presented. There was discussion about the application. Preeti Mishra, Chief Operating Officer from Dependency Advocacy Center, requested the opportunity to respond to concerns about the application. The Committee requested an Eligibility Review Conference to provide Dependency Advocacy Center the opportunity to respond.

An application summary for Eviction Defense Collaborative was presented and there was a discussion. The Committee approved (Planthold moved, Connelly seconded) a motion to recommend as eligible the application for Eviction Defense Collaborative.

An application summary for HEART L.A. was presented. The Committee requested staff follow up with the applicant to clarify population served.

Staff reported that Open Door Legal and Women's Employment Rights Clinic, Golden Gate University School of Law withdrew their applications, and would likely reapply in 2020 for 2021 funding.

**B. Review and Discuss Programs with Late or Incorrect Audited/Reviewed Financial Statements**

**i. Approve Acceptance of Late Audit**

Elizabeth reported that Community Legal did not provide an audited or reviewed financial statement as required by the June 3, 2019 deadline. After discussion, the Committee approved (Planthold moved, Connelly seconded) the staff recommendation to not extend the deadline to accept a late audited or reviewed financial statement from Community Legal.

**ii. Incorrect Audited/Reviewed Financial Statements**

Elizabeth reported that four organizations provided reviewed financial statements instead of audited financial statements as required. Organizations with gross corporate expenditures above \$500,000 are required to submit an audited financial statement; programs with gross corporate expenditures below \$500,000 may submit a reviewed financial statement.

Two organizations, Center for Gender and Refugee Studies (CGRS) and San Luis Obispo Legal Aid Foundation (SLOLAF), are over the \$500,000 threshold due to in-kind/donated services. After discussion, the Committee approved (Planthold moved, Connelly seconded) the staff

recommendation to accept the reviewed financial statements from both Center for Gender and Refugee Studies and San Luis Obispo Legal Aid Foundation.

Elizabeth reported on Watsonville Law Center's explanation for submitting a reviewed financial statement. After discussion, the Committee approved (Planthold moved, Bennett seconded) the staff recommendation to accept the reviewed financial statement from Watsonville Law Center.

Elizabeth reported on Child Care Law Center's explanation for submitting a reviewed financial statement. After discussion, the Committee approved (Bennett moved, Snider seconded) the staff recommendation to accept the reviewed financial statement from Child Care Law Center.

Elizabeth requested and the Committee agreed to take Item **VI. E. Review and Discuss Other Eligibility Issues** out of order. Elizabeth presented on the issue of primary purpose and function as required by statute and State Bar Rule. There is a presumption that primary purpose is met if 75% or more of its expenditures for the most recent reporting year were incurred for the provision of free legal services to indigent people. Four applicants fall below the 75% marker, and are above 50%:

- Family Violence Law Center (62.17%)
- Impact Fund (74.3%)
- Legal Assistance for Seniors (66.68%)
- Veterans Legal Institute (57.32%)

After discussion, the Committee approved (Planthold moved, Connelly seconded) a motion to recommend Family Violence Law Center, Impact Fund, and Legal Assistance for Seniors as eligible for 2020 IOLTA/EAF funding.

Rocio reported on concerns related to internal control that were raised during review of Veteran's Legal Institute's application. She recommended and the Committee agreed that they should have an Eligibility Review Conference.

### **C. Review and Discuss Pro Bono Eligibility Questions**

Elizabeth provided background information on the pro bono allocation eligibility requirements, which includes a two-step qualification process. There are 21 applicants for the pro bono allocation for grant year 2020. There is one program, San Luis Obispo Legal Aid Foundation, that does not meet the first threshold requirement, and neither the Committee nor staff have discretion to waive the requirement. Because the threshold may be too high for small and rural

pro bono programs, staff recommends that the Rules Committee review the requirements during the codification process.

i. Approve Test C Pro Bono Applications

Four organizations, Casa Cornelia, Legal Aid of Sonoma County, Riverside Legal Aid, and Veterans Legal Institute applied for the pro bono allocation under Test C, which allows the organization to describe and explain how they qualify for the pro bono allocation.

After discussion, the Committee approved (Snider moved, Connelly seconded) a motion to recommend Casa Cornelia, Legal Aid of Sonoma County, and Riverside Legal Aid as eligible for 2020 pro bono allocation under Test C. Veterans Legal Institute's eligibility for a pro bono allocation under test C will be discussed in an Eligibility Review Conference.

**F. Discuss and Determine Which Programs Require Eligibility Review Conferences**

Staff reported that concerns were raised around governance, quality control, and fiscal issues following the monitoring visit to LACBA Counsel for Justice, and that the monitoring report would be issued next week. Staff recommended and the Committee agreed to hold an eligibility review conference with LACBA Counsel for Justice.

After discussion, the Committee determined that there would be Eligibility Review Conferences for the following organizations: Advancing Justice—Los Angeles, Center for Health Care Rights, Dependency Advocacy Center, LACBA Counsel for Justice, Public Advocates Inc., and Veterans Legal Institute.

There being no other business, the meeting was adjourned.