



The State Bar *of California*

IOLTA & EAF Application Instructions Legal Services Projects

The online application must be submitted on SmartSimple by 5:00pm on the application deadline. At that time, the funding opportunity will close and applications will no longer be able to be submitted online. Contact the State Bar's Office of Access & Inclusion if you believe there are extenuating circumstances to justify a late application. The decision whether or not to accept a late application is within the sole discretion of the Legal Services Trust Fund Commission (the Commission). It is the applicant's responsibility to ensure timely submission of the application and all applicable information and attachments. Applications are public records once submitted.

If the organization is applying for IOLTA funding for the first time, the applicant should thoroughly review Business & Professions Code (B&P) §6210 et. seq., State Bar of California Rules 3.660 – 3.692 (Rules) and the Legal Services Projects Eligibility Guidelines (Eligibility Guidelines) promulgated by the State Bar of California. Refer to the "Key Documents & Authorities" section on the SmartSimple homepage.

OVERVIEW

A completed application will include the following components:

- General – Update your Organization Profile
- Form I – Eligibility Criteria
- Form II – Description of Organization
- Form III – Staffing and Volunteers
- Form IV – Application for Pro Bono Allocation
- Form V – Quality Control Review
- Form VI – Sources of Funding
- Form VII – Total Corporate Expenditures
- Form VIII – Qualified Expenditures
- Form VIII-A – Expenditures by County
- Form IX – Certifications & Assurances

Fiscal and Calendar Year

Throughout the application, forms will require information from either the organization's fiscal year ending in the previous year (varies by organization), or the previous calendar year (Jan 1 – Dec 31). Each form in the application contains instructions specifying which year to reference (fiscal or calendar), however, a summary is provided below as a resource to applicants:

Fiscal – reference the organization's fiscal year ending in the previous calendar year:

- Form VII: Total Corporate Expenditures
- Form VIII: Qualified Expenditures
- Form VIII-A: Expenditures by County (**NEW**: refer to the organization's fiscal year for **the entire form**, not just the left column.)

Calendar – reference the previous calendar year (Jan 1 – Dec 31):

- Form II: Description of Organization
 - Form III: Staffing and Volunteers
 - Form IV: Application for Pro Bono
 - Form VI: Sources of Funding
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General Information

Organization Profile: Confirm the organization’s record is up to date. To access your Organization Profile, click on either the “Review Organization Profile” button to open it in a new page or the arrow to the right of your Organization name to open in a pop up window. Review the organization’s profile, make any necessary updates, and click Save. The “Executive Contact” should be the Executive Director (or Clinic Director for law schools). A direct phone number is needed for the Executive Contact (including an extension, if necessary). The Executive Contact is the person with authority to sign agreements with the State Bar. Please note that “Executive Contact” and “Primary Contact” are used interchangeably. Anyone designated as a “Secondary Contact” for an organization will receive the same email communications that are sent to the “Executive/Primary Contact”.

Eligibility Guidelines: Applicants should be familiar with all governing authorities, including the Legal Services Projects Eligibility Guidelines, prior to applying for a grant. If the applicant has not already done so, click on “Eligibility Guidelines.”

Form I – Eligibility Criteria

Identify the organization either as a new or previously funded applicant.

Applicants must meet the requirements of the statute, rules, and eligibility guidelines in order to qualify for funding. Select all categories that apply to indicate the basis upon which the applicant is seeking eligibility (B&P §6214; Eligibility Guidelines 2.1, 2.5, and 2.6). If the applicant is a law school, or a direct or indirect recipient of Legal Services Corporation or Older Americans Act funding, upload all requested documentation.

Form II – Description of Organization

Counties: Select the “Add Counties” button to enter the county(ies) for which the organization is seeking funding. Note that you will be required to enter expenditures for each county in Form VIII-A.

Description: Complete questions 1 – 4 by providing a comprehensive and concise description of the organization’s work in the previous calendar year. Currently funded organizations should not limit responses to activities funded by the State Bar.

Programmatic Activities: Select all the programmatic activities the organization engaged in during the previous calendar year in question 5. Do not include fundraising or administrative activities (Eligibility Guideline 2.3).

- A. Legal Activities:** If the organization is providing civil legal services free of charge to indigent persons in California in a manner not identified, check “Other Legal Services” and briefly describe these additional qualified activities in the field below.
- B. Other Activities:** These are activities other than the provision of civil legal services free of charge to indigent persons in California. Select all that apply and identify the funding source for this work. If the applicant engaged in other non-legal activities not identified, check “Other Non-Legal Services” and briefly describe these additional activities in the field below. Examples of non-civil legal services include job training, financial literacy, cash aid, and residential services.

New Applicants Only: Question 6 only applies to new applicants or returning applicants who are not currently funded by the State Bar. Report a summary of all impact litigation cases, including class actions, and advocacy activities the organization engaged in during the previous year. In addition, complete individual forms for each of the top 10 advocacy activities and top 15 impact litigation cases based on the highest number of staff hours spent in the previous year. If the organization engaged in less than 10 advocacy activities and less than 15 impact cases, complete individual forms for all of them. If the organization did not engage in any impact litigation or advocacy activities in the previous year, enter “0” in question A and B and skip to Form III.

- A.** Enter the total number of impact litigation cases, including as co-counsel, that the organization engaged in during the previous year (open and closed cases).
- B.** Enter the total number of policy advocacy activities the organization engaged in during the previous year (completed and ongoing activities).
- C.** If the amount reported in question A exceeds 15 and/or if the amount reported in question B exceeds 10, provide a comprehensive yet concise description of the nature of the cases/activities in question C.

Based on the highest number of staff hours spent in the previous year, complete individual forms for each of the top 10 advocacy activities and top 15 impact litigation cases, including as co-counsel. Include open and closed cases, and completed and ongoing advocacy activities. Activities are to be based on the highest number of staff hours only, and not by other factors such as funding source or constituencies served. Select the “Create Advocacy Activity Form” button and the “Create Impact Litigation Case Form” button to complete individual forms.

Form III – Staffing and Volunteers

Select the “Open” button and complete the staffing table with information as of December 31 of the previous calendar year. Round to the nearest two decimals for full-time equivalent (FTE) assignments entered in the table and in any narratives. Answer questions 1 – 4. For reference:

- Full-Time Staff refers to individuals who were employed on a continuous full-time basis; i.e., the standard workweek. Indicate the number of full-time employees in each category in the Full-Time Staff column.

- Part-Time Staff refers to individuals who were employed less than full-time. Indicate the number of part-time employees in each category. Then, in the next column, report the number of full-time positions represented by these part-time employees. For example, four half-time employees are equivalent to two full-time positions (2.00 FTE).
- Temporary Staff refers to individuals who were employed for a specific period, or intermittently, as their services were required. Indicate the number of temporary employees in each category and the number of hours worked by those persons.
- Volunteers refers to individuals who donated time and services. Indicate the number of volunteers who actually contributed services and the number of hours contributed for each category of volunteer. Complete the Volunteer columns regardless of whether the applicant seeks the additional pro bono allocation. If there is no reportable information, report 0. These are required fields.
- Professional Services include licensed or trained professionals who are not lawyers; e.g., counselors, doctors, social workers, policy analysts, etc.

Form IV – Pro Bono Allocation

If the applicant does not seek the additional allocation reserved for organizations that demonstrate they use volunteer services of private lawyers as their principal means of delivering legal services, select “No” and skip to Form V (B&P §6214(b)(3)(A), B&P §6216(b)(1)(B) and Eligibility Guidelines 2.6.3 and 2.9).

To qualify for the pro bono allocation in the county(ies) in which the organization provides services, the organization must meet both these requirements 1) coordinate the recruitment of substantial numbers of attorneys in private practice to provide free legal representation to indigent persons or to qualified organizations as its principal means of delivering legal services; and (2) demonstrate that its principal means of delivering legal services is “the recruitment of attorneys in private practice to provide free legal representation to indigent persons or to qualified legal services projects in California.” The Commission has defined two ways to demonstrate compliance with this requirement and has left open the possibility that applicants can establish their eligibility by alternative means (Eligibility Guideline 2.9.2).

Applicants seeking the additional pro bono allocation must be able to answer “yes” in Question 1, indicating the organization annually recruits at least 30 attorneys, OR recruits at least five percent of the licensed attorneys in the county served, OR receives at least 1,000 hours of donated legal services from volunteer attorneys. Complete the Pro Bono Eligibility chart in question 1 for each county in which the additional pro bono allocation is sought. The chart will show a list of county(ies) the applicant serves based on its responses in Form II. If the applicant provides services in a county but does not principally through the recruitment of substantial numbers of attorneys in private practice and is not seeking a pro bono allocation for that county, leave the table blank.

For each county, answer the question at the top of the form, and indicate the number of paid staff and volunteers, and the total legal services hours provided to indigent persons for each personnel category during the previous calendar year.

Legal Services Hours: List only the hours spent providing legal services. Legal services include all professional services provided by a member of the State Bar, and similar or complementary services of a law student or paralegal under the supervision and control of a member of the State Bar in accordance with law (State Bar Rule 3.672). These include, but are not limited to, the following activities:

- Work with and for individual clients, including interviews, group clinics, research, document preparation, and advocacy, or similar or related work for organizational or group clients
- Legislative, administrative, and other policy advocacy
- Community legal education, including research, writing, preparation, and presentations
- Editing, writing, and updating substantive legal manuals, self-help materials for clients, and materials for policy advocacy
- Legal training, including preparation and training time for both presenters and trainees
- Supervising the legal work of staff and volunteers (including time spent both by the supervisor and by the person being supervised), and directing and managing litigation or other legal projects, which includes group meetings as well as individual meetings and document review

For the purpose of this form, “legal services” do not include the following activities:

- Management and administration of the non-legal activities of the organization (e.g., fundraising, grant management, financial management)
- Administrative coordination of volunteers, including recruitment, scheduling, and recognition
- Recruitment, hiring, and personnel management of staff
- Leave time, including vacation, holidays, and sick leave
- Travel time

Complete additional requested fields regarding pro bono activity as appropriate.

Form V – Quality Control Review

Complete the requested fields for Questions 1-4. If applicable, upload requested documentation.

Form VI – Sources of Funding

Select the “Open” button to complete the Sources of Funding Worksheet. Itemize all sources and amounts of cash funding for the previous calendar year. Do not include in-kind donations or any State Bar funds in this section. The Sources of Funding table provides lines to enter the largest three sources of funding per category only. After identifying the largest three sources, state the remaining combined total of all other funding sources within each category in the relevant “Other” line.

Form VII – Total Corporate Expenditures

Qualified expenditures will be calculated based on the organization’s most recent audited or reviewed financial statement ended in the previous year. For example, the organization’s application for a 2020 grant will be based on its audited or reviewed financial statement that ended in 2018, regardless of whether the audit period is July 1, 2017 to June 30, 2018, or January 1, 2018 to December 31, 2018.

Confirm the organization's fiscal year end is correct. If the fiscal year end date is incorrect, edit the date in the Organization Profile. Upload a complete copy of the organization's audited or reviewed financial statement for the fiscal year ending in the previous year. It is also the obligation of the applicant to upload to the applicant's Organization Profile a copy of the most recent audited or reviewed financial statement **as soon as available, and no later than May 1 (NEW)**.

Select the "Open" button to complete the Total Corporate Expenditures Worksheet. Referencing the uploaded audit or reviewed financial statement, report the organization's total corporate expenditures for the previous fiscal year. This information is necessary to assist in the determination of whether the organization's primary purpose and function is the provision of free civil legal services to indigent persons (Rule 3.671), and to calculate the amount of the organization's award allocation. Identify in-kind donations and unrealized losses in the top section of the table. Identify pass-through funds in the next section. Lastly, identify cash expenditures for personnel and non-personnel. The total Non-Cash, Pass-through, Personnel, and Non-Personnel expenditures should generally reconcile to the organization's uploaded audited financials.

If the applicant is a law school program (B&P §6213(a)(2)), the applicant may indicate the total expenditures for the applicant's identifiable law school unit with a primary purpose and function of providing legal services without charge to indigent persons. This information must correspond to the law school's uploaded audited financial statement, or a separate schedule on the law school's audited financial statement that specifically reports on the program's activities, income, and expense.

Note: Non-Cash expenses refer to accounting entries rather than actual movement of cash. Depreciation is not included in the Non-Cash section, as it is a method of capturing the cost of capital assets, which are an actual cost, over time.

Non-Cash Expenditures:

- In-kind Donations and Donated Services: Include expenditures reflecting pro bono and other in-kind services.
- Unrealized Losses: Unrealized losses, those on paper only, should be included here.
- Other: Any non-cash expenditures not identified above.
- Total Non-Cash Items: Automatically calculates the total of the amounts entered in the lines under Non-Cash Expenditures.

Pass-through/Fiscal Sponsorship: This section has been created in response to concerns that pass-through funds should be considered outside of the primary purpose calculation. In this section, identify funds that are passed through from the applicant to another organization, for which the applicant has no involvement, oversight, or engagement in the execution of the funded work (e.g. program simply cuts a check to another organization but is not involved in decision-making and does not have oversight responsibilities, or involvement is limited to selecting a sub-grantee but program does not participate in decision-making or oversight beyond that). The Commission will make a determination whether what is reported conforms to statutory and State Bar requirements, and may seek additional information from the applicant to make a final determination.

Personnel and Non-Personnel:

- Lawyers: Salaries and wages paid to staff attorney(s), whether full-time, part-time, or temporary.
- Paralegals: Salaries and wages paid to program paralegal(s), whether full-time, part-time, or temporary, and wages paid to any law students who provided legal services under the supervision and control of an attorney.
- Other Staff: Salaries and wages paid to all other staff, whether program, administrative, or clerical, and whether full-time, part-time, or temporary.
- Subtotal: Automatically calculates the total of the amounts entered under Lawyers, Paralegals, and Other Staff.
- Employee Benefits: Fringe benefits paid on behalf of employees, such as retirement, FICA, health and life insurance, workers' compensation, unemployment insurance, and other payroll-related costs.
- Total Personnel: Automatically calculates the total of the amounts under Subtotal and Employee Benefits.
- Space: Expenditures on rent, mortgage payments, utility payments, and maintenance or janitorial expenses for all property owned or leased by the organization for any purpose.
- Equipment Rental and Maintenance: Lease or rental expenses for office furniture, fixtures, and equipment, and maintenance costs for that equipment whether pursuant to a service contract or individual repair bills.
- Office Supplies and Small Equipment: Basic office supplies, including materials used in copiers and printers, and small equipment purchases. Do not include any equipment listed on the schedule of depreciation.
- Printing and Postage: Outside printing, postage, and other mailing and delivery services.
- Telecommunications: Local, long distance, or cellular telephone service expenses, similar or related expenses for conference calls, videoconferencing, or other telecommunication services, and expenses for rental of telecommunications equipment, and any other related telecommunications expenses.
- Technology: Expenses related to computer software purchases, subscriptions and updates, Internet service, website hosting, online data management, and electronic research services (e.g., Lexis-Nexis, Westlaw).
- Program Travel: Travel expenses directly related to specific client matters or projects, community outreach, or trainings for the public, other organizations, or clients.

- Training: All non-personnel costs associated with the training or continuing education for staff members or volunteers, e.g., travel to and from training events, per diem, conference registration fees or tuition, purchase of training materials, and accommodations. Do not include expenses associated with training that you provide to the public, or to other organizations or clients.
- Library: Expenses for the maintenance and expansion of office libraries, including subscriptions to periodicals, books, and update services.
- Insurance: Professional liability insurance, bonding, property insurance (fire and theft), and liability insurance for property and automobiles.
- Audit: Costs related to the independent fiscal review or audit of the organization's financial statements.
- Litigation: Court costs, witness fees, expert witness expenses, photocopying fees, and other expenses incurred in litigation on behalf of eligible clients.
- Depreciation: Depreciation expense on furniture, equipment, or other purchases over \$1,000 per item. Itemize the capital expenditures that are included in depreciation on the organization's financial statement in the space provided. While the full list should appear in the organization's financial statement, you may use broad categories (e.g. equipment, building, furniture and fixtures, lease, etc.) to itemize expenditures in the space provided.
- Contract Service to Clients: Payments to private attorneys, consultants, or organizations to provide professional services to clients. Itemize all contracts, including those to other legal services programs or supports, identifying the provider, the nature of the service, and the contract amount in the space provided.
- Contract Service to Program: Contract services supporting general office operations, rather than legal program expenses, i.e., expenses for legal counsel for the organization, consultant fees for staff training, IT services, bookkeeping, and other accounting services. Itemize all contracts, identifying the provider, the nature of the services, and the contract amount in the space provided.
- Other: Include all expenses not included above. Itemize any large or unique expenses and state the nature and amount of the expenditure in the space provided.
- Total Non-Personnel: Automatically calculates the total of the amounts entered in the lines under Non-Personnel.
- Total Expenditures: Automatically calculates the total of Total Non-Cash, Total Personnel, and Total Non-Personnel expenses.
- Total Qualified Corporate Expenditures: Automatically calculates the total of Personnel and Non-Personnel Expenditures. This number will pre-populate in the next section for Qualified Expenditures.

If your organization's total corporate expenditures reported in this worksheet do not align with your organization's uploaded audit, please explain the variance in Question 3.

Form VIII – Qualified Expenditures

This form segregates expenditures for the provision of free civil legal services to indigent persons in California from expenditures for all other activities. This information will be used to determine whether an applicant has met the primary purpose requirement (B&P 6213(a)) and to calculate the appropriate grant allocation. B&P §6216 provides the method of allocation of funds between qualified programs based on civil legal services provided without charge to indigent persons.

Enter amounts based on the organization's fiscal year. Amounts should match those of the organization's uploaded audit or financial statement. If the answer is "yes" to any of the questions below, enter the amount, an explanation of the activity, and how the corresponding amount was calculated. If your answer is no, you may enter "0" and leave the explanation blank. Do not include pass-through or fiscal sponsor funds that were listed in Form VII.

