



Date: August 12, 2022

To: Members, Legal Services Trust Fund Commission Eligibility & Budget Review Committee

From: Erica Carroll, Lead Program Analyst

Subject: 2023 IOLTA/EAF Eligibility Determinations

EXECUTIVE SUMMARY

Interest on Lawyers' Trust Accounts (IOLTA) and Equal Access Fund (EAF) formula grants (EAF grants) are awarded to approximately 100 qualified legal services projects (QLSP) or support centers (SC) each year to support the provision of free civil legal aid in California to indigent persons, or in the case of SCs, the provision of legal training, technical assistance, and advocacy support to QLSPs. These grants must comply with criteria set forth in Business & Professions Code sections 6210-6228 (referred to as the "IOLTA statute"), State Bar Rules, and Eligibility Guidelines for Legal Services Projects and Support Centers.

The purpose of this memo is to describe the issues and provide the relevant governing authorities to aid the Eligibility and Budget Review Committee (Committee) in its deliberations and recommendations to the Legal Services Trust Fund Commission (LSTFC). Recommendations made by the Committee must be approved by the Legal Services Trust Fund LSTFC.

The Committee will be asked to vote on final recommendations regarding all 2023 IOLTA/EAF applicants to the LSTFC.

BACKGROUND

IOLTA and EAF grants are awarded to approximately 100 QLSPs and SCs each year. QLSPs provide free civil legal aid in California to indigent persons, and SCs provide legal training, legal technical assistance, and advocacy support to the organizations that directly serve indigent persons. Although IOLTA and EAF grants are separate sources of funding, there is one combined application for both IOLTA and EAF grants.

IOLTA funds are mainly generated from interest accrued on lawyers' trust accounts while EAF funds are provided through the State's annual budget act, as part of the judicial branch budget. IOLTA and EAF grants are both governed by the IOLTA statute, State Bar Rules, and Eligibility Guidelines for LSPs and SCs. An organization may apply for IOLTA and EAF funding as either a QLSP or SC.

The IOLTA statute is the primary governing authority that defines how IOLTA funds are generated and distributed, utilizing a formula to calculate individual award amounts. The vast majority of EAF funds are also distributed using the IOLTA formula. The Rules of the State Bar and Eligibility Guidelines for Legal Services Projects and Support Centers further refine the statutory requirements. (See Attachment A for relevant governing authorities.)

Each IOLTA/EAF grant cycle, the Eligibility & Budget Review Committee works with State Bar staff during the application review process to consider and resolve issues internal to the application. The Committee then makes final eligibility recommendations to the LSTFC based on the outcome of the application review process.

DISCUSSION

Eligibility Recommendations to the LSTFC for 2023 IOLTA/EAF Funding

Attachment B lists all 2023 IOLTA/EAF applicants and staff recommendations to the Committee regarding eligibility. Staff recommends finding 101 of the 102 applicants eligible for funding. The organization that staff recommends as ineligible is Santa Barbara County Immigrant Legal Defense Center (SBCILDC). It is an applicant for first-time funding that failed to include an audited or reviewed financial statement with its application.

Audits from the prior fiscal year are required as part of the application process. State Bar Rule 3.680(E)(1). Staff uses these audits to confirm that the expenditures reported in the application are correct. Applicants are supposed to submit their audits by May 1, and staff has discretion to accept an audit through the application deadline; any extension beyond that would require permission from the LSTFC upon a showing of extraordinary circumstances.¹ Schedule of Charges and Deadlines regarding Rule 3.680(E)(1).

At its June 2022 meeting, the LSTFC denied SBCILDC's request for extension for failure to demonstrate extraordinary circumstances. An application lacking a finalized audit/reviewed financial statement is considered incomplete and prevents staff from assessing the accuracy of

¹ In the past, applications were due in February and audits were due within 60 days of the application deadline. A revision to State Bar Rule 3.680(E)(1) and the Schedule of Charges and Deadlines went into effect in January 2019, streamlