

**LEGAL SERVICES TRUST FUND COMMISSION**  
**EXECUTIVE COMMITTEE MEETING**  
**Meeting Summary and Action Items**  
Friday, June 11, 2021, 1:00 p.m. – 3:00 p.m.  
State Bar of California (Conference Call via Zoom)

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Roll Call		
<b>Members Present</b> Co-Chair Banafsheh Akhlaghi Co-Chair Eric Isken Co-Vice Chair Richard Reinis Co-Vice Chair Kim Savage	<b>Liaisons</b> Salena Copeland (Legal Aid Association of California)  <b>Public Members</b> Lorin Kline (Legal Aid Association of California) Claire Solot (Bigglesworth Family Foundation)	<b>Staff</b> Doan Nguyen Dan Passamaneck Kim Warmesley  <b>Members Absent</b> None

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**OPEN SESSION**

Co-Chair Eric Isken called the meeting to order at 1:03 p.m.

**I. ROLL CALL**

Roll call was taken, and quorum was established.

**II. CALL FOR PUBLIC COMMENT**

Co-Chair Isken invited members of the public to comment on any items on the agenda. No public comment was made.

**III. CONSENT**

**A. Approval of Meeting Summary and Action Items from May 12, 2021 Meeting**

The Executive Committee of the Legal Services Trust Fund Commission approved the May 12, 2021 meeting summary and action items by unanimous roll call vote (Reinis moved, Akhlaghi seconded).

**IV. DISCUSSION AND ACTION ITEMS**

**A. Update on Provisionally Licensed Lawyer (PLL) Grants**

Recipients and unsuccessful applicants have all been contacted about these grant awards, and technical support has been provided to some disappointed applicants. Funds will be released in two tranches so awards can be reduced if the upcoming licensing period's revenues do not meet projections. Revenue met projections for the 2021 licensing cycle, but revenue figures for the 2022 cycle have yet to be determined.

**B. Staff Update on Grants Administration**

A new senior program analyst will be starting July 12, with previous experience in the Virginia legislature and with data analysis.

The Bar has announced that Leah Wilson has been appointed as Executive Director and will be re-joining the Bar on July 12.

The State Bar will be transitioning back to in-person activities gradually. The Board of Trustees would like to return to in-person meetings as soon as possible. However, Zoom meetings seem to have better attendance and can improve access equity. In-person meetings help build understanding and common vision; virtual meetings can help client members participate more effectively and can help with recruiting in remote areas. A hybrid schedule of both in-person and virtual meetings might best meet the needs of the various meetings the LSTFC holds over the year. Staff could propose an in-person meeting schedule and will continue evaluating technological options to blend virtual and in-person platforms. Claire Solot speaking as a member of the public noted that a dual model being explored by the Judicial Council appears to be improving public access.

**C. Preview of June 25, 2021 Legal Services Trust Fund Commission Meeting Agenda**

The upcoming meeting will include approving clerical corrections to grant amounts for two grantees, and a staff report on Provisionally Licensed Lawyer (PLL) grants. Eligibility and Budgets Review Committee Chair Erica Connolly and staff will provide an update on IOLTA application review. Two new applicants are unlikely to be found eligible because they have not provided audits and do not appear to be able to do so. One other applicant has qualified expenditures of about 11 percent and is also unlikely to be found eligible. Three other new applicants appear more likely to be found eligible. Staff will also report on the State Bar's 2020 audit which had one finding with respect to OA&I: a technical issue about booking revenue. A protocol is now in place to address that issue.

Salena Copeland will report as the Legal Aid of California (LAAC) liaison on advocacy to increase base EAF funding, and on advocacy for increased funding for housing-related legal services. Proposals being prepared for the Governor's approval would provide \$50 million of new EAF funding over two years and a \$20 million increase to the annual EAF base thereafter. This funding would also include a set-aside for infrastructure grants to be administered by the California Access to Justice Commission. Because of the timing of the grant year, this funding might also result in supplemental funds for 2022 Partnership Grants, which could require a new RFP process. Draft legislation currently provides that funding allocated for Partnership Grants but not awarded may be poured over for distribution through IOLTA formula EAF grants. The draft legislation also retains a reference to setting aside 10 percent of the total EAF fund for Partnership Grants; this might have been inadvertent and is being reviewed with legislative staffers.

Additional new Homelessness Prevention funding might need to be distributed as quickly as possible, which could require a new RFP process under the direction of the HP Committee.

Considering possible increases in both the base EAF and in Homelessness Prevention funding, next year OA&I may be administering more than \$100M in new legal aid funding.

Separately, federal stimulus funds may also be authorized for legal services for homelessness prevention. These funds could amount to \$40 million per year for tenant education and advocacy. Additionally, seniors' organizations may benefit from a separate stream of funding to be administered by the Area Agencies on Aging. Future State Bar grant programs should be implemented with consideration for these funding streams. Plans also encompass rental assistance funding, which could also help at-risk tenants stave off homelessness. LAAC and the Western Center on Law and Poverty will conduct a training next week at the request of the Department of Housing and Community Development to encourage landlords to participate in the rental-assistance program. Some landlords report that tenants don't understand how to take advantage of this opportunity.

The State Bar's revenues exceeded projections by approximately \$10 million by the end of 2020. Staff will present the 2021 revenue forecast to the Board in July, based on data through April 2021. Last year revenues for this fiscal year were forecast at about \$14 million but current forecasts are in the range of \$25 or \$26 million – with a caveat: April has shown a 10 percent dip in revenue collected. The top 10 banks generate most of the revenue but some of the lower of these (numbers 6 through 10) are no longer leadership banks; as a result, overall revenues are lower. Staff will recommend an IOLTA distribution of about \$37 million in 2022 – a 55 percent increase over 2021, with a 50 percent reserve (about \$12 million) as a buffer. Commission Member Jeff Ball has been included in these discussions and will help with the presentation and details next week. Co-Chair Akhlaghi specifically requests his input; Doan notes that another Commission member will soon join with additional banking experience.

A question was raised regarding carryovers due to reduced client demand for services; Doan reported that spending has shifted as Federal and Paycheck Protection Program (PPP) money has paid salaries originally budgeted for payment with IOLTA grant funds. Many grantees have requested budget revisions to shift funds originally budgeted for personnel to technology purchases. Budgets for Partnership Grant projects, which are generally court-based, have had to be revised, sometimes necessitating carryovers. Claire Solot noted as a member of the public that these PPP loans will make grantee financials look very different; she suggested that audits include an addendum on this point to make sure balance sheets are not subject to misinterpretation.

The June Commission meeting will also include approval of Partnership Grants. Most of the applicants seek continuation funding; Partnership Grants Committee Chair Christina Vanarelli and committee coordinator Senior Program Analyst Christal Bundang will present on this item.

Expungements will be discussed at the top of the hour in closed session, so people seeking to make public comments can appear at the beginning of the meeting

Salena Copeland also reminded the Committee of ongoing advocacy to support SB 498, which increases IOLTA eligibility to 200 percent of the current poverty threshold established by the United States Office of Management and Budget while excluding all veterans' disability benefits. The effective date as currently drafted will be January 1, 2022 both as to client eligibility and qualified expenditures. The Rules Committee workplan has been revised to expedite consideration of related rules changes.

**D. Discuss 2021 Legal Services Trust Fund Commission Priorities**

Co-Chair Isken noted an interest in more robust evaluation protocols. Doan Nguyen reported that the State Bar intends to provide training for Partnership Grant recipients, and that New LAAC staff may also be able to help with an evaluation convening.

Evaluations were seen as valuable both with regard to client experience and program assessment, but often beg the question of a project's actual impact. Concrete data helps programs improve, and is also the most powerful tool when advocating for more funding. This is true not only for Partnership Grant evaluations, but also for other grant evaluations. The State Bar should be prepared to provide data when requested to do so. It may be advisable to produce a 2 or 3 page set of high-level numbers and infographics that can be updated annually.

Information about services provided with Homelessness Prevention (HP) grants is being provided on an individual case basis; this data is very rich but difficult to analyze and assess. Initial Staff are partnering with the Judicial Council and Commission Member Jim Meeker to help build the Bar's internal capacity to gather, analyze, and act on evaluation findings.

Rubrics should ensure that all applicants have a fair opportunity to describe their work, both as to application evaluation and program assessment. Support Centers in particular report difficulty explaining or describing their legal support services on forms designed for direct service projects. Formulaic reports that require specific data points from all grantees, can be enhanced by also letting programs communicate the impact of their own projects in their own way. The time may be ripe to revise RFPs and reporting materials so they are more amenable to Support Centers. The Commission might consider resurrecting the Reboot Committee, to bring together Commission members and advocates to review the current approach to assessment and evaluation through revisions to applications, reporting forms, and messaging. [Gary Blasi](#) may have relevant advice.

**V. ADJOURN**

There being no other business, the meeting was adjourned at 2:29 p.m.