Select the "Open" button to complete the Qualified Expenditures Worksheet.

1. Total Corporate Expenditures: The amount of total corporate expenditures from the previous fiscal year, as calculated on Form VII, will automatically carry-over to the top line of this form.

Confirm that the responses to question 2 to 9 correspond to responses on Form II. Careful attention to this form will avoid the need for unnecessary follow up by State Bar staff.

2. Non-Legal Activities: Non-legal programmatic activities, i.e., job training, financial literacy, cash aid, intake line that provides non-legal service or advice.
3. Leased or Subleased Space: If the organization leased space to (sub)tenants, enter the actual expenses for the space that is leased to the (sub)tenant and related administrative costs. Explain how this sum was calculated and what it includes (e.g. if rent was prorated based on number of people using the space).
4. Property Management Activities: If the organization owns or manages property and a portion of the property is leased or rented, list all expenses incurred related to the cost of the property including management and maintenance of the leased or rented portion. Explain how this sum was calculated and what it includes.
5. Criminal Matters: Expenses incurred to provide legal services in criminal matters.
6. Fee-Generating Cases: Expenses incurred to provide any legal services for which you charged a fee, other than requiring payments for costs and expenses, or a processing fee of \$20 or less. Do not include the amount charged in fees (Eligibility Guideline 2.3.2).
7. Non-Indigent Clients: Expenses incurred to provide free civil legal services to persons who were not indigent, as defined in B&P §6213(d), or to organizations that do not primarily serve or provide benefits to the indigent, as explained in Eligibility Guideline 2.3.3.

8. Outside California: Expenses incurred to provide legal services outside of California.
9. Other: Any other expenses incurred that did not contribute to the provision of civil legal services to indigent people and were not already listed above.
10. Total Non-qualified Expenditures: Automatically calculates the total of the amounts entered in Questions 2 through 9.
11. Subtotal of Qualified Expenditures for Free Civil Legal Services to Indigent Persons: Automatically calculates the total of the amount in Question 1 minus the amount in Question 10.
 - A. **Current State Bar Grantees Only – Impact Litigation & Advocacy Work (ILAW)**: Select the “Reference Non-Qualifying ILAW Cases/Activities” button to see a list of cases/activities the organization reported in the ILAW report for the previous year that were found to be non-qualifying. Include appropriate deductions for expenses related to these non-qualifying activities in question 1 to 9.
12. Percent of Qualified Expenditures for Free Civil Legal Services to Indigent Persons: Click the “Save & Finish Later” button to automatically calculate amount (question 11 divided by question 1). Applicants must establish that their primary purpose and function is the delivery of free civil legal services to indigent persons in California. If expenditures for this purpose do not represent 75 percent or more of total corporate expenditures, the applicant must provide additional information in 12A explaining how they meet the primary purpose requirement (B&P sec 6213(a), State Bar Rule 3.671; Guidelines for Legal Services Projects 2.3.5).
13. Exchanged Funds: Not including funding from IOLTA, EAF, or a Sargent Shriver grant which are reported separately below, if the applicant paid money to, or received money from, another legal services project (LSP), both programs must disclose this fact and the amount of any such payment(s) in their applications. Expenditures will be attributed to the program receiving the funds unless a contrary agreement has been made between the two applicants. If such an agreement has been made, both the contributing and receiving programs must upload a copy of that agreement in 13c.
 - A. Report monies paid to another LSP applicant.
 - B. Report monies received from another LSP applicant.

In the appropriate sections, enter Bank Grant, Partnership Grant, non-State Bar, and non-Shriver monies that were paid to an LSP or received from an LSP. Indicate which organization will be credited with the funds towards its qualified expenditures. DO NOT include any IOLTA, EAF, or Shriver exchanges funds as those are deducted separately.

- C. Upload all agreements pertaining to the funds exchanged with another legal services project applicant in question 13c reflecting the contract period, amount, and how the exchanged funds will be claimed by each organization.

- a. Explain any difference between the amounts listed in 13a and 13b, and the corresponding agreements uploaded in 13c.
- D. Exchanged Funds: Automatically calculates the total non-IOLTA, non-EAF, non-Shriver fund monies paid to another LSP applicant and received from another LSP applicant that is credited to the partner LSP applicant. Expenditures will be attributed to the program receiving the funds unless the uploaded agreements state otherwise.
- E. Shriver Funds: If you receive funding for a grant (or subgrant/subcontract) for a pilot project pursuant to the Sargent Shriver Civil Counsel Act of 2009 (California Business and Professions Code §68650 et seq.), enter the amount received.
- F. Subtotal: Automatically calculates the total qualified expenditures for free civil legal services to indigent persons in Question 11 minus Questions 14 and 15.

Current State Bar Grantees: Enter all IOLTA and EAF expenditures for the organization's previous fiscal year (NEW) in 17a and 17b. This should include any carry-over amounts. Select the "Reported IOLTA and EAF Expenses" button to reference expenditures as reported by the organization in the previous year's quarterly reports.

New Applicants: Enter "0" in 17a and 17b if you are applying as a new applicant.

- 17a. Enter all IOLTA expenditures (net of capital additions) for the organization's fiscal year. This should include any IOLTA carry-over also spent in that year (NEW).
- 17b. Enter all EAF expenditures (net of capital additions) for the organization's fiscal year. This should include any EAF carry-over also spent in that year (NEW).
- 17c. Auto-calculates total IOLTA and EAF expenditures for the organization's fiscal year, net of capital additions.
- 18. Auto-calculates the grand total qualified expenditures for free civil legal services to indigent persons in California (amount will also appear in top left corner of Form VIII-A).
- 19. Upload any additional expenditure documents to supplement the information provided.

Form VIII-A – Expenditures by County

The amount at the top of the form is pulled in from question 18 in Form VIII. In most cases, this amount should equal the "Qualified Expenditures" total column in the bottom right corner of the Expenditures by County table that appears in Form VIII-A.

Basis for Allocation to Each County: Explain the basis for the calculation of the by-county expenditures in question 1. The following are some of the bases for allocation of expenses among counties served that the Commission has found in past years to be reasonable under appropriate circumstances: numbers of cases handled in each county; actual or estimated hours of service provided to clients in each county;

actual expense of providing services to clients in each county, including both personnel and non-personnel expenses.

In certain circumstances, it may be necessary to use a combination of these or other bases to arrive at an allocation methodology that is reasonably related to the actual expenditure of funds. If more than one basis for the calculation is used, describe each basis and list separately the amounts allocated on that basis.

New or Discontinued Counties: In question 2, provide an explanation if the applicant is seeking IOLTA and EAF funds to serve any counties that differ from the counties for which applicant is currently receiving IOLTA and EAF funds. If applicant is requesting an allocation for any new county, or if applicant is not requesting continued funding for any county for which it currently receives an allocation, provide brief explanations regarding the circumstances including:

- If applying to serve any new county(ies), include name of county(ies), nature of work, start and end date(s), anticipated budget to serve new county(ies), and any other relevant information.
- If service has been (or will be) discontinued in counties for which applicant received IOLTA and EAF funding, include name of county(ies) and explanation of discontinued service.

Enter N/A if not applicable or if you are a new applicant.

Out of County Work: If the applicant works or has cases in any counties other than those detailed in the questions above, include the name of county(ies), nature of work, start and/or end date(s), approximate county expenditures, and any other relevant information in question 3.

Counties Served: Complete the tables for each county in which the applicant provides free legal services in civil matters to indigent persons and for which the applicant seeks an allocated share of funding. Even if you only serve one county, you must complete the information for that county here. Funds allocated to a county must be spent in that county. Contact the State Bar's Office of Access & Inclusion to discuss if the applicant identifies funds for a county they have not been funded for previously, or for which expenditures in that county are temporal.

If the county(ies) listed are incorrect, update Form II with the appropriate county(ies) and select "Save and Finish Later" to refresh the information in Form VIII-A.

Current State Bar grantees: Select the "View" button next to "Previous Fiscal Year Quarterly Reports" to view Quarterly Expenditures, as reported by the organization. **NEW:** note that the entire Expenditures by County table(s) should match the organization's fiscal year.

If your organization has a Jan 1 – Dec 31 fiscal year, your IOLTA and EAF expenditures should match the Quarterly Report submissions for the previous year, including any carry over spent in that year.

NEW: If your organization's fiscal year is not Jan 1 – Dec 31 or July 1 – June 30, use the Quarterly Report information to calculate your IOLTA and EAF by county expenditures for your fiscal year. Total the amounts from the relevant quarters (or pro-rata quarters) that fall within your fiscal year ending in the previous year for each county. For example, if your fiscal year is February 1 to January 31, include 2/3 of the total Q1 amount and the total Q2, Q3, Q4 amounts for 2017, plus 1/3 of Q1 for 2018. The same

formula would apply to any Q5 or Q6 reports that fall within your fiscal year. Contact your State Bar staff contact if you have any questions.

In most cases, the total amount of the “Qualified Expenditures” column (bottom right field of Expenditures by County table) should equal the amount that appears at the top of this form.

Expenditures by County table:

- County Expenditures: Indicate the total amount spent to provide free civil legal services to indigent persons in California in the selected county per the organization’s previous fiscal year. Amounts should match the uploaded audited financials.
- IOLTA Expenditures: Enter the amount of IOLTA grant expenditures incurred in the selected county during the organization’s previous fiscal year. Note: for organization’s whose fiscal year is not Jan 1 to Dec 31, you no longer have to adapt your expenditures to the calendar year. Use the reference button to view the quarterly reports that fall within your fiscal year. See above for details. If the organization had carry-over funds from the grant two years prior, those expenditures must also be incorporated in the by county table(s) in accordance with your fiscal year.
- EAF Expenditures: Enter the amount of EAF grant expenditures incurred in the selected county during the organization’s previous fiscal year. Note: for organization’s whose fiscal year is not Jan 1 to Dec 31, you no longer have to adapt your expenditures to the calendar year. Use the reference button to view the quarterly reports that fall within your fiscal year. See above for details. If the organization had carry-over funds from the grant two years prior, those expenditures must also be incorporated in the by county table(s) in accordance with your fiscal year.
- Qualified Expenditures: Automatically calculates the total expenditures minus IOLTA and EAF expenditures incurred in the selected county. This amount will be used to determine the grant award for the selected county. Any negative numbers will be calculated as zero to avoid a negative allocation.

In most cases the total amount of the Qualified Expenditures (bottom right column of the Expenditures by County table) will match the amount calculated in Form VIII Question 18 that also appears at the top of Form VIII-A.

Form IX. Certifications & Assurances

Carefully read the certifications and assurances, and also ensure the board’s authorized representative does so. Signing this form certifies that the organization has updated its information on the statewide legal services directory (LAACDirectory.org), LawHelpCA.org, and if applicable, on SmartSimple for use in the Pro Bono Directory hosted on the State Bar website.

This form must be signed by the Executive Director, or the organization’s equivalent leadership position, and by the Board Chair. If the Board Chair is not available, another officer authorized to bind the organization may sign the document. Upload the signed copy to the application.

2020 IOLTA/EAF Pass-Through Funds

Organization	2020 Pass-Through Funds
Advancing Justice - Asian Law Caucus	\$0
Advancing Justice-Los Angeles	\$11,803
Affordable Housing Advocates	\$0
Aids Legal Referral Panel	\$0
Alameda County Homeless Action Center	\$0
Alliance for Children's Rights	\$0
Asian Pacific Islander Legal Outreach	\$0
Bay Area Legal Aid	\$0
Bet Tzedek Legal Services	\$0
California Advocates for Nursing Home Reform	\$0
California Indian Legal Services	\$0
California Rural Legal Assistance Foundation	\$74,450
California Rural Legal Assistance, Inc.	\$0
California Women's Law Center	\$0
Casa Cornelia Law Center	\$0
Center for Gender and Refugee Studies - California	\$0
Center for Health Care Rights	\$0
Center for Human Rights and Constitutional Law	\$0
Central California Legal Services	\$0
Centro Legal de la Raza	\$0
Chapman University Family Protection Clinic	\$0
Child Care Law Center	\$0
Coalition of California Welfare Rights Organizations	\$0
Community Lawyers Inc.	\$0
Community Legal	\$0
Community Legal Aid SoCal	\$0
Community Legal Services in East Palo Alto	\$0
Contra Costa Senior Legal Services	\$0
Dependency Advocacy Center	\$117,159
Disability Rights California	\$0
Disability Rights Education and Defense Fund	\$0
Disability Rights Legal Center	\$0
East Bay Community Law Center	\$0
Elder Law & Advocacy	\$0
Eviction Defense Collaborative	\$0
Family Legal Assistance at CHOC Children's	\$0
Family Violence Appellate Project	\$0
Family Violence Law Center	\$569,050
Greater Bakersfield Legal Assistance	\$0
Harriett Buhai Center for Family Law	\$0
HEART L.A.	\$0
Housing and Economic Rights Advocates	\$0
IELLA Legal Aid Project	\$0
Immigrant Legal Resource Center	\$10,016,975

Organization	2020 Pass-Through Funds
Impact Fund	\$0
Inland Counties Legal Services	\$0
Inner City Law Center	\$0
Justice & Diversity Center of the Bar Association of San Francisco	\$0
Justice in Aging	\$14,409
La Raza Centro Legal	\$0
LACBA Counsel for Justice	\$0
Law Foundation of Silicon Valley	\$364,673
Lawyers' Committee for Civil Rights	\$0
Learning Rights Law Center	\$0
Legal Access Alameda	\$0
Legal Aid at Work	\$0
Legal Aid Foundation of Los Angeles	\$0
Legal Aid Foundation of Santa Barbara County	\$51,500
Legal Aid of Marin	\$53,563
Legal Aid of Sonoma County	\$56,727
Legal Aid Society of San Bernardino	\$0
Legal Aid Society of San Diego	\$0
Legal Aid Society of San Mateo County	\$0
Legal Assistance for Seniors	\$0
Legal Assistance to the Elderly	\$0
Legal Services for Children	\$0
Legal Services for Prisoners with Children	\$0
Legal Services for Seniors	\$0
Legal Services of Northern California	\$0
Los Angeles Center for Law and Justice	\$0
McGeorge Community Legal Services	\$0
Mental Health Advocacy Services	\$0
National Center for Youth Law	\$629,031
National Health Law Program	\$0
National Housing Law Project	\$0
National Immigration Law Center	\$0
Neighborhood Legal Services	\$0
New American Legal Clinic	\$0
OneJustice	\$0
Prison Law Office	\$114,655
Public Advocates Inc.	\$0
Public Counsel	\$0
Public Interest Law Project	\$0
Public Law Center	\$0
Riverside Legal Aid	\$0
San Diego Volunteer Lawyer Program	\$0
San Luis Obispo Legal Assistance Foundation	\$0
Santa Clara County Asian Law Alliance	\$31,912

Organization	2020 Pass-Through Funds
Santa Clara University Alexander Law Center	\$762,863
Senior Adults Legal Assistance	\$0
Senior Advocacy Network	\$0
Senior Citizens Legal Services	\$0
UC Davis School of Law Legal Clinics	\$0
USD School of Law Legal Clinics	\$0
Veterans Legal Institute	\$0
Voluntary Legal Services Program of Northern California	\$0
Wage Justice Center	\$0
Watsonville Law Center	\$0
Western Center on Law and Poverty	\$0
Worksafe, Inc.	\$107,523
Youth Law Center	\$142,399
Yuba-Sutter Legal Center for Seniors	\$0

2020 Percentage of Qualified Expenditures

Organization	Funding Opportunity	Commission Decision	Percent of Qualified Expenditures	A. Less than 75% Explanation
Center for Health Care Rights	LSP	Not Eligible	21.78	<p>We have included in our calculations the costs of services provided to indigent clients of RADCo who were also receiving legal assistance from EDC. RADCo assistance was key to defending against the unlawful detainer. We have also included costs for the advocacy provided to shelter clients who are being evicted from shelters.</p> <p>As stated in previous sections, EDC has not tracked client income by federal poverty level standards; HUD’s income scales have been used to determine whether a client is indigent. It is important to note that 15% of AMI income level is less than 125% of the Federal Poverty Level (FPL). In fact, as family sizes grow the differential between 15% of AMI and the 125% of FLP grows significantly.</p> <p>Moreover, as previously stated, EDC has not been tracking all services in one CRM, nor have there been consistent tracking protocols across all programs. There are many instances in which the individual qualifying for the RADCo loan/grant is not the same individual who is listed as head of household in our legal services program. In other words, we believe the percentage of IOLTA qualifying clients who have received both legal services and RADCo assistance is greater than 60%.</p> <p>For the reasons stated above we believe the percentage of EDC clients whose income is at or below 125% of FLP is highly likely closer to 75%. However, rather than apply those assumptions, the expenditure calculation included in this application is based on the finding that over 60% of clients receiving legal services from EDC were indigent. In other words, EDC estimates having discounted approximately \$309,000 (if not more) in expenditures as "non qualifying" that we believe were indeed qualifying expenditures.</p> <p>EDC is focused on homelessness prevention by ensuring that all tenants do not lose eviction cases by failing to meet the deadlines imposed by complicated and fast tracked legal proceedings. Because of EDC’s new role as the Lead Agency for San Francisco’s Tenant Right to Counsel it is imperative that we keep our doors open to all tenants, however we have noticed a trend that our indigent client population is increasing.</p>
Eviction Defense Collaborative	LSP	Eligible	50.77	
Veterans Legal Institute	LSP	Not Eligible	57.32	<p>Please note: Previously, a Think Tank was developed under VLI and grew to where it had to split off into its own organization. \$140,000 in funds were distributed to that new organization as a one time basis. The payments were made in two equal installments in December 2018 and June 2019. In consultation with accountant, this total cost of \$140,000 was amortized over 20 years (\$7,000 each year), and the 2018 audit was adjusted accordingly and uploaded.</p> <p>As well, the \$2,300 paid to Patriots and Paws was a one time payment required by the host of a mutual fundraiser in order for VLI to participate as a beneficiary.</p> <p>Since its founding in 2014, Veterans Legal Institute’s mission, by laws, financial guidelines, and case acceptance policies are to provide free legal services to homeless, disabled, low-income, and at-risk current and former US service members. In order to reach the indigent population within the military community, VLI expends on office, website, and maintaining relationships and clinic dates at six off-site veteran hotspots. VLI has always operated from a position of having more volunteer attorneys, paralegals, law students than paid staff. Last year, VLI qualified for the pro bono allocation for 2019.</p> <p>VLI’s outreach through innovative and strategic clinics began early in its founding with the medical-legal partnership at the Veterans Administration Hospital in Long Beach. This monthly clinic generally sees 30-40 medically frail veterans. Since founding, the clinic locations have expanded to include the North County Vet Center in Garden Grove, CA; the Starbucks Coffee house in Santa Ana; Saddleback College (home to over 1200 combat veteran students) in Mission Viejo; the City of Mission Viejo; and the Orange County Veterans Service Office in Santa Ana. In 2019/2020, VLI expects to expand into the Inland Empire by duplicating it’s model at the Riverside and San Bernardino County Veterans Service Offices where veterans are disproportionately affected by extremely low income levels and high unemployment. VLI continues to stage family law, estate planning, bankruptcy, and veterans benefits clinics in house that bring together professionals from all industries to ensure the indigent veteran population receives access to justice.</p> <p>At least 75% of VLI’s overall client population can be identified as being 75% or less of the maximum levels of income for lower income households in Orange and Los Angeles Counties were VLI primarily operates. These numbers were not counted in the indigent calculations in this application. As VLI becomes more well known in the veteran community and with collaborating organizations, it is attracting more inquires and applications.</p> <p>In trying to prevent veteran homelessness, VLI pays particular attention to those at-risk veterans and military families who are on the borderline of low-income who live paycheck to paycheck when they present with pressing legal issues which if unmet could result in becoming homeless or indigent.</p>
Family Violence Law Center	LSP	Eligible	62.17	<p>FVLC tracks expenditures in three different program areas: Legal Services, Family Violence Intervention Unit, and Youth Services. FVLC also tracks expenditures related to Management & General and Fundraising activities on an ongoing basis.</p> <p>We calculated qualified expenditures using the following methods:</p> <p>Unqualified expenditures in Legal Services include \$74,122 in subcontractor expenses for fiscal year 2017-18 to Bay Area Women Against Rape and the Alameda County Family Justice Center, under the federal LAV grant, and to our CalWORKS Domestic Violence Collaborative subcontractors. We received funding for legal services under the CalWORKS Domestic Violence Collaborative and are the lead agency, so the grant falls in our legal department budget but the subcontractors primarily are shelter providers. We also included lobbying expenses and the 22% of our legal clients who are not income qualified.</p> <p>The Family Violence Intervention Unit (FVIU) includes four crisis intervention specialists, two case management specialists and two managers who review police reports and provide case management support to victims identified in the reports. Upon advice from State Bar staff, we took the percentage of client time FVIU spent with legal clients, averaged FVIU staff percentages, and applied the averaged percentage to FVIU expenses. 88% of their time is spent directly supporting clients with active legal cases or serving the agency’s legal intake function, which includes providing legal information and legal assessment to clients.</p> <p>FVLC also employs a part-time therapist who provides ongoing counseling and support to clients and their children. Both FVLC attorneys and therapists have seen improved legal outcomes among clients receiving therapy. The emotional support received has increased clients’ abilities to follow through with the legal process during the difficult period of separation and legal proceedings. Approximately 58% of the therapeutic hours were spent directly supporting clients with active legal cases.</p> <p>Youth Services provides youth leadership development to high school aged youth. Approximately 5% of Youth Services staff time is spent providing legal information to youth, who have questions about restraining orders and general questions about their legal rights. Youth Services staff uses FVLC attorneys as resources for legal information and supports legal staff when a legal client is a minor.</p> <p>FVLC’s primary purpose continues to be providing access to comprehensive legal services that will help domestic violence survivors achieve long-term safety and self-sufficiency. Although our qualified expenditures in FY 2017-18 are under the 75% presumption, we believe that we are a qualified provider for the Legal Services Trust Fund IOLTA Program for the following reasons:</p> <p>Legal Services are Essential to FVLC’s Mission: FVLC was founded in 1978 as a legal service agency serving victims of domestic violence, and our core program continues to be the delivery of legal services. We are the only domestic violence agency in Alameda County that provides free representation in civil legal proceedings.</p> <p><u>We have an attorney at our helm and 90% of our Board of Directors are attorneys.</u></p> <p>FVLC’s Legal Services are a critical service at the ACFJC and throughout Alameda County: Since the establishment of the Alameda County Family Justice Center (ACFJC) in August 2005, FVLC has been the primary onsite provider of free civil legal services to clients seeking assistance with domestic violence restraining orders. FVLC staff responds to drop-in clients who request legal assistance. In Alameda County, only two legal services agencies staff attorneys who provide family law representation – Bay Area Legal Aid and FVLC. Together we are able to cover only a fraction of the need, but we are in close communication so we can coordinate our limited resources to provide the best possible legal assistance to domestic violence survivors most at risk.</p> <p>FVLC’s Legal Services Provision Continues to Expand: We currently have six full time staff attorneys, in addition to a managing attorney, and our Executive Director is an attorney. Our staff attorneys, with the continued support of volunteer attorneys, have continued our weekly legal clinics in Oakland and Hayward to serve southern Alameda County. With funding from the Office of Violence Against Women’s Legal Assistance for Victims Grant Program (LAV) and now also funding from California Office of Emergency Services, we have been able to provide some limited family law assistance beyond or independent from restraining orders. The LAV grant focuses on serving sexual assault victims, including people who experience sexual assault as part of an intimate partner relationship. Both grants also allow us to partner significantly with Centro Legal de la Raza, who receives close to half of each grant as a subgrantee; together we have developed screening tools that allow us to identify the comprehensive legal needs of domestic violence and sexual assault victims. We also now have a three year grant, starting in January 2018, from the State Bar bank grant program to work on housing and gender justice issues. And in January 2019 we began receiving a Housing First grant, administered by CalOES, to provide legal and case management services for survivors with housing issues.</p> <p>FVLC Continues to Fundraise for Legal Services: FVLC is continuing our commitment to raising funds to support our legal services work. We apply for government and foundation funding when opportunities arise and we continue to seek out new opportunities, building on existing relationships with funders. However, government and foundation resources continue to be limited. With the addition of more lawyers on our Board of Directors (currently 9 of our 10 directors are lawyers) we have increased the number of law firm donations we receive and we are building our base of individual donors.</p> <p>FVLC regularly promotes and participates in coordinated public and private efforts within the local community to aid crime victims. FVLC is a regular participant at the Alameda County Domestic Family Violence Council, which links stake-holders throughout Alameda County (including civil and family law judges, the District Attorney’s Office, the Families and Children’s Bureau, and the Probation Department, among others) to address local systemic and larger conceptual issues arising in domestic violence cases in Alameda County. In this capacity, FVLC’s Managing Attorney currently serves on a subcommittee comprised of judges, court and county staff tasked with creating and providing a county-wide training on the impact of domestic violence, juvenile, and related proceedings, with the goal of better educating all service providers as to areas of overlap and opportunities for collaboration and coordination of services to victims of crimes.</p> <p>FVLC’s Managing Attorney also currently serves as the Chair of the Community Projects Committee, which is comprised of several other community legal service providers along with court managerial staff. In this capacity, we work closely with the Court’s Chief Executive Officer and with court staff supervisors to identify and remedy gaps in service provision.</p> <p>FVLC also regularly attends the Alameda County Domestic Violence Collaborative Meeting in Oakland, which brings together local domestic violence prevention partners to discuss emerging issues, trends, and concerns within the field. Similarly, FVLC sits on both the Alameda and San Leandro Domestic Violence Task Forces, which each focus on <u>city-specific efforts to promote domestic violence awareness and local prevention resources.</u></p> <p>Beyond the local level, FVLC also participates in state-wide efforts to assist crime victims. FVLC’s Executive Director, Erin Scott, was the Board Chair and President & Bay Area Regional Representative of the California Partnership to End Domestic Violence (CPEDV), California’s recognized domestic violence coalition representing over 1,000 advocates, organizations and allied groups. She also served on the Board of Directors of the Family Violence Appellate Project. Additionally, FVLC’s Family Violence Intervention Unit Coordinator, Marissa Seko, was Co-Chair for CPEDV’s Public Policy Research Committee, which helps craft legislative solutions to strengthen prevention and intervention responses to domestic violence across the state; Marissa continues to be active in policy discussions and legislative proposals at both the state and national level. Both Ms. Scott and Ms. Penrod were fellows in the One Justice Executive Fellowship program for legal services leaders in California.</p> <p>FVLC’s Integrated Service Delivery Model Supports Successful Legal Outcomes: Finally, integration of services is an important component of FVLC’s legal services model: our clients receive legal services in combination with other assistance. To support our primary purpose of providing legal services to domestic violence survivors, FVLC provides critical social and mental health services, such as emergency housing and relocation services, and help applying for financial assistance. These services help to stabilize and support victims of domestic violence during a time of extreme crisis. Our data indicate that this service delivery model makes it more likely that clients will follow through in obtaining a protective order and other family law orders.</p> <p>We respectfully request that this integrated legal service delivery model, along with our 40 year history as a legal service provider, be considered when determining our eligibility for continued IOLTA funding.</p>

Organization	Funding Opportunity	Commission Decision	Percent of Qualified Expenditures	A. Less than 75% Explanation
				<p>LAS is committed to providing legal and educational programs designed to improve the quality of life for the most vulnerable seniors in our community. While some of the services are not free civil legal services, LAS provides them because there is a pressing need in the community and the services meet our overall mission and vision.</p> <p>In calculating the percentage of expenditures for free civil legal services to indigent persons, LAS is required to exclude conservatorship cases despite 100% of these clients qualifying as indigent. LAS is also including HICAP cases in the calculation for this year. If HICAP is not included and these cases were required to be counted against the percentage of clients that LAS could consider indigent, the percent of expenditures for free civil legal services to indigent persons would be less than 75 percent. However, LAS would still meet the primary purpose requirement for funding due to the nature of these services.</p> <p>HICAP provides counseling and advice regarding Medicare and health insurance options. Using the IOLTA definition, 100% of HICAP’s clients would qualify as indigent due to age and/or disability. HICAP counsels between 4,000 and 5,000 seniors per year on issues regarding their health care coverage. Without this counseling, seniors would be left without the information they need to make informed decisions about their health care. Although HICAP does not fall within the category of free civil legal services, it is a program that is dedicated to meeting the critical health care needs of Alameda County seniors, many who are indigent.</p> <p>LAS’ conservatorship program is fee-for-service but performs a critical function for the County of Alameda. Before LAS began this work, the courts were having a difficult time finding counsel for vulnerable seniors in those cases. Now LAS represents some of the most vulnerable seniors in Alameda County through the conservatorship program. These are often seniors who have completely lost their ability to advocate for their rights and are no longer able to make decisions regarding their care, well-being and finances. LAS ensures that these vulnerable seniors are treated with dignity and respect and are receiving appropriate care. If they were to be counted toward our percentage of indigent clients, 100% of those clients would be considered indigent because they are all eligible for Older Americans Act funding services with LAS.</p> <p>When those two areas of practice are not considered, over 94% of the clients that LAS works with are defined as indigent. All of the other practice areas for LAS are almost completely dedicated to the service of indigent clients. Although HICAP and conservatorship are not considered free civil legal services, both of these programs address critical needs of the senior community.</p>
Legal Assistance for Seniors	LSP	Eligible	66.68	
LACBA Counsel for Justice	LSP	Eligible	71.22	
				<p>In 2018 , the Impact Fund’s qualified expenses ratio fell slightly below the 75% mark for one primary reason: The Impact Fund has been lead counsel in a gender discrimination lawsuit against a major retailer since 2002. In 2014, the case settled but required that women seeking to participate in the \$8 million settlement fund must individually arbitrate their claims. At the time that the settlement was reached, the Impact Fund had four private firms who were co-counsel and who committed to share the work of the arbitrations. Each of the arbitrations proved to be far more time-consuming than anticipated, in part because the employer insisted on fully litigating, rather than settling, the vast majority of them. But, much more challenging, the four co-counsel firms for various reasons dropped out of their commitments to do the work. One firm dissolved, another decided not to participate, a third became too busy with other work, and the partner in charge at the fourth law firm left the firm. The Impact Fund was left with the bulk of the work, though we made efforts and were able to secure limited commitments from two other firms to share some of the work. Because we had committed to the representation, we had an ethical obligation to see it through. These clients were both inside and outside California and many did not fall below the income guidelines. We have now completed the process which continued into the first half of 2019, although at a much reduced rate. Because the Impact Fund ordinarily satisfies the “primary purpose” requirement and the situation explained above is temporary, we believe that funding for 2020 should not be affected.</p>
Impact Fund	SC	Eligible	74.28	
Legal Services for Prisoners with Children	SC	Eligible	74.95	
Disability Rights Education and Defense Fund	SC	Eligible	76.46	
New American Legal Clinic	LSP	Eligible	77.33	
California Indian Legal Services	LSP	Eligible	77.94	
National Health Law Program	SC	Eligible	79.22	
La Raza Centro Legal	LSP	Eligible	79.43	N/A
California Advocates for Nursing Home Reform	SC	Eligible	82.67	
National Housing Law Project	SC	Eligible	82.68	
Legal Aid of Marin	LSP	Eligible	83	
Law Foundation of Silicon Valley	LSP	Eligible	84.05	n/a
Centro Legal de la Raza	LSP	Eligible	84.4	N/A
Aids Legal Referral Panel	LSP	Eligible	84.98	
USD School of Law Legal Clinics	LSP	Eligible	86.56	Not applicable.
Alliance for Children’s Rights	LSP	Eligible	87.57	
Prison Law Office	LSP	Eligible	87.57	
Legal Access Alameda	LSP	Eligible	87.63	n/a
Santa Clara County Asian Law Alliance	LSP	Eligible	88.31	
OneJustice	SC	Eligible	88.4	
Community Lawyers Inc.	LSP	Not Eligible	88.49	N/A
Community Legal Aid SoCal	LSP	Eligible	88.78	
Legal Aid Foundation of Santa Barbara County	LSP	Eligible	89.01	N/A
Justice & Diversity Center of the Bar Association of San Francisco	LSP	Eligible	89.21	N/A
Public Advocates Inc.	LSP	Eligible	89.28	
Family Violence Appellate Project	SC	Eligible	89.92	
Immigrant Legal Resource Center	SC	Eligible	90.43	N/A
Watsonville Law Center	LSP	Eligible	90.9	N/A
Disability Rights Legal Center	LSP	Eligible	91.16	
Advancing Justice-Los Angeles	LSP	Eligible	92.51	
Elder Law & Advocacy	LSP	Eligible	92.54	
McGeorge Community Legal Services	LSP	Eligible	93.41	
Legal Aid Society of San Diego	LSP	Eligible	93.46	Not applicable
Center for Gender and Refugee Studies - California	SC	Eligible	93.64	
Housing and Economic Rights Advocates	LSP	Eligible	93.8	
East Bay Community Law Center	LSP	Eligible	93.94	
California Rural Legal Assistance, Inc.	LSP	Eligible	93.95	N/A
National Center for Youth Law	SC	Eligible	94.21	
Legal Aid Society of San Mateo County	LSP	Eligible	94.37	
Learning Rights Law Center	LSP	Eligible	94.48	N/A
Legal Services of Northern California	LSP	Eligible	94.6	N/A
Community Legal Services in East Palo Alto	LSP	Eligible	94.96	
Neighborhood Legal Services	LSP	Eligible	95.23	Not Applicable
Legal Aid at Work	LSP	Eligible	95.36	
California Rural Legal Assistance Foundation	SC	Eligible	95.56	
Chapman University Family Protection Clinic	LSP	Eligible	95.78	N/A
Wage Justice Center	LSP	Eligible	95.92	
Public Interest Law Project	SC	Eligible	95.94	
Legal Assistance to the Elderly	LSP	Eligible	96.1	Not Applicable.
Advancing Justice - Asian Law Caucus	LSP	Eligible	96.48	
Central California Legal Services	LSP	Eligible	96.57	Not applicable.
Los Angeles Center for Law and Justice	LSP	Eligible	96.66	
Justice in Aging	SC	Eligible	96.67	
Center for Human Rights and Constitutional Law	SC	Eligible	97.02	
Inland Counties Legal Services	LSP	Eligible	97.34	N/A
Greater Bakersfield Legal Assistance	LSP	Eligible	97.51	Not Applicable
Dependency Advocacy Center	LSP	Eligible	97.58	N/A
Legal Aid Foundation of Los Angeles	LSP	Eligible	97.64	Not Applicable
Yuba-Sutter Legal Center for Seniors	LSP	Eligible	97.82	
Asian Pacific Islander Legal Outreach	LSP	Eligible	97.97	not applicable
Mental Health Advocacy Services	LSP	Eligible	98.13	
Worksafe, Inc.	SC	Eligible	98.16	
Legal Aid Society of San Bernardino	LSP	Eligible	98.2	Not applicable
National Immigration Law Center	SC	Eligible	98.2	
Disability Rights California	LSP	Eligible	98.52	
San Diego Volunteer Lawyer Program	LSP	Eligible	98.53	
Youth Law Center	SC	Eligible	98.53	
Santa Clara University Alexander Law Center	LSP	Eligible	98.76	
Inner City Law Center	LSP	Eligible	98.77	
Bet Tzedek Legal Services	LSP	Eligible	98.78	
Legal Aid of Sonoma County	LSP	Eligible	98.8	
Public Counsel	LSP	Eligible	99.08	N/A
Bay Area Legal Aid	LSP	Eligible	99.21	
Legal Services for Children	LSP	Eligible	99.52	
Western Center on Law and Poverty	SC	Eligible	99.56	n/a

Organization	Funding Opportunity	Commission Decision	Percent of Qualified Expenditures	A. Less than 75% Explanation
Community Legal	LSP	Not Eligible	99.6	
Public Law Center	LSP	Eligible	99.65	Not Applicable
Lawyers' Committee for Civil Rights	LSP	Eligible	99.85	N/A
Casa Cornelia Law Center	LSP	Eligible	99.98	
Child Care Law Center	SC	Eligible	99.98	
San Luis Obispo Legal Assistance Foundation	LSP	Eligible	99.98	
Affordable Housing Advocates	LSP	Eligible	100	Not Applicable
Alameda County Homeless Action Center	LSP	Eligible	100	
California Women's Law Center	SC	Eligible	100	
Coalition of California Welfare Rights Organizations	SC	Eligible	100	
Contra Costa Senior Legal Services	LSP	Eligible	100	
Family Legal Assistance at CHOC Children's	LSP	Eligible	100	
Harriett Buhai Center for Family Law	LSP	Eligible	100	Not applicable
HEART L.A.	LSP	Eligible	100	
IELLA Legal Aid Project	LSP	Eligible	100	
Legal Services for Seniors	LSP	Eligible	100	n/a
Riverside Legal Aid	LSP	Eligible	100	N/A
Senior Adults Legal Assistance	LSP	Eligible	100	Not applicable.
Senior Advocacy Network	LSP	Eligible	100	
Senior Citizens Legal Services	LSP	Not Eligible	100	
UC Davis School of Law Legal Clinics	LSP	Eligible	100	N/A
Voluntary Legal Services Program of Northern California	LSP	Eligible	100	N/A

2019 Percentage of Qualified Expenditures

Organization	Funding Opportunity	Commission Decision	Percent of Qualified Expenditures	A. Less than 75% Explanation
Coalition of California Welfare Rights Organizations	SC	Eligible	0	N/A
				<p>Since its founding in 2014, Veterans Legal Institute's mission, bylaws, financial guidelines, and case acceptance policies are to provide free legal services to homeless, disabled, low-income, and at-risk current and former service members. In order to reach the indigent population within the military community, VLI expends on office, website, and maintaining relationships and clinic dates at six off-site veteran hotspots. Salaries for co-founders were not started until 2015, with a third attorney being added in 2016 through Equal Justice Works, AmeriCorps as a legal fellow. VLI has always operated from a position of having more volunteer attorneys, paralegals, law students, than paid staff in the same categories.</p> <p>VLI's outreach through innovative and strategic clinics began early in its founding with the medical-legal partnership at the Veterans Administration Hospital in Long Beach. In three years, the clinic locations have since grown to the VA Hospital in Long Beach, The North County Vet Center in Garden Grove, the Starbucks Coffeehouse in Santa Ana nestled next to the homeless quarter, the Orange County Veterans Service Office, Saddleback College home to 1200 student veterans, and the City of Mission Viejo. VLI also stages family law and veterans benefits specialized clinics where accomplished attorneys and other professionals from child support services and the Veterans Administration are available for those who qualify as indigent.</p> <p>At least 75% of VLI's overall client population can be identified as being 75% or less of the maximum levels of income for lower income households for Orange and Los Angeles Counties where VLI primarily operates. And these figures were not included in the indigent calculations required throughout the application. As VLI becomes more well-known in the veteran community, it is attracting more inquiries and applications.</p> <p>In terms of older veterans, VLI has always provided estate planning and is expanding this service already this year with a specialty clinic to service those who are in need of estate planning, including those who are 60+ in age.</p> <p>Also, in trying to prevent veteran homelessness, VLI pays particular attention to those at-risk veterans and military families who are on the borderline of low income who live paycheck to paycheck when they present with pressing legal issues which if unmet could result in their becoming homeless.</p>
Veterans Legal Institute	LSP	Eligible	55.8	
				<p>FVLC tracks expenditures in three different program areas: Legal Services, Family Violence Intervention Unit, and Youth Services. FVLC also tracks expenditures related to Management & General and Fundraising activities on an ongoing basis.</p> <p>We calculated qualified expenditures using the following methods:</p> <p>Unqualified expenditures in Legal Services include \$74,122 in subcontractor expenses for fiscal year 2016-17 to Bay Area Women Against Rape and the Alameda County Family Justice Center, under the federal LAV grant, and to our CalWORKS Domestic Violence Collaborative subcontractors. We received funding for legal services under the CalWORKS Domestic Violence Collaborative and are the lead agency, so the grant falls in our legal department budget but the subcontractors primarily are shelter providers. We also included lobbying expenses and the 19% of our legal clients who are not income qualified.</p> <p>The Family Violence Intervention Unit (FVIU) includes four crisis intervention specialists and two coordinators who review police reports and provide case management support to victims identified in the reports. Upon advice from State Bar staff, we took the percentage of client time FVIU spent with legal clients, averaged FVIU staff percentages, and applied the averaged percentage to FVIU expenses. 81% of their time is spent directly supporting clients with active legal cases or serving the agency's legal intake function, which includes providing legal information and legal assessment to clients.</p> <p>FVLC also employs a part-time therapist who provides ongoing counseling and support to clients and their children. Both FVLC attorneys and therapists have seen improved legal outcomes among clients receiving therapy. The emotional support received has increased clients' abilities to follow through with the legal process during the difficult period of separation and legal proceedings. Approximately 51% of the therapeutic hours were spent directly supporting clients with active legal cases.</p> <p>Youth Services provides youth leadership development to high school aged youth. Approximately 5% of Youth Services staff time is spent providing legal information to youth, who have questions about restraining orders and general questions about their legal rights. Youth Services staff uses FVLC attorneys as resources for legal information and supports legal staff when a legal client is a minor.</p> <p>FVLC's primary purpose continues to be providing access to comprehensive legal services that will help domestic violence survivors achieve long-term safety and self-sufficiency. Although our qualified expenditures in FY 2016-17 are under the 75% presumption, we believe that we are a qualified provider for the Legal Services Trust Fund IOLTA Program for the following reasons:</p> <p>In FY 16-17, we experienced the beginning of staffing transitions that have continued into FY 17-18 and have impacted our qualified expenditures percentage. Our senior staff attorney left in FY 16-17 and in the Fall of 2017 one staff attorney was on leave, our Director of Programs left and another staff attorney left the agency. We also experienced transitions in our advocate/paralegal team, starting in FY 16-17 and continuing into FY 17-18, which impacted our qualified expenditures percentage because new members of that team need an extensive period of training before they conduct legal intakes and otherwise work with legal clients. For example, we completely excluded the expenses related to an advocate trainee because during her short time with the agency she did not complete the training needed to do legal intakes and support legal clients. We now are fully staffed.</p> <p>Legal Services are Essential to FVLC's Mission: FVLC was founded in 1978 as a legal service agency serving victims of domestic violence, and our core program continues to be the delivery of legal services. We are the only domestic violence agency in Alameda County that provides free representation in civil legal proceedings. We have an attorney at our helm and 89% of our Board of Directors are attorneys.</p> <p>FVLC's Legal Services are a Critical Service at the ACFJC and throughout Alameda County: Since the establishment of the Alameda County Family Justice Center (ACFJC) in August 2005, FVLC has been the primary onsite provider of free civil legal services to clients seeking assistance with domestic violence restraining orders. FVLC staff responds to drop-in clients who request legal assistance. In Alameda County, only two legal services agencies staff attorneys who provide family law representation – Bay Area Legal Aid and FVLC. Together we are able to cover only a fraction of the need, but we are in close communication so we can coordinate our limited resources to provide the best possible legal assistance to domestic violence survivors most at risk.</p> <p>FVLC's Legal Services Provision Continues to Expand: We currently have four full time staff attorneys, in addition to a managing attorney, and our Executive Director is an attorney. Our staff attorneys, with the continued support of volunteer attorneys, have continued our weekly legal clinics in Oakland and in Fremont and Hayward to serve southern Alameda County, with funding from the Trust Fund's Equal Access Partnership Fund for the Fremont clinic. With funding from the Office of Violence Against Women's Legal Assistance for Victims Grant Program (LAV) and now also funding from California Office of Emergency Services, we have been able to provide some limited family law assistance beyond or independent from restraining orders. The LAV grant focuses on serving sexual assault victims, including people who experience sexual assault as part of an intimate partner relationship. Both grants also allow us to partner significantly with Centro Legal de la Raza, who receives close to half of each grant as a subgrantee; together we have developed screening tools that allow us to identify the comprehensive legal needs of domestic violence and sexual assault victims. We also now have a three year grant, starting in January 2018, from the State Bar bank grant program to work on housing and gender justice issues.</p> <p>FVLC Continues to Fundraise for Legal Services: FVLC is continuing our commitment to raising funds to support our legal services work. We apply for government and foundation funding when opportunities arise and we continue to seek out new opportunities, building on our existing relationships with funders. However, government and foundation resources continue to be limited. With the addition of more lawyers on our Board of Directors (currently 8 of our 9 directors are lawyers) we have increased the number of law firm donations we receive and we are building our base of individual donors.</p> <p>FVLC is a Leader in the Domestic Violence Legal Services Community: FVLC's legal team actively participates in our county's Family Violence Council and a Bay Area-wide DV Legal Roundtable, a forum for members of the private and public bar who counsel survivors in domestic violence and family law matters.</p> <p>FVLC's Executive Director, Erin Scott, serves as the chair of the board of the California Partnership to End Domestic Violence, where she sits on the amicus committee and continues to be active in legal and policy issues impacting domestic violence survivors, and she also serves on the board of the statewide Family Violence Appellate Project.</p> <p>Both Ms. Scott and former Director of Programs Kristie Whitehorse (she left the agency in July 2017) were fellows in the One Justice Executive Fellowship program for legal services leaders in California. FVLC's Managing Attorney, Stephanie Penrod, is a current fellow.</p> <p>FVLC's Integrated Service Delivery Model Supports Successful Legal Outcomes: Finally, integration of services is an important component of FVLC's legal services model: our clients receive legal services in combination with other assistance. To support our primary purpose of providing legal services to domestic violence survivors, FVLC provides critical social and mental health services, such as emergency housing and relocation services, and help applying for financial assistance. These services help to stabilize and support victims of domestic violence during a time of extreme crisis. Our data indicate that this service delivery model makes it more likely that our clients will follow through in obtaining a protective order and other family law orders.</p> <p>We respectfully request that this integrated legal service delivery model, along with our 40 year history as a legal service provider, be considered when determining our eligibility for continued IOLTA funding.</p>
				<p>In 2017, the Impact Fund's qualified expenses ratio fell below the 75% mark for two primary reasons, both unforeseeable and unavoidable.</p> <p>First, the Impact Fund has been lead counsel in a gender discrimination lawsuit against a major retailer since 2002. In 2014, the case settled but required that women seeking to participate in the \$8 million settlement fund must individually arbitrate their claims. At the time that the settlement was reached, the Impact Fund had four private firms who were co-counsel and who committed to share the work of the arbitrations.</p> <p>Each of the arbitrations proved to be far more time-consuming than anticipated, in part because the employer insisted on fully litigating, rather than settling, the vast majority of them. But, much more challenging, the four co-counsel firms for various reasons dropped out of their commitments to do the work. One firm dissolved, another decided not to participate, a third became too busy with other work, and the partner in charge at the fourth law firm left the firm. The Impact Fund was left with the bulk of the work, though we made efforts and were able to secure limited commitments from two other firms to share some of the work.</p> <p>Because we had committed to the representation, we had an ethical obligation to see it through. These clients were both inside and outside California and many did not fall below the income guidelines. We have now nearly completed the process so this is a one-time issue confined to 2017.</p> <p>The second factor was the unexpected death of Executive Director Jocelyn Larkin's spouse; as a result, she was on an extended bereavement leave during 2017. In addition, consistent with the organization's emergency plan, the Director of Litigation and Training Lindsay Nako was required to assume a significant share of the ED's work during her absence. Ms. Larkin obviously could not do the IOLTA/EAF work during that time period and Ms. Nako was dealing with additional responsibilities. Both of these circumstances limited the time spent on qualifying activities in 2017, but did not continue into 2018.</p> <p>Because the Impact Fund ordinarily satisfies the "primary purpose" requirement and the causes explained above were both unanticipated and temporary, we believe that funding for 2018 should not be affected.</p>
Impact Fund	SC	Eligible	61	
Legal Services for Prisoners with Children	SC	Eligible	72.2	We had a lot of staff turnover in our policy advocacy department this year which meant we did slightly less advocacy work as we usually do with QLSP's. We are now at full capacity in our policy advocacy team and expect to be over 75% in the future. The primary purpose of our organization still meets the requirement for funding.
California Indian Legal Services	LSP	Eligible	74.16	As used in this article: "Qualified legal services project" means either of the following: 1) A nonprofit project incorporated and operated exclusively in California that provides as its primary purpose and function legal services without charge to indigent persons and that has quality control procedures approved by the State Bar of California.
Disability Rights Education and Defense Fund	SC	Eligible	74.6	
La Raza Centro Legal	LSP	Eligible	75	
New American Legal Clinic	LSP	Eligible	76.5	
LACBA Counsel for Justice	LSP	Eligible	78.32	
Centro Legal de la Raza	LSP	Eligible	80.34	
Housing and Economic Rights Advocates	LSP	Eligible	80.64	
Aids Legal Referral Panel	LSP	Eligible	81.82	
Center for Human Rights and Constitutional Law	SC	Eligible	82.2	
Legal Aid of Marin	LSP	Eligible	85	
National Housing Law Project	SC	Eligible	85.5	

Organization	Funding Opportunity	Commission Decision	Percent of Qualified Expenditures	A. Less than 75% Explanation
				<p>LAS is committed to providing legal and educational programs designed to improve the quality of life for the most vulnerable seniors in our community. While some of the services are not free civil legal services, LAS provides them because there is a pressing need in the community and the services meet our overall mission and vision.</p> <p>In calculating the percentage of expenditures for free civil legal services to indigent persons, LAS is required to exclude conservatorship cases despite 100% of these clients qualifying as indigent. LAS is also including HICAP cases in the calculation for the first time this year. If HICAP is not included and these cases were required to be counted against the percentage of clients that LAS could consider indigent, the percent of expenditures for free civil legal services to indigent persons would be less than 75 percent. However, LAS would still meet the primary purpose requirement for funding due to the nature of these services.</p> <p>HICAP provides counseling and advice regarding Medicare and health insurance options. Using the IOLTA definition, 100% of HICAP's clients would qualify as indigent due to age and/or disability. HICAP counsels between 4,000 and 5,000 seniors per year on issues regarding their health care coverage. Without this counseling, seniors would be left without the information they need to make informed decisions about their health care. Although HICAP does not fall within the category of free civil legal services, it is a program that is dedicated to meeting the critical health care needs of Alameda County seniors, many who are indigent.</p> <p>LAS' conservatorship program is fee-for-service but performs a critical function for the County of Alameda. Before LAS began this work, the courts were having a difficult time finding counsel for vulnerable seniors in those cases. Now LAS represents some of the most vulnerable seniors in Alameda County through the conservatorship program. These are often seniors who have completely lost their ability to advocate for their rights and are no longer able to make decisions regarding their care, well-being and finances. LAS ensures that these vulnerable seniors are treated with dignity and respect and are receiving appropriate care. If they were to be counted toward our percentage of indigent clients, 100% of those clients would be considered indigent because they are all eligible for Older Americans Act funding services with LAS.</p> <p>When those two areas of practice are not considered, over 94% of the clients that LAS works with are defined as indigent. All of the other practice areas for LAS are almost completely dedicated to the service of indigent clients. Although HICAP and conservatorship are not considered free civil legal services, both of these programs address critical needs of the senior community.</p>
Legal Assistance for Seniors	LSP	Eligible	85.71	
California Advocates for Nursing Home Reform	SC	Eligible	86.5	
Justice & Diversity Center of the Bar Association of San Francisco	LSP	Eligible	87.62	N/A
USD School of Law Legal Clinics	LSP	Eligible	88.26	Not applicable.
California Rural Legal Assistance Foundation	SC	Eligible	88.9	
Alliance for Children's Rights	LSP	Eligible	88.91	
Yuba-Sutter Legal Center for Seniors	LSP	Eligible	90.06	
Family Violence Appellate Project	SC	Eligible	90.1	
Disability Rights Legal Center	LSP	Eligible	90.15	
Legal Access Alameda	LSP	Eligible	90.16	n/a
Community Legal Aid SoCal	LSP	Eligible	90.59	
Prison Law Office	LSP	Eligible	90.82	
Senior Citizens Legal Services	LSP	Eligible	91.22	
Watsonville Law Center	LSP	Eligible	91.34	n/a
Elder Law & Advocacy	LSP	Eligible	91.41	
Law Foundation of Silicon Valley	LSP	Eligible	91.44	
Advancing Justice-Los Angeles	LSP	Eligible	91.61	n/a
Santa Clara County Asian Law Alliance	LSP	Eligible	92.25	Not applicable
California Rural Legal Assistance, Inc.	LSP	Eligible	92.43	Not applicable
Immigrant Legal Resource Center	SC	Eligible	92.7	
Justice in Aging	SC	Eligible	92.8	
East Bay Community Law Center	LSP	Eligible	92.81	
Legal Aid Society of San Diego	LSP	Eligible	93.37	Not applicable
Worksafe, Inc.	SC	Eligible	93.5	N/A
OneJustice	SC	Eligible	93.8	
Legal Services of Northern California	LSP	Eligible	94.36	
Center for Health Care Rights	LSP	Eligible	94.48	
Center for Gender and Refugee Studies - California	SC	Eligible	95	
Neighborhood Legal Services	LSP	Eligible	95.37	Not applicable
McGeorge Community Legal Services	LSP	Eligible	95.47	
Public Advocates Inc.	LSP	Eligible	95.81	
Central California Legal Services	LSP	Eligible	95.88	Not applicable
Youth Law Center	SC	Eligible	96	
Advancing Justice - Asian Law Caucus	LSP	Eligible	96.39	
Wage Justice Center	LSP	Eligible	96.4	
Chapman University Family Protection Clinic	LSP	Eligible	96.47	N/A
Legal Aid at Work	LSP	Eligible	96.66	
Legal Aid Society of San Mateo County	LSP	Eligible	96.82	N/A
Public Law Center	LSP	Eligible	97.05	NA
Senior Advocacy Network	LSP	Eligible	97.21	
Los Angeles Center for Law and Justice	LSP	Eligible	97.28	
Legal Aid Foundation of Santa Barbara County	LSP	Eligible	97.5	n/a
Community Legal Services in East Palo Alto	LSP	Eligible	97.6	
Inland Counties Legal Services	LSP	Eligible	97.6	N/A
Lawyers' Committee for Civil Rights	LSP	Eligible	97.77	
Greater Bakersfield Legal Assistance	LSP	Eligible	98	Not applicable
Asian Pacific Islander Legal Outreach	LSP	Eligible	98.03	Not applicable.
Mental Health Advocacy Services	LSP	Eligible	98.41	
Public Counsel	LSP	Eligible	98.65	N/A
Bet Tzedek Legal Services	LSP	Eligible	98.7	n/a
San Diego Volunteer Lawyer Program	LSP	Eligible	98.79	
Legal Aid Foundation of Los Angeles	LSP	Eligible	98.98	N/A
National Health Law Program	SC	Eligible	99.1	
Santa Clara University Alexander Law Center	LSP	Eligible	99.12	N/A
Bay Area Legal Aid	LSP	Eligible	99.2	
Western Center on Law and Poverty	SC	Eligible	99.3	
Disability Rights California	LSP	Eligible	99.43	N/A
Learning Rights Law Center	LSP	Eligible	99.65	N/A
National Immigration Law Center	SC	Eligible	99.9	
Inner City Law Center	LSP	Eligible	99.92	N/A
Harriett Buhai Center for Family Law	LSP	Eligible	99.99	NA
Affordable Housing Advocates	LSP	Eligible	100	Not applicable
Alameda County Homeless Action Center	LSP	Eligible	100	N/A
California Women's Law Center	SC	Eligible	100	
Casa Cornelia Law Center	LSP	Eligible	100	N/A
Child Care Law Center	SC	Eligible	100	
Community Legal	LSP	Eligible	100	
Contra Costa Senior Legal Services	LSP	Eligible	100	
Family Legal Assistance at CHOC Children's	LSP	Eligible	100	N/A
IELLA Legal Aid Project	LSP	Eligible	100	
Legal Aid of Sonoma County	LSP	Eligible	100	
Legal Aid Society of San Bernardino	LSP	Eligible	100	Not applicable
Legal Services for Children	LSP	Eligible	100	n/a
Legal Services for Seniors	LSP	Eligible	100	
Public Interest Law Project	SC	Eligible	100	N/A
Riverside Legal Aid	LSP	Eligible	100	N/A
San Luis Obispo Legal Assistance Foundation	LSP	Eligible	100	
Senior Adults Legal Assistance	LSP	Eligible	100	Not applicable.
UC Davis School of Law Legal Clinics	LSP	Eligible	100	N/A
Voluntary Legal Services Program of Northern California	LSP	Eligible	100	n/a
Legal Assistance to the Elderly	LSP	Eligible	102.78	
National Center for Youth Law	SC	Eligible	104.1	



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BUSINESS AND PROFESSIONS CODE - BPC

DIVISION 3. PROFESSIONS AND VOCATIONS GENERALLY [5000 - 9998.11] (Heading of Division 3 added by Stats. 1939, Ch. 30.)

CHAPTER 4. Attorneys [6000 - 6243] (Chapter 4 added by Stats. 1939, Ch. 34.)

ARTICLE 14. Funds for the Provision of Legal Services to Indigent Persons [6210 - 6228] (*Article 14 added by Stats. 1981, Ch. 789, Sec. 1.*)

[6210.](#) The Legislature finds that, due to insufficient funding, existing programs providing free legal services in civil matters to indigent persons, especially underserved client groups, such as the elderly, the disabled, juveniles, and non-English-speaking persons, do not adequately meet the needs of these persons. It is the purpose of this article to expand the availability and improve the quality of existing free legal services in civil matters to indigent persons, and to initiate new programs that will provide services to them. The Legislature finds that the use of funds collected by the State Bar pursuant to this article for these purposes is in the public interest, is a proper use of the funds, and is consistent with essential public and governmental purposes in the judicial branch of government. The Legislature further finds that the expansion, improvement, and initiation of legal services to indigent persons will aid in the advancement of the science of jurisprudence and the improvement of the administration of justice.

(Added by Stats. 1981, Ch. 789, Sec. 1.)

[6211.](#) (a) An attorney or law firm that, in the course of the practice of law, receives or disburses trust funds shall establish and maintain an IOLTA account in which the attorney or law firm shall deposit or invest all client deposits or funds that are nominal in amount or are on deposit or invested for a short period of time. All such client funds

may be deposited or invested in a single unsegregated account. The interest and dividends earned on all those accounts shall be paid to the State Bar of California to be used for the purposes set forth in this article.

(b) Nothing in this article shall be construed to prohibit an attorney or law firm from establishing one or more interest bearing bank trust deposit accounts or dividend-paying trust investment accounts as may be permitted by the Supreme Court, with the interest or dividends earned on the accounts payable to clients for trust funds not deposited or invested in accordance with subdivision (a).

(c) With the approval of the Supreme Court, the State Bar may formulate and enforce rules of professional conduct pertaining to the use by attorneys or law firms of an IOLTA account for unsegregated client funds pursuant to this article.

(d) Nothing in this article shall be construed as affecting or impairing the disciplinary powers and authority of the Supreme Court or of the State Bar or as modifying the statutes and rules governing the conduct of members of the State Bar.

(Amended by Stats. 2007, Ch. 422, Sec. 2. Effective January 1, 2008.)

[6212](#). An attorney who, or a law firm that, establishes an IOLTA account pursuant to subdivision (a) of Section 6211 shall comply with all of the following provisions:

(a) The IOLTA account shall be established and maintained with an eligible institution offering or making available an IOLTA account that meets the requirements of this article. The IOLTA account shall be established and maintained consistent with the attorney's or law firm's duties of professional responsibility. An eligible financial institution shall have no responsibility for selecting the deposit or investment product chosen for the IOLTA account.

(b) Except as provided in subdivision (f), the rate of interest or dividends payable on any IOLTA account shall not be less than the interest rate or dividends generally paid by the eligible institution to nonattorney customers on accounts of the same type meeting the same minimum balance and other eligibility requirements as the IOLTA account. In determining the interest rate or dividend payable on any IOLTA account, an eligible institution may consider, in addition to the balance in the IOLTA account, risk or other factors customarily considered by the eligible institution when setting the interest rate or dividends for its non-IOLTA accounts, provided that the factors do not discriminate between IOLTA customers and non-IOLTA customers and that these factors do not include the fact that the account is an IOLTA account. The eligible institution shall calculate interest and dividends in accordance with its standard practice for non-IOLTA customers. Nothing in this article shall preclude an eligible

institution from paying a higher interest rate or dividend on an IOLTA account or from electing to waive any fees and service charges on an IOLTA account.

(c) Reasonable fees may be deducted from the interest or dividends remitted on an IOLTA account only at the rates and in accordance with the customary practices of the eligible institution for non-IOLTA customers. No other fees or service charges may be deducted from the interest or dividends earned on an IOLTA account. Unless and until the State Bar enacts regulations exempting from compliance with subdivision (a) of Section 6211 those accounts for which maintenance fees exceed the interest or dividends paid, an eligible institution may deduct the fees and service charges in excess of the interest or dividends paid on an IOLTA account from the aggregate interest and dividends remitted to the State Bar. Fees and service charges other than reasonable fees shall be the sole responsibility of, and may only be charged to, the attorney or law firm maintaining the IOLTA account. Fees and charges shall not be assessed against or deducted from the principal of any IOLTA account. It is the intent of the Legislature that the State Bar develop policies so that eligible institutions do not incur uncompensated administrative costs in adapting their systems to comply with the provisions of Chapter 422 of the Statutes of 2007 or in making investment products available to IOLTA members.

(d) The attorney or law firm shall report IOLTA account compliance and all other IOLTA account information required by the State Bar in the manner specified by the State Bar.

(e) The eligible institution shall be directed to do all of the following:

- (1) To remit interest or dividends on the IOLTA account, less reasonable fees, to the State Bar, at least quarterly.
 - (2) To transmit to the State Bar with each remittance a statement showing the name of the attorney or law firm for which the remittance is sent, for each account the rate of interest applied or dividend paid, the amount and type of fees deducted, if any, and the average balance for each account for each month of the period for which the report is made.
 - (3) To transmit to the attorney or law firm customer at the same time a report showing the amount paid to the State Bar for that period, the rate of interest or dividend applied, the amount of fees and service charges deducted, if any, and the average daily account balance for each month of the period for which the report is made.
- (f) An eligible institution has no affirmative duty to offer or make investment products available to IOLTA customers. However, if an eligible institution offers or makes investment products available to non-IOLTA customers, in order to remain an IOLTA-eligible institution, it shall make those products available to IOLTA customers or pay an interest rate on the IOLTA deposit account that is comparable to the rate of return or the dividends generally paid on that investment product for similar customers meeting the same minimum balance and other requirements applicable to the investment product. If the eligible institution elects to pay that higher interest

rate, the eligible institution may subject the IOLTA deposit account to equivalent fees and charges assessable against the investment product.

(Amended by Stats. 2009, Ch. 129, Sec. 1. Effective January 1, 2010.)

6213. As used in this article:

(a) "Qualified legal services project" means either of the following:

(1) A nonprofit project incorporated and operated exclusively in California that provides as its primary purpose and function legal services without charge to indigent persons and that has quality control procedures approved by the State Bar of California.

(2) A program operated exclusively in California by a nonprofit law school accredited by the State Bar of California that meets the requirements of subparagraphs (A) and (B).

(A) The program shall have operated for at least two years at a cost of at least twenty thousand dollars (\$20,000) per year as an identifiable law school unit with a primary purpose and function of providing legal services without charge to indigent persons.

(B) The program shall have quality control procedures approved by the State Bar of California.

(b) "Qualified support center" means an incorporated nonprofit legal services center that has as its primary purpose and function the provision of legal training, legal technical assistance, or advocacy support without charge and which actually provides through an office in California a significant level of legal training, legal technical assistance, or advocacy support without charge to qualified legal services projects on a statewide basis in California.

(c) "Recipient" means a qualified legal services project or support center receiving financial assistance under this article.

(d) "Indigent person" means a person whose income is (1) 125 percent or less of the current poverty threshold established by the United States Office of Management and Budget, or (2) who is eligible for Supplemental Security Income or free services under the Older Americans Act or Developmentally Disabled Assistance Act. With regard to a project that provides free services of attorneys in private practice without compensation, "indigent person" also means a person whose income is 75 percent or less of the maximum levels of income for lower income households as defined in Section 50079.5 of the Health and Safety Code. For the purpose of this subdivision, the income of a person who is disabled shall be determined after deducting the costs of medical and other disability-related special expenses.

(e) "Fee generating case" means a case or matter that, if undertaken on behalf of an indigent person by an attorney in private practice, reasonably may be expected to result in payment of a fee for legal services from an award to a client, from public funds, or from the opposing party. A case shall not be considered fee generating if adequate representation is unavailable and any of the following circumstances exist:

(1) The recipient has determined that free referral is not possible because of any of the following reasons:

(A) The case has been rejected by the local lawyer referral service, or if there is no such service, by two attorneys in private practice who have experience in the subject matter of the case.

(B) Neither the referral service nor any attorney will consider the case without payment of a consultation fee.

(C) The case is of the type that attorneys in private practice in the area ordinarily do not accept, or do not accept without prepayment of a fee.

(D) Emergency circumstances compel immediate action before referral can be made, but the client is advised that, if appropriate and consistent with professional responsibility, referral will be attempted at a later time.

(2) Recovery of damages is not the principal object of the case and a request for damages is merely ancillary to an action for equitable or other nonpecuniary relief, or inclusion of a counterclaim requesting damages is necessary for effective defense or because of applicable rules governing joinder of counterclaims.

(3) A court has appointed a recipient or an employee of a recipient pursuant to a statute or a court rule or practice of equal applicability to all attorneys in the jurisdiction.

(4) The case involves the rights of a claimant under a publicly supported benefit program for which entitlement to benefit is based on need.

(f) "Legal Services Corporation" means the Legal Services Corporation established under the Legal Services Corporation Act of 1974 (P.L. 93-355; 42 U.S.C. Sec. 2996 et seq.).

(g) "Older Americans Act" means the Older Americans Act of 1965, as amended (P.L. 89-73; 42 U.S.C. Sec. 3001 et seq.).

(h) "Developmentally Disabled Assistance Act" means the Developmentally Disabled Assistance and Bill of Rights Act, as amended (P.L. 94-103; 42 U.S.C. Sec. 6001 et seq.).

(i) "Supplemental security income recipient" means an individual receiving or eligible to receive payments under Title XVI of the federal Social Security Act, or payments under Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code.

(j) "IOLTA account" means an account or investment product established and maintained pursuant to subdivision (a) of Section 6211 that is any of the following:

- (1) An interest-bearing checking account.
- (2) An investment sweep product that is a daily (overnight) financial institution repurchase agreement or an open-end money market fund.
- (3) An investment product authorized by California Supreme Court rule or order.

A daily financial institution repurchase agreement shall be fully collateralized by United States Government Securities or other comparably conservative debt securities, and may be established only with any eligible institution that is "well-capitalized" or "adequately capitalized" as those terms are defined by applicable federal statutes and regulations. An open-end money market fund shall be invested solely in United States Government Securities or repurchase agreements fully collateralized by United States Government Securities or other comparably conservative debt securities, shall hold itself out as a "money market fund" as that term is defined by federal statutes and regulations under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.), and, at the time of the investment, shall have total assets of at least two hundred fifty million dollars (\$250,000,000).

(k) "Eligible institution" means either of the following:

- (1) A bank, savings and loan, or other financial institution regulated by a federal or state agency that pays interest or dividends in the IOLTA account and carries deposit insurance from an agency of the federal government.
- (2) Any other type of financial institution authorized by the California Supreme Court.

(Amended by Stats. 2010, Ch. 328, Sec. 14. Effective January 1, 2011.)

6214. (a) Projects meeting the requirements of subdivision (a) of Section 6213 which are funded either in whole or part by the Legal Services Corporation or with Older American Act funds shall be presumed qualified legal services projects for the purpose of this article.

(b) Projects meeting the requirements of subdivision (a) of Section 6213 but not qualifying under the presumption specified in subdivision (a) shall qualify for funds under this article if they meet all of the following additional criteria:

- (1) They receive cash funds from other sources in the amount of at least twenty thousand dollars (\$20,000) per year to support free legal representation to indigent persons.
- (2) They have demonstrated community support for the operation of a viable ongoing program.

(3) They provide one or both of the following special services:

(A) The coordination of the recruitment of substantial numbers of attorneys in private practice to provide free legal representation to indigent persons or to qualified legal services projects in California.

(B) The provision of legal representation, training, or technical assistance on matters concerning special client groups, including the elderly, the disabled, juveniles, and non-English-speaking groups, or on matters of specialized substantive law important to the special client groups.

(Added by Stats. 1981, Ch. 789, Sec. 1.)

6214.5. A law school program that meets the definition of a "qualified legal services project" as defined in paragraph (2) of subdivision (a) of Section 6213, and that applied to the State Bar for funding under this article not later than February 17, 1984, shall be deemed eligible for all distributions of funds made under Section 6216.

(Added by Stats. 1984, Ch. 784, Sec. 2.)

6215. (a) Support centers satisfying the qualifications specified in subdivision (b) of Section 6213 which were operating an office and providing services in California on December 31, 1980, shall be presumed to be qualified support centers for the purposes of this article.

(b) Support centers not qualifying under the presumption specified in subdivision (a) may qualify as a support center by meeting both of the following additional criteria:

(1) Meeting quality control standards established by the State Bar.

(2) Being deemed to be of special need by a majority of the qualified legal services projects.

(Added by Stats. 1981, Ch. 789, Sec. 1.)

6216. The State Bar shall distribute all moneys received under the program established by this article for the provision of civil legal services to indigent persons. The funds first shall be distributed 18 months from the effective date of this article, or upon such a date, as shall be determined by the State Bar, that adequate funds are available to initiate the program. Thereafter, the funds shall be distributed on an annual basis. All distributions of funds shall be made in the following order and in the following manner:

(a) To pay the actual administrative costs of the program, including any costs incurred after the adoption of this article and a reasonable reserve therefor.

(b) Eighty-five percent of the funds remaining after payment of administrative costs allocated pursuant to this article shall be distributed to qualified legal services projects. Distribution shall be by a pro rata county-by-county formula based upon the number of persons whose income is 125 percent or less of the current poverty threshold per county. For the purposes of this section, the source of data identifying the number of persons per county shall be the latest available figures from the United States Department of Commerce, Bureau of the Census. Projects from more than one county may pool their funds to operate a joint, multicounty legal services project serving each of their respective counties.

(1) (A) In any county which is served by more than one qualified legal services project, the State Bar shall distribute funds for the county to those projects which apply on a pro rata basis, based upon the amount of their total budget expended in the prior year for legal services in that county as compared to the total expended in the prior year for legal services by all qualified legal services projects applying therefor in the county. In determining the amount of funds to be allocated to a qualified legal services project specified in paragraph (2) of subdivision (a) of Section 6213, the State Bar shall recognize only expenditures attributable to the representation of indigent persons as constituting the budget of the program.

(B) The State Bar shall reserve 10 percent of the funds allocated to the county for distribution to programs meeting the standards of subparagraph (A) of paragraph (3) and paragraphs (1) and (2) of subdivision (b) of Section 6214 and which perform the services described in subparagraph (A) of paragraph (3) of Section 6214 as their principal means of delivering legal services. The State Bar shall distribute the funds for that county to those programs which apply on a pro rata basis, based upon the amount of their total budget expended for free legal services in that county as compared to the total expended for free legal services by all programs meeting the standards of subparagraph (A) of paragraph (3) and paragraphs (1) and (2) of subdivision (b) of Section 6214 in that county. The State Bar shall distribute any funds for which no program has qualified pursuant hereto, in accordance with the provisions of subparagraph (A) of paragraph (1) of this subdivision.

(2) In any county in which there is no qualified legal services projects providing services, the State Bar shall reserve for the remainder of the fiscal year for distribution the pro rata share of funds as provided for by this article. Upon application of a qualified legal services project proposing to provide legal services to the indigent of the county, the State Bar shall distribute the funds to the project. Any funds not so distributed shall be added to the funds to be distributed the following year.

(c) Fifteen percent of the funds remaining after payment of administrative costs allocated for the purposes of this article shall be distributed equally by the State Bar to qualified support centers which apply for the funds. The funds provided to support centers shall be used only for the provision of legal services within California. Qualified support centers that receive funds to provide services to qualified legal services projects from sources other than this

article, shall submit and shall have approved by the State Bar a plan assuring that the services funded under this article are in addition to those already funded for qualified legal services projects by other sources.

(Amended by Stats. 1984, Ch. 784, Sec. 3.)

6217. With respect to the provision of legal assistance under this article, each recipient shall ensure all of the following:

- (a) The maintenance of quality service and professional standards.
- (b) The expenditure of funds received in accordance with the provisions of this article.
- (c) The preservation of the attorney-client privilege in any case, and the protection of the integrity of the adversary process from any impairment in furnishing legal assistance to indigent persons.
- (d) That no one shall interfere with any attorney funded in whole or in part by this article in carrying out his or her professional responsibility to his or her client as established by the rules of professional responsibility and this chapter.

(Added by Stats. 1981, Ch. 789, Sec. 1.)

6218. All legal services projects and support centers receiving funds pursuant to this article shall adopt financial eligibility guidelines for indigent persons.

(a) Qualified legal services programs shall ensure that funds appropriated pursuant to this article shall be used solely to defray the costs of providing legal services to indigent persons or for such other purposes as set forth in this article.

(b) Funds received pursuant to this article by support centers shall only be used to provide services to qualified legal services projects as defined in subdivision (a) of Section 6213 which are used pursuant to a plan as required by subdivision (c) of Section 6216, or as permitted by Section 6219.

(Added by Stats. 1981, Ch. 789, Sec. 1.)

6219. Qualified legal services projects and support centers may use funds provided under this article to provide work opportunities with pay, and where feasible, scholarships for disadvantaged law students to help defray their law school expenses.

(Added by Stats. 1981, Ch. 789, Sec. 1.)

6220. Attorneys in private practice who are providing legal services without charge to indigent persons shall not be disqualified from receiving the services of the qualified support centers.

(Added by Stats. 1981, Ch. 789, Sec. 1.)

6221. Qualified legal services projects shall make significant efforts to utilize 20 percent of the funds allocated under this article for increasing the availability of services to the elderly, the disabled, juveniles, or other indigent persons who are members of disadvantaged and underserved groups within their service area.

(Added by Stats. 1981, Ch. 789, Sec. 1.)

6222. A recipient of funds allocated pursuant to this article annually shall submit a financial statement to the State Bar, including an audit of the funds by a certified public accountant or a fiscal review approved by the State Bar, a report demonstrating the programs on which they were expended, a report on the recipient's compliance with the requirements of Section 6217, and progress in meeting the service expansion requirements of Section 6221.

The Board of Trustees of the State Bar shall include a report of receipts of funds under this article, expenditures for administrative costs, and disbursements of the funds, on a county-by-county basis, in the annual report of State Bar receipts and expenditures required pursuant to Section 6145.

(Amended by Stats. 2011, Ch. 417, Sec. 60. Effective January 1, 2012.)

6223. No funds allocated by the State Bar pursuant to this article shall be used for any of the following purposes:

- (a) The provision of legal assistance with respect to any fee generating case, except in accordance with guidelines which shall be promulgated by the State Bar.
- (b) The provision of legal assistance with respect to any criminal proceeding.
- (c) The provision of legal assistance, except to indigent persons or except to provide support services to qualified legal services projects as defined by this article.

(Added by Stats. 1981, Ch. 789, Sec. 1.)

6224. The State Bar shall have the power to determine that an applicant for funding is not qualified to receive funding, to deny future funding, or to terminate existing funding because the recipient is not operating in compliance with the requirements or restrictions of this article.

A denial of an application for funding or for future funding or an action by the State Bar to terminate an existing grant of funds under this article shall not become final until the applicant or recipient has been afforded reasonable notice and an opportunity for a timely and fair hearing. Pending final determination of any hearing held with reference to termination of funding, financial assistance shall be continued at its existing level on a month-to-month basis. Hearings for denial shall be conducted by an impartial hearing officer whose decision shall be final. The hearing officer shall render a decision no later than 30 days after the conclusion of the hearing. Specific procedures governing the conduct of the hearings of this section shall be determined by the State Bar pursuant to Section 6225.

(Added by Stats. 1981, Ch. 789, Sec. 1.)

[6225.](#) The Board of Trustees of the State Bar shall adopt the regulations and procedures necessary to implement this article and to ensure that the funds allocated herein are utilized to provide civil legal services to indigent persons, especially underserved client groups such as but not limited to the elderly, the disabled, juveniles, and non-English-speaking persons.

In adopting the regulations the Board of Trustees shall comply with the following procedures:

- (a) The board shall publish a preliminary draft of the regulations and procedures, which shall be distributed, together with notice of the hearings required by subdivision (b), to commercial banking institutions, to members of the State Bar, and to potential recipients of funds.
- (b) The board shall hold at least two public hearings, one in southern California and one in northern California where affected and interested parties shall be afforded an opportunity to present oral and written testimony regarding the proposed regulations and procedures.

(Amended by Stats. 2011, Ch. 417, Sec. 61. Effective January 1, 2012.)

[6226.](#) The program authorized by this article shall become operative only upon the adoption of a resolution by the Board of Trustees of the State Bar stating that regulations have been adopted pursuant to Section 6225 which conform the program to all applicable tax and banking statutes, regulations, and rulings.

(Amended by Stats. 2011, Ch. 417, Sec. 62. Effective January 1, 2012.)

[6227.](#) Nothing in this article shall create an obligation or pledge of the credit of the State of California or of the State Bar of California. Claims arising by reason of acts done pursuant to this article shall be limited to the moneys generated hereunder.

(Added by Stats. 1981, Ch. 789, Sec. 1.)

[6228.](#) If any provision of this article or the application thereof to any group or circumstances is held invalid, such invalidity shall not affect the other provisions or applications of this article which can be given effect without the invalid provision or application, and to this end the provisions of this article are severable.

(Added by Stats. 1981, Ch. 789, Sec. 1.)

TITLE 3. PROGRAMS AND SERVICES

Adopted July 2007

DIVISION 5. PROVIDERS OF PROGRAMS AND SERVICES

Chapter 2. Legal Services Trust Fund Program

Article 1. Administration of the Legal Services Trust Fund Program

Rule 3.660 Legal Services Trust Fund Commission

The Board of Trustees of the State Bar of California has established a Legal Services Trust Fund Commission ("Commission") to administer, in accordance with legal requirements and these rules ("Trust Fund Requirements"), revenue from IOLTA (Interest on Lawyers' Trust Accounts) and other funds remitted to the Legal Services Trust Fund Program of the State Bar.

Rule 3.660 adopted effective March 6, 2009; amended effective January 1, 2012.

Rule 3.661 Duties of the Legal Services Trust Fund Commission

- (A) The Commission must determine an applicant's eligibility for grants and notify each grant applicant that its application has been approved or denied. If the Commission tentatively approves an application, it issues a notice of the grant award, including the tentative allocation. If the notice requires submission of additional information, the Commission considers the application incomplete pending receipt of the information.
- (B) The Commission must monitor and evaluate a recipient's compliance with Trust Fund Requirements and grant terms. The evaluation may be based on
 - (1) application information, grant reports, and additional information reasonably necessary to determine compliance with Trust Fund Requirements;
 - (2) reasonable site visits scheduled upon adequate notice;
 - (3) an evaluation of a recipient by an impartial third party designated and funded by the Commission; or
 - (4) information from other sources, such as an evaluation provided by the Legal Services Corporation or other funding entity.
- (C) The Standards for the Provision of Civil Legal Aid adopted by the American Bar Association's House of Delegates on August 7, 2006, as limited by the general introduction to the standards, are the guidelines used by the Commission in

approving the quality control procedures and reviewing and evaluating the maintenance of quality service and professional standards of applicant and recipient programs. With due notice, the Commission may also rely on other standards that are consistent with law and generally accepted access to justice principles in the legal aid community.

- (D) The Commission may terminate a grant for noncompliance or take other action in accordance with Article 4 of this chapter.

Rule 3.661 adopted effective March 6, 2009.

Rule 3.662 Legal Services Trust Fund Commission membership and terms

The Commission consists of twenty-one voting members and three nonvoting judicial advisors. At least two members must be or have been within five years of appointment indigent persons as defined by statute.¹ No employee or independent contractor acting as a consultant to a potential recipient of Trust Fund grants may be appointed to the Commission.

- (A) The Board of Trustees appoints fourteen voting members, ten of whom must be licensees of the State Bar and four of whom must be public members who have never been admitted to the practice of law in any United States jurisdiction. Each member serves at the pleasure of the Board for a term of three years that begins and ends at the State Bar annual meeting. Upon completion of an initial term, the Board may reappoint a member for a second three-year term. The Board may extend an initial or second term by one or two years to allow a member to serve as chair or vice-chair.
- (B) The chair of the Judicial Council appoints seven voting members, five of whom must be licensees of the State Bar and two of whom must be public members, as well as three nonvoting judges, one of whom must be an appellate justice. Each member serves at the pleasure of the chair of the Judicial Council for a term of three years.
- (C) The Board of Trustees appoints voting members as chair and vice-chair.

Rule 3.662 adopted effective March 6, 2009; amended effective January 1, 2012; amended effective September 14, 2014; amended effective January 25, 2019.

Article 2. Construction of certain statutory provisions

Rule 3.670 Operation in California by qualified entities

- (A) A qualified legal services project is required by statute to be a nonprofit corporation operating exclusively in California or a program operated exclusively

¹ Business & Professions Code § 6213(d).

in California by a nonprofit law school accredited by the State Bar.² A qualified legal services project that is a California nonprofit corporation with operations outside California may be considered as meeting the statutory requirement if it otherwise meets Trust Fund Requirements and expends Trust Fund Program grant funds only in California.

- (B) A qualified support center is required by statute to be an incorporated nonprofit legal services center that provides through an office in California a significant level of legal support services to qualified legal services projects on a statewide basis.³

Rule 3.670 adopted effective March 6, 2009.

Rule 3.671 Primary purpose and function

- (A) A qualified legal services project is required by statute to have as its primary purpose and function providing legal services without charge to indigent persons.⁴ A qualified legal services project applying for Trust Fund Program funds is presumed to have such a purpose and function if 75% or more of the budget for the fiscal year for which it is seeking funds is designated to provide free legal services to indigents, and 75% or more of its expenditures for the most recent reporting year were incurred for such services. The calculation of 75% of expenditures may include a reasonable share of administrative and overhead expenses.
- (B) A qualified support center is required by statute to have as its primary purpose and function the provision of legal training, legal technical assistance, or advocacy support without charge.⁵ A qualified support center applying for funds is presumed to have such a primary purpose and function if 75% or more of its budget for the fiscal year for which it is seeking funds is designated to provide such support services, and 75% or more of its expenditures for the most recent reporting year were incurred for such services.
- (C) A qualified legal services project or qualified support center that does not meet the 75% test may nevertheless apply, provided that the applicant can satisfactorily demonstrate that it meets the primary purpose and function requirement by other means.

Rule 3.671 adopted effective March 6, 2009.

² Business & Professions Code § 6213(a).

³ Business & Professions Code § 6213(b).

⁴ Business & Professions Code § 6213(a)(1).

⁵ Business & Professions Code § 6213(b).

Rule 3.672 Delivery of legal services

- (A) “Legal services” include all professional services provided by a licensee of the State Bar and similar or complementary services of a law student or paralegal under the supervision and control of a licensee of the State Bar in accordance with law.⁶
- (B) “Legal support services” required by statute to be provided by a qualified support center include but are not limited to
 - (1) professional services to qualified legal services projects; and
 - (2) the direct provision of legal services to an indigent client of a qualified legal services project, provided the services are provided directly to the client
 - (a) as co-counsel with an attorney employed or recruited by a qualified legal services project; or
 - (b) at the request of an attorney employed or recruited by a qualified legal services project that is unable to assist the client.⁷

Rule 3.672 adopted effective March 6, 2009; amended effective January 25, 2019.

Rule 3.673 Permissible uses of funds

- (A) A qualified legal services project or qualified support center must use funds received under Business and Professions Code Section 6216 to provide legal assistance to indigent persons or qualified legal services projects as defined by statute.⁸ Reasonable administrative expenditures and overhead required to deliver such services meet the statutory requirement.
- (B) No recipient may use an allocation made under Business and Professions Code Section 6216 to provide services in a fee-generating case, except as described in Business and Professions Code Section 6213(e)(1)-(4). If a recipient determines that a case is not fee generating because it qualifies for a statutory exemption,⁹ the recipient must maintain records reflecting the facts that led to that conclusion and any action taken to confirm it. Client reimbursements of nominal costs or expenses are not considered fees. If attorney fees are generated in cases funded by Trust Fund Program grants, the fees must be used only for purposes

⁶ Business & Professions Code § 6213(a).

⁷ Business & Professions Code § 6213(b).

⁸ Business & Professions Code §§ 6216 and 6223.

⁹ Business & Professions Code § 6213(e)(1).

permitted by statute.¹⁰ Recipients must maintain complete records of all such fees.

Rule 3.673 adopted effective March 6, 2009.

Article 3. Applications and distributions

Rule 3.680 Application for Trust Fund Program grants

To be considered for a Trust Fund Program grant, a qualified legal services project or qualified support center seeking a Trust Fund Program grant must submit a timely and complete application for funding in the manner prescribed by the Commission. The applicant must agree to use any grant in accordance with grant terms and legal requirements.

- (A) A qualified legal services project must meet statutory criteria.
- (B) A qualified support center must agree to offer support services in two or more of the following ways: consultation, representation, information services, and training. The board of directors of the support center must establish priorities for providing such services after consulting with legal services attorneys and other relevant stakeholders.
- (C) A support center not in existence prior to December 31, 1980 must demonstrate that it is deemed to be of special need by a majority of qualified legal services projects in accordance with Trust Fund Program procedures. Upon request, the Commission must make available to the applicant a list of all the names and addresses of qualified legal services projects.
- (D) A nonprofit corporation that believes it meets the criteria for a qualified legal services project and qualified support center may submit two applications, one as a project and one as a support center, indicating in each application whether it is to be considered the primary or secondary application. The Commission will consider the secondary application only if the primary application is not approved. No applicant may receive a grant as a qualified legal services project and as a qualified support center.
- (E) An application must include
 - (1) an audited financial statement by an independent certified public accountant for the fiscal year that concluded during the prior calendar year. A financial review in lieu of an audited financial statement may be submitted by an applicant whose gross corporate expenditures were less than the amount specified in the Schedule of Charges and Deadlines;

¹⁰ Business & Professions Code § 6223.

- (2) information about the maintenance of quality service and professional standards and how the applicant maintains standards, such as internal quality control and review procedures; experience and educational requirements of attorneys and paralegals; supervisory structure, procedures, and responsibilities; job descriptions and current salaries for all filled and unfilled professional and management positions; and fiscal controls and procedures.
- (3) a budget and budget narrative, which must be submitted within thirty days of receipt of a notice of tentative allocation, explaining how funds will be used to provide civil legal services to indigent persons, especially underserved client groups such as, the elderly, the disabled, juveniles, and non-English-speaking persons within the applicant's service area; and
- (4) information about program activities, such as substantive practice areas, extent and complexity of services, a summary of litigation, and populations served.

Rule 3.680 adopted effective March 6, 2009; amended effective January 25, 2019.

Rule 3.681 Duties of Trust Fund Program grant recipient

The recipient of a Trust Fund Program grant must

- (A) use the grant in accordance with the terms of the grant agreement and Trust Fund Requirements;
- (B) maintain complete financial records, including budgets, to account for the receipt and expenditure of all grant funds and all income earned by a grant recipient from grant-supported activities, such as income from fees for services (including attorney fee awards and reimbursed costs), training, sales and rentals of real or personal property, and interest earned on grant amounts;
- (C) maintain records for five years after completion of services to a client regarding the eligibility of the client and promptly provide such records to the Commission for inspection upon demand;
- (D) annually submit information that describes, in the manner required by the Commission, the grant recipient's maintenance of quality service and professional standards and compliance with program requirements and, as requested by the Commission,
 - (1) information for evaluative purposes about program activities in the prior grant year; and
 - (2) information to enhance the delivery system of legal services;

- (E) cooperate regarding any reasonable site visit;
- (F) submit timely quarterly financial reports and any other information reasonably required by the Commission; and
- (G) pay any noncompliance fees set forth in the Schedule of Charges and Deadlines for processing documents that are substantially noncompliant with Trust Fund Requirements or that are late without permission.

Rule 3.681 adopted effective March 6, 2009.

Rule 3.682 No abrogation of legal or professional responsibilities

Nothing in these rules may limit or impair in any way the professional responsibility of an attorney to provide a client with legal services appropriate to the client's needs. Trust Fund Program applicants and recipients and their staffs; volunteers; consultants; and clients and prospective clients are entitled to all rights and privileges under the law. Nothing in these rules may be interpreted to require a grant applicant or recipient to violate the law.¹¹

Rule 3.682 adopted effective March 6, 2009.

Article 4. Requests for review and complaint process

Rule 3.690 Receipt of document

For purposes of this article, receipt of a document mailed by staff or the Commission is deemed to be the earlier of either five days after the date of mailing or is the actual time of receipt when staff or the Commission delivers a document physically by courier or otherwise.

Rule 3.690 adopted effective March 6, 2009.

Rule 3.691 Denial or termination of funding

- (A) The Commission has the authority to deny an application for initial funding or for renewal of funding, or to terminate existing funding in accordance with law and these rules.¹² The applicant or grant recipient is entitled to written notice of the denial or termination.
- (B) The applicant or grant recipient may request reconsideration by the Commission.

¹¹ Business & Professions Code § 6217(d).

¹² Business & Professions Code § 6224.

- (1) The request must be provided to the Commission in writing within thirty days of receipt of the notice of denial or termination of funding. The request may include additional information.
 - (2) The Commission may affirm its decision, modify its decision, or schedule an informal conference to be held within ninety days of receipt of the request. The applicant or recipient is entitled to written notice of the date, time and place of the conference, and must have an opportunity to present information at the conference.
 - (3) Unless all parties agree otherwise, the Commission must mail or otherwise deliver a written decision within sixty days of the conference.
- (C) Within thirty days of receipt of written notice of the Commission decision on the request for reconsideration, the applicant or grant recipient may file a request for review by the State Bar Court. The request must be submitted to the State Bar Court in accordance with the Rules of Procedure of the State Bar on Legal Services Trust Fund Proceedings. Pending a final decision by the State Bar Court, a current grant recipient must continue to receive funding.
- (D) The decision of the Commission on the request for reconsideration is final if the applicant or grant recipient fails to file a timely request for review by the State Bar Court.

Rule 3.691 adopted effective March 6, 2009.

Rule 3.692 Complaints

- (A) Any person or entity may file a formal written complaint that a grant recipient fails to meet Trust Fund Requirements.
- (B) Staff must provide a copy of a formal written complaint to the grant recipient whom it concerns and attempt to resolve the complaint. If the complaint is not resolved within ninety days after staff receives the complaint, staff must provide the Commission, complainant, and recipient with a written report of its efforts to resolve the complaint and recommendation of what action, if any, is appropriate.
- (C) Within thirty days of receipt of the staff report, the complainant and grant recipient may provide the Commission with a written response that may include additional information and may request review by the Commission.
- (D) Within a reasonable time, the Commission or a committee of its members appointed by the Commission must consider the staff report and any response. The Commission or committee must then dismiss the complaint or schedule an informal conference. The complainant and grant recipient are entitled to written notice of a dismissal or the date, time, and place of the conference.

- (E) At the informal conference, the staff member who conducted the investigation must be present barring extenuating circumstances. The complainant and grant recipient must have an opportunity to present information. The Commission must issue a written notice dismissing the complaint; requiring corrective action; or terminating funds. The complainant and recipient are entitled to written notice of the decision.
- (F) If the Commission or committee decides to dismiss the complaint, the decision is final.
- (G) If the Commission or committee decides to terminate funding, within thirty days of receipt of written notice of the decision the grant recipient may file a request for review by the State Bar Court. The request must be submitted to the State Bar Court in accordance with the Rules of Procedure of the State Bar on Legal Services Trust Fund Proceedings. Pending a final decision by the State Bar Court, a current grant recipient must continue to receive funding.
- (H) The decision of the Commission to terminate funding is final if the grant recipient fails to file a timely request for review by the State Bar Court.

Rule 3.692 adopted effective March 6, 2009.

Legal Services Trust Fund Program

Eligibility Guidelines

LEGAL SERVICES PROJECTS ONLY

**The State Bar of California
180 Howard Street
San Francisco, CA 94105-1617**

Legal Services Trust Fund Program Eligibility Guidelines

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Legal Services Trust Fund Program Eligibility Guidelines

The Legal Services Trust Fund Program Eligibility Guidelines were designed as a brief statement of factors governing eligibility for an allocation under the Legal Services Trust Fund Program. The Guidelines, together with their Commentary, are intended to incorporate provisions found in the statute (Business and Professions Code §6210, et seq.) and at Title 3, Rules 3.660-3.692 of the Rules of the State Bar of California.

Commentary follows each guideline and is designed to further assist you in seeking an allocation under the Legal Services Trust Fund Program. Bracketed references are to the Business and Professions Code (B&P Code) and Rules of the State Bar.

Requirements for All Applicants

1. **To be considered for a Legal Services Trust Fund Program grant, an applicant must submit a timely and complete application for funding in the manner prescribed by the Legal Services Trust Fund Commission (the Commission). To qualify for an allocation under the Legal Services Trust Fund Program, an applicant must be either:**
 - a. **a qualified legal services project (Legal Services Projects Guidelines 2-2.9); or**
 - b. **a qualified support center (Support Centers Guidelines 2-2.9).**

A single applicant may not qualify as both a legal services project and a support center. [Rule 3.680(D)]

Commentary:

The main distinction between a legal services project and a support center is found in the primary purpose of the organization. Compare Legal Services Projects Guideline 2.3 with Support Centers Guideline 2.3. You must indicate on your application the status under which you wish to be considered. You may complete the applications for both a legal services project and a support center. If you qualify in the category of first preference, you will not be considered in the second category. If you do not qualify in the category of your first choice, you will be considered for eligibility under the category of your second choice, if your primary purpose and function qualifies you for that category. [Rule 3.671(A)-(C)]

- 1.1. **All applicants must include with their applications an assurance that the applicant will use the funds allocated from the Legal Services Trust Fund Program for the purposes set forth in §§6210-6228 of the Business and Professions Code.**

Commentary:

The application includes an Assurances form. Execution of that form will satisfy the requirements of Guidelines 1.1 - 1.3.

1.2. Within 30 days after notice of a tentative allocation from the Commission, the applicant must submit a budget and budget narrative for the expenditure of the allocation, including but not limited to:

1.2.1. an explanation of how funds shall be utilized to provide civil legal services to indigent persons; and

1.2.2. for a qualified legal services project, a description of how the project will make significant efforts to use 20 percent of the funds allocated to increase services to disadvantaged and underserved client groups such as (but not limited to) the elderly, the disabled, juveniles and non-English-speaking persons within the project's service area. [B&P Code §6221; Rule 3.680(E)(3)]

Commentary:

Do not submit a budget with your application. Once the Commission has found your program tentatively eligible and has approved an allocation to your program, you will be notified of a tentative grant allocation. You must then prepare a budget and budget narrative in conformance with Guideline 1.2, explaining your intended use of the funds. This budget and budget narrative will be reviewed by the Commission for conformance with the statute prior to disbursement of funds.

The budget and budget narrative should identify how the proposed allocation will aid in providing civil legal services to indigent persons. The narrative should describe the expected increased benefit to indigent persons as a result of the allocation.

The statute requires that qualified legal services projects make significant efforts to use 20 percent of the allocated funds to increase the availability of service to the elderly, the disabled, juveniles, non-English-speaking persons, or other indigent persons who are members of disadvantaged and underserved groups within your service area. Your narrative should describe specifically how you intend to use 20 percent or more of the proposed allocation to increase services to such disadvantaged and underserved groups.

One method by which a project may demonstrate its use of 20 percent of allocated funds to increase services to disadvantaged and underserved client groups is to enter into subcontracts specifically utilizing 20 percent of the funds for legal services to such client groups.

If you do not demonstrate "significant efforts" through the use of subcontracts, your budget narrative should describe the clients presently served by your project, the additional clients from disadvantaged and underserved client groups that will be served in the future through the use of 20 percent of the funds allocated, and your quantifiable objectives for increased services to such groups.

If your legal services project is part of a corporation that has activities outside California, the proposed budget and budget narrative must explain how the proposed allocation will be used within the state of California, as distinguished

from an increase in the total multi-state budget. The statute prohibits the use of allocated funds outside the state of California.

If your project provides both, legal services and other types of services, your budget and budget narrative must show that the allocation will be used solely for legal services. If your project provides services in both civil and criminal matters, your proposed budget and budget narrative must show that the allocation will be used solely for civil matters. If your project serves some persons who do not fall within the statutory definition of indigent persons (Commentary 2.3.4), your proposed budget and budget narrative must show that the allocation will be used solely for persons who are indigent within that definition. [B&P Code §§6213(d), 6218(a), 6221; Rule 3.680(E)(3)]

If you receive an allocation for more than one county, the budget and budget narrative must show that each allocation will be used to provide services to clients in the county for which it is made.

1.3. All applications must include an assurance that the applicant:

Commentary:

See Commentary 1.1 above. [B&P Code §§6210, 6217, 6221; Rule 3.682]

- 1.3.1. at all times will honor the attorney-client privilege and will uphold the integrity of the adversary process; and**
- 1.3.2. will not impose restrictions unrelated to statutes and rules of professional conduct on attorneys who provide representation to indigent clients with funds provided in whole or in part from the Legal Services Trust Fund Program; and**
- 1.3.3. does not discriminate on the basis of race, color, national origin, religion, sex, handicap, or age.**

Commentary:

The Legal Services Trust Fund Commission recognizes that certain applicants will concentrate on providing legal services to members of specific disadvantaged and underserved groups within their service area, such as elderly, disabled, juveniles, or non-English-speaking persons. The statute is intended to facilitate the provision of free legal services to such disadvantaged and underserved client groups. [B&P Code §§6210 and 6221] The Commission therefore will not regard Guideline 1.3.3 as violated merely by the fact that services are concentrated on (or limited to) specific disadvantaged and underserved client groups within the meaning of Business and Professions Code §§6210 and 6221, so long as the basis for such concentration and limitation is reasonably designed to benefit distinct disadvantaged and underserved groups. The certification required by Guideline 1.3.3 does prohibit any discrimination within the targeted client groups, and prohibits any discrimination on matters other than the selection of eligible clients.

- 1.4. If the Commission or staff requests any further information relating to an applicant's eligibility, or related to the amount of the allocation under the Legal Services Trust Fund Program, the applicant must supply that information. However, the Commission is not required to notify applicants if their initial application fails to include information sufficient to demonstrate eligibility. Failure to provide information necessary to the Commission's decisions on eligibility or eligible expenditures (or failure to supply requested information relevant to those decisions) will be grounds for denial of eligibility, or for refusal to recognize part of the applicant's expenditures within the allocation formula. [Rules 3.680(E) and 3.691(A)]

Requirements for Legal Services Projects

2. To be a qualified legal services project, the applicant must meet (a) each of the requirements of Guidelines 1.1-1.3 above, and (b) each of the following requirements of Guidelines 2.1-2.4, and (c) the requirements of either Guideline 2.5 or 2.6. For the Commission to determine the amount of funds to which each qualified legal services project is entitled from the Legal Services Trust Fund Program, applicants must also submit the information required in Guidelines 2.7 and 2.8 below. Applicants that meet the requirements of Guideline 2.9 below (*pro bono* programs) will be entitled to additional funds from the Legal Services Trust Fund Program.

Commentary:

A qualified legal services project must meet: (1) the requirements applicable to all applicants (see Guidelines 1.1-1.3); (2) the mandatory requirements of 2.1-2.4 applicable to all legal services projects; and (3) either the eligibility presumption described by 2.5 or the requirements for annual cash funds, community support, and special services described by 2.6. In addition to this eligibility information, the applicant must submit the information required in 2.7 and 2.8 in order that the Commission may determine the amount of the allocation. If an applicant recruits attorneys in private practice as its principal means of delivering legal services, it may qualify for an additional allocation under 2.9 below.

- 2.1. The applicant must be a California nonprofit corporation.

Commentary:

In order to demonstrate your status as a California corporation, copies of the Articles of Incorporation certified by the California Secretary of State and a current Certificate of Status from the California Secretary of State showing that the corporation is in good legal standing must be filed with the Legal Services Trust Fund Program. To demonstrate your nonprofit status, copies of (1) the determination letter from the Internal Revenue Service granting your application for exemption from the appropriate provisions of subchapter (f) of Chapter 1 of the Internal Revenue Code of 1954, as amended and (2) the determination letter from the State Franchise Tax Board granting your application for exemption from the appropriate section of the California Revenue and Taxation Code must be filed with the Legal Services Trust Fund Program. If you have not received such determination letter(s), attach

copy(ies) of your application(s) for exemption, together with an explanation of its/their status. [B&P Code §6213(a)(1); Rules 3.670(A), 3.680(A)]

If you are part of a law school, submit the information described above with respect to the law school. The school must be a nonprofit law school accredited by the State Bar of California, and your program must be an identifiable unit of the school. [B&P Code §§6213(a)(2), 6214.5; Rule 3.670(A)]

2.2. The organization must operate exclusively in California. An applicant that is part of a corporation that conducts other activities outside California can meet this requirement if all funds granted will be expended in California.

Commentary:

Your legal services project must be operated exclusively in California. If you are part of a corporation that conducts activities outside California, you must assure the Commission that all money granted from the Legal Services Trust Fund Program will be expended exclusively in California. If your corporation conducts activities outside California, explain the nature of those activities and how you propose to segregate funds allocated under the Legal Services Trust Fund Program to assure that they will be expended solely in California.

2.3. The application must demonstrate through objective information that the organization:

Commentary:

Objective information must be provided to assure that you meet the definitional provisions of Guideline 2.3. Such information must describe the organization specifically and factually, using quantitative information where needed, to demonstrate that it meets each of the requirements of Guidelines 2.3.1-2.3.5. [B&P Code §6213(a); Rules 3.670(A), 3.671(A), 3.680(E)(2)]

Quantitative information that may demonstrate how that organization's services meet the requirements includes the following: numbers of clients who were served during the previous year; hours of time spent on different kinds of services, or on services to different clients in the previous year; accounting records for expenses incurred in providing different kinds of services or services to different clients during the previous year.

If you rely on estimates to demonstrate that you have met these requirements, you must demonstrate that the estimates were derived by a method that is reasonably related to the actual expenditure of funds, and explain the basis of the estimates.

2.3.1. provides civil legal services

Commentary:

You must provide legal services within the definition of Rule 3.672(A). That rule provides that "legal services include all professional services provided by a member of the State Bar, and similar or complementary services of a law student or a paralegal under the supervision and control of a member of the State Bar in accordance with law." If your organization provides services in

addition to legal services, your application must describe those other activities, identify the percentage of the overall services provided that are not legal services, and state the basis by which you computed that percentage. [Rule 3.671(A)]

2.3.2. without charge

Commentary:

Payments by clients for costs and expenses or a processing fee of \$20 or less shall not be considered a “charge” for legal services, so long as the processing fee is administered so that it does not prevent indigent persons from receiving services. If you charge a processing fee, you must establish procedures for waiving the fee for all clients who cannot afford it. You must inform prospective clients of the availability of a waiver at the same time and in the same manner that they are informed of the fee, and in a language the client can understand.

If you charge a processing fee, your application must include information about established procedures for waiving the fee for clients who cannot afford it. The maximum of \$10 per processing fee will be regarded as a qualified expenditure.

If you charge some clients amounts in excess of costs, your application must state the percentage of your work in which such charges are made, and the basis for computing that percentage.

If attorneys’ fees are generated through court awards, such fees must be used to provide further civil legal services without charge to indigent persons. [Rule 3.673(B)]

“Costs and expenses” include any out-of-pocket expenses incurred by the organization (or by *pro bono* attorneys recruited by the organization), including recoverable costs of litigation, copying charges, telephone charges, postage charges, and other out-of-pocket expenses normally charged to clients by attorneys in private practice. An applicant may be considered as providing legal services without charge within the meaning of Guideline 2.3.2 in spite of charges to clients for such items. [Rule 3.673(B)]

2.3.3. to persons

Commentary:

You may consider legal services provided to an organization (e.g., an unincorporated association, partnership, or corporation) as services to indigent persons if the organization provides benefits primarily to persons who are indigent as described below in the Commentary on Guideline 2.3.4. In determining whether an organization so qualifies, the Commission will consider at least the following factors: (a) whether the organization is tax exempt under I.R.C. §501(c)(3); (b) the organization’s primary purpose as stated in its bylaws or articles; (c) the number and percentage of indigent persons on the board of directors or principal advisory body of the organization; and (d) the percentage of its members who are indigent persons.

If you provide more than ten percent of your services to organizations (whether qualifying or non-qualifying), your application must identify the five organizations that received the most legal services during the prior calendar year and, for each such organization, supply the information identified above. You need not disclose information protected by the attorney-client privilege. If you provide some portion of your legal services to organizations that do not so qualify, identify the percentage of overall services provided to such non-qualifying organizations, and explain the basis of your computation.

2.3.4. who are indigent

Commentary:

An indigent person is defined by the Business and Professions Code §§6213(d), 6213(g), 6213(h), and 6213(i) as follows:

“Indigent person means a person whose income is (1) 125 percent or less of the current poverty threshold established by the United States Office of Management and Budget, or (2) who is eligible for Supplemental Security Income or free services under the Older Americans Act or Developmentally Disabled Assistance Act. With regard to a project which provides free services of attorneys in private practice without compensation, indigent person also means a person whose income is 75 percent or less of the maximum levels of income for lower income households as defined in §50079.5 of the Health and Safety Code. For the purpose of this subdivision, the income of a person who is disabled shall be determined after deducting the costs of medical and other disability-related special expenses.”

Your application must state the percentage of your organization’s services that were provided during the previous calendar year to clients who did not fall within this definition. You must adopt written financial eligibility guidelines. If your eligibility criteria includes persons who are not indigent within the definition of §6213(d) above, explain how you determined the percentage of clients served that falls outside the definition. If you did not have written financial eligibility guidelines in the prior year, your application must explain the basis of your computation of percentage and supply objective support for the computation. [B&P Code §§6213(d) and 6218]

If you provide legal services for the benefit of a group or class of persons beyond the specific individuals or organizations who are your clients, you may consider the services as “legal services provided to indigent persons” only if the legal matter is primarily for the benefit of indigent persons.

In determining whether a legal matter is primarily for the benefit of indigent persons, the Commission may consider the following factors and any others that aid in making that determination: (1) the forum in which the matter is being pursued, e.g., courts, administrative agency, legislature, etc.; (2) whether named clients are indigent persons or qualifying organizations (under Commentary 2.3.3 above); (3) in the case of a class action, the definition of the class contained in the complaint and proposed or actual class certification orders; (4) a description of the group of individuals that would benefit from a favorable resolution of the legal matter; (5) whether a majority of those who

would benefit are indigent persons; (6) the relation of the legal issues raised by the matter to the needs of indigent persons; and (7) whether indigent persons are disproportionately impacted by the legal issues raised by the matter.

If legal services for the benefit of a group or class of persons beyond the specific individuals or organizations who are your clients constitute more than ten percent of your legal services, your application must identify the ten such legal matters on which you expended the largest amount of funds in the prior calendar year. For each of the matters so identified in your application, describe who would benefit from the services, state whether the matter is primarily for the benefit of indigent persons and, if so, explain the reasons you reached that conclusion. For any such matter that is primarily for the benefit of indigent persons, your description should include the information listed as items (1) through (7) in the preceding paragraph; you must quantify the percentage of your clients who are indigent persons (or organizations qualifying under Commentary 2.3.3 above) and the percentage of the persons who would benefit from the services who are indigent persons. Explain the basis of this information. You need not disclose information protected by the attorney-client privilege.

If some portion of your legal services are for the benefit of a group or class of persons beyond your specific clients and are not primarily for the benefit of indigent persons, identify the percentage of overall services provided in such matters and explain the basis of your computation.

2.3.5. as the primary purpose and function of the corporation.

Commentary:

Your application must state the net percentage of the corporation's overall expenses that were incurred in the previous calendar year to provide civil legal services without charge to persons who are indigent. You are required to demonstrate the corporation's primary purpose, and not simply the primary purpose of a part of the corporation. (If your project is operated by a law school, see the last section of this Commentary on Guideline 2.3.5.)

If more than 75 percent of the corporation's expenditure budget for the fiscal year for which it is seeking an allocation is designated for the provision of civil legal services without charge to persons who are indigent, and if 75 percent of its expenditures for the most recent reporting year were incurred for such legal services, the corporation will be presumed to meet the primary purpose and function test. In demonstrating your compliance with this 75 percent test, you cannot include the value of donated services. [Rule 3.671(A)]

An applicant not qualifying for the 75 percent presumption may nevertheless apply for an allocation, demonstrating its purpose and function by other means. An applicant not qualifying for the presumption shall state separately each purpose and function of the corporation, and state what percentage of the expenditures in the most recent calendar year, and what percentage of the budget in the upcoming year, are allocated to each of these separate purposes and functions. The application shall further state the basis for these allocations. [Rule 3.671(C)]

In addition to this submission of expenditure and of budget information, primary purpose and function can be additionally supported by historic expenditure information, by the organization's stated purpose in articles, bylaws or policy statements or case priority guidelines, or by the demonstrated track record of the applicant in providing legal services without charge to indigent persons.

An applicant that operated in previous years as a project within an organization providing substantial services other than legal services to indigent persons, or as an entity other than a corporation, but which has since become a separate California nonprofit corporation whose primary purpose and function is the provision of legal services without charge to indigent persons, may establish its status as a qualified legal services project and its proportionate entitlement to funds based upon financial statements which strictly segregate that portion of the organization's expenditures in prior years which were devoted to civil legal services for indigents. Thus, if you are recently incorporated and previously operated as a part of an umbrella organization, you may utilize the expenditures of your predecessor organization so long as financial statements strictly segregate the expenditures for such legal services.

If your legal services program is operated by an accredited nonprofit law school, you are required only to demonstrate the program's primary purpose, and not the corporation's primary purpose. Your program must be operated exclusively in California and the law school must be accredited by the State Bar of California. The program must have operated for at least two years at a cost of at least \$20,000 per year, as an identifiable law school unit with the primary purpose and function of providing civil legal services without charge to indigent persons. The program may meet the primary purpose test according to the 75 percent test described above or by demonstrating its purpose and function through other means described above. [B&P Code §6213(a)(2)]

2.4. The application must include a description of the organization's quality control procedures and standards, including but not limited to the matters described in Guidelines 2.4.1-2.4.4:

Commentary:

The American Bar Association's *Standards for the Provision of Civil Legal Aid* are the quality control standards for the Legal Services Trust Fund Program, pursuant to Business & Professions Code §6225 and Rule 3.661(C). These standards are the State Bar's guidelines for review and approval of applicant and recipient program practices.

If you are already subject to quality control reviews by the Legal Services Corporation or the California Department of Aging, describe the quality control review procedures to which you are subject.

Describe your quality control standards and how compliance with each of the subjects listed in Guidelines 2.4.1-2.4.4 is ensured. The Commission is particularly interested in your standards and procedures regarding supervisorial structure, procedures, and responsibilities. [B&P Code §§6123(a) and 6217(a); Rule 3.680(E)(2)]

- 2.4.1. the minimum experience and education requirements for attorney and paralegal employees;
 - 2.4.2. the current salaries and job descriptions for all filled and unfilled management and professional positions, including paralegal personnel;
 - 2.4.3. the minimum experience and educational requirements for attorney supervisors; and
 - 2.4.4. the supervisory structure, procedures and responsibilities.
- 2.5. Applicants must meet the requirements of this, Guideline 2.5, or the requirements of Guideline 2.6. To meet the requirements of this, Guideline 2.5, the applicant must receive at least some funding either:
- 2.5.1. from a grant made to the organization by the Legal Services Corporation or by an Area Agency on Aging distributing Older Americans Act funds; or
 - 2.5.2. from an approved contract with another organization that is a grant recipient meeting the terms of Guideline 2.5.1.

Commentary:

In order to qualify under Guideline 2.5 (and thereby waiving the requirements of 2.6), you must receive at least some funding either directly from the Legal Services Corporation (or from an Area Agency on Aging) or by contract with an LSC-funded organization (or by a contract with an Area Agency on Aging-funded organization). If your funding is by contract, the contract must have been approved by LSC or by the state or local agency administering the Older Americans Act funds.

Legal Services Corporation is defined in the Business and Professions Code §6213(f) as the Legal Services Corporation established under the Legal Services Corporation Act of 1974 (Public Law 93-355; 42 U.S.C. 2996 and following). *Older Americans Act* is defined in the Business and Professions Code §6213(g) as the Older Americans Act of 1965, as amended (Public Law 89-73; 42 U.S.C. 3001, and following). [B&P Code §§6213(f), 6213(g), 6214(a)]

- 2.6. An applicant that does not meet the requirements of Guideline 2.5 must meet each of the requirements of Guidelines 2.6.1-2.6.3 below:
- 2.6.1. The applicant must receive at least \$20,000 annual cash funds from sources other than the Legal Services Trust Fund Program to support the program described in Guideline 2.3 above, and

Commentary:

In order to qualify under Guideline 2.6.1, you must demonstrate at least \$20,000 annual cash funds from sources other than the Legal Services Trust Fund Program to support the provision of civil legal services without charge to indigent persons. If you did not receive at least \$20,000 cash funds from such sources in the year immediately preceding the application, you must

demonstrate that your average annual cash funds over some period of years have been at least \$20,000 per year. This computation cannot include the value of any donated services or equipment.

You cannot include money received from fee-generating cases or from court-awarded attorneys' fees. [B&P Code §6214(b)(1)]

If you are applying as a law school program, you must demonstrate the program has operated for at least two years at a cost of at least \$20,000 per year. [B&P Code §6213(2)(A)]

2.6.2. The applicant must have demonstrated community support for the operation of a viable ongoing program, and

Commentary:

If you have received at least \$20,000 per year annual cash funds from local sources in the community in which you provide your services, such support is sufficient to meet the requirements of Guideline 2.6.2. You may not count contributions from employees of your organization toward the local support requirement of this Guideline 2.6.2, though it can be counted for 2.6.1.

If you cannot show \$20,000 annual local community financial support, you may demonstrate community support through the donation of services or other non-cash contributions, by service of local community leaders on your board of directors, fundraising committees, etc., or by otherwise demonstrating that the community actually supports the operation of a viable ongoing program.

Letters of support from local community leaders are not sufficient to demonstrate the community support required by Guideline 2.6.2. [B&P Code §6214(b)(2)]

2.6.3. The applicant must provide at least one of the following special services:

2.6.3.1. Recruiting substantial numbers of attorneys in private practice who serve without compensation providing the legal services referred to in Guideline 2.3 above, or

Commentary:

In deciding whether you are eligible to apply as a project that recruits substantial numbers of attorneys, the Legal Services Trust Fund Commission will consider several factors. At a minimum you must meet at least one of the following tests:

- a. you recruited at least 30 attorneys who provided services in the previous calendar year; or
- b. you recruited at least five percent of the licensed attorneys in the county you serve who provided services in the previous calendar year; or
- c. the attorneys you recruited donated at least 1,000 hours of legal services for your clients in the previous calendar year.

Provided you meet one of these minimum tests, you may demonstrate your project's recruitment of substantial numbers of attorneys in one or more of the following ways:

- a. the number of attorneys recruited;
- b. the percentage of attorneys in your local service area that donated services through your project;
- c. the verified value of donated civil legal services in comparison to your expenditures and budget;
- d. the number of hours donated by each attorney;
- e. the number of attorneys in your area who have special expertise needed to provide the services your project offers; or
- f. other considerations that may affect the availability of volunteer attorneys in your service area.

Any attorney who is not an employee of the applicant can be considered in private practice, and attorneys may be considered in private practice even though they work for government agencies, corporations, or in non-legal occupations.

Attorneys can be considered to serve without compensation even when they are reimbursed for out-of-pocket expenses, whether by the client, the applicant, or other sources. [B&P Code §6214(b)(3)(A); Guideline 2.3.2 and supporting Commentary]

2.6.3.2. Providing legal representation, training, or technical assistance on matters concerning special client groups or on matters of specialized substantive law important to special client groups.

Commentary:

Special client groups include any underserved or disadvantaged groups, including, without limitation, the elderly, disabled, juveniles, or non-English-speaking persons. [B&P Code §6214 (b)(3)(B)]

2.7. The application must include a financial statement that includes the total expenditures of the applicant. The financial statement must meet the requirements of Guideline 2.7.1 below.

2.7.1. The statement must show expenditures for the completed fiscal year ended most recently before the application deadline, and must be audited or reviewed by an independent certified public accountant. A financial review, in lieu of an audited financial statement, may be submitted by an applicant whose gross corporate expenditures were less than the amount specified in the Schedule of Charges and Deadlines. Applicants must submit a financial statement no later than 90 days after the end of their fiscal year. The required financial statement must be received prior to the disbursement of any funds from the Legal Services Trust Fund Program.

Commentary:

Independent CPA-audited or reviewed statements are required of organizations with gross expenditures of less than \$500,000. Organizations with gross

expenditures in excess of \$500,000 must submit audited statements. If such a statement is unavailable at the time of the application, you may substitute an approximated financial statement, but you must submit an audited or reviewed statement no more than 90 days after the end of their fiscal year. [B&P Code §6222; Rule 3.680(E)(1); Schedule of Charges and Deadlines]

- 2.7.2. The financial statement need not distinguish between legal services without charge to persons who are indigent (within the definition of Guideline 2.3.4 above) and other services performed by the project. However, if an applicant does provide other services, the application must include the approximated information requested on the expenditure form(s) identifying expenses incurred providing any of the following services: legal services/other activities, civil/criminal, free/charged, indigent/non-indigent clients, in-state/out-of-state expenditures.**

Commentary:

The amount of your grant will be based in part on the amount of your expenditures in your previous fiscal year for civil legal services without charge to indigent persons. See Guidelines 2.3.1 through 2.3.4 for the definitions the Commission will use to determine the portion of your expenditures that are qualified to be counted in determining your grant allocation. [B&P Code §6216(b)]

Records that may be used to demonstrate the portion of the organization's expenses that qualify to be counted in determining the grant allocation include the following: records of the numbers of clients served during the previous year; records reflecting time spent on different kinds of services or on services to indigent/non-indigent clients in the previous year; accounting records reflecting expenses incurred providing different kinds of services or on services to indigent/non-indigent clients during the previous year.

If you rely on estimates to establish the amount of your qualified expenditures, you must make the estimates by a method that is reasonably related to the actual expenditure of funds and explain the basis of the estimates.

- 2.7.3. The financial statement must disclose and segregate any amounts paid to or received from another program applying for an allocation under the Legal Services Trust Fund Program.**

Commentary:

In order to avoid double counting, funds contributed by one program to another program, when both are applicants for an allocation from the Legal Services Trust Fund Program, must be disclosed in the financial statements of both programs. In determining allocations, such funds will be counted only for the program receiving the funds, unless those programs have executed a contrary agreement differently allocating the credit for the contributed funds between the two programs. If an agreement is made, both programs must provide a copy of such agreement to the Commission.

- 2.8. The application must state the counties in which the legal services described in Guideline 2.3 above are provided. An applicant that provides such services in more than one county must state the total expenditures made for services in each county and explain the basis of the by-county allocation. In allocating total expenditures among counties on Legal Services Trust Fund Program applications, an applicant must use a method that is reasonably related to the actual expenditure of funds and explain the basis of the allocation.**

Commentary:

You may qualify for allocations only in counties you are presently serving. If you are presently serving more than one county, allocate the expenditures that meet the requirements of Guideline 2.3 by county, explaining the basis for your allocation. The Commission will evaluate whether your allocation is reasonably related to the actual expenditure of funds in light of the particular characteristics of your organization and your services. The allocation information does not need to be audited. [B&P Code §6216(b)]

The following are some of the bases for allocation of expenses among counties served that the Commission has found in past years to be reasonable under appropriate circumstances: numbers of clients served who reside in each county; number of cases handled in each county; actual or estimated hours of service provided in each county, or provided to clients who reside in each county; actual expenses of providing service to clients in each county, including both personnel and non-personnel expenses; statistics that establish the geographic distribution by county of persons who will benefit from the services provided. In certain circumstances, it may be necessary to use a combination of these or other methods to arrive at an allocation method that is reasonably related to the actual expenditure of funds. If you rely on estimates, you must make the estimates by a method that is reasonably related to the expenditure of funds and explain the basis of the estimates.

If you allocate expenses to counties other than those in which your individual or organizational clients reside, or those in which you provided the services, the allocation must be reasonably related to the geographic distribution of the indigent persons who will benefit from the services. In evaluating the reasonableness of such allocations, the Commission may consider the following factors and any others that aid in making that determination: (1) the forum in which the matter is being pursued, e.g., courts, administrative agency, legislature, etc.; (2) whether the matter can be expected to establish a precedent and the anticipated scope or breadth of that precedent; (3) in the case of a class action, the definition of the class contained in the complaint and proposed or actual class certification orders; (4) a description of the group of individuals that would benefit from a favorable resolution of the legal matter; and (5) the legal issues raised by the matter.

For a legal matter or matters for which you allocate expenses based on residence of persons other than your individual clients, your application must identify the legal matters and, for each matter, provide the information listed in items (1) through (5) in the preceding paragraph. You should also identify the geographic and numeric distribution of the persons the matter may benefit and your approximate expenditures for the matter. Explain the basis of this

information. You need not disclose information protected by the attorney-client privilege.

2.9. An applicant wishing to qualify for the additional allocation reserved for organizations that demonstrate the volunteer services of private lawyers as their principal means of delivering legal services must meet each of the following requirements:

2.9.1 the requirements of Guideline 2.6.3.1 above; and

2.9.2 the applicant's principal means of delivering legal services is the recruitment of attorneys in private practice.

Commentary:

See Commentary concerning Guideline 2.6.3.1. One method by which you may demonstrate that such recruitment is your project's principal means of legal services delivery is to show by objective evidence that the attorneys recruited actually provided substantial free civil legal services and that the number of hours of services so provided in the previous calendar year by attorneys recruited exceeded the number of hours of services provided by lawyer staff employed by the applicant.

An alternative method by which you may demonstrate that such recruitment is your project's principal means of legal services delivery is to show by objective evidence (1) that the attorneys recruited actually provided substantial free civil legal services; (2) that the combined number of hours of service by volunteers, both attorneys and paralegals, exceeds the combined number of hours of service by staff attorneys and paralegals; and (3) that the number of hours of service by volunteer attorneys is more than half as many as the combined number of hours of service by staff attorneys and paralegals.

If you do not use either of these methods to demonstrate your principal delivery means, you should describe and explain in your application the method used.
[B&P Code §6216(b)(1)(B)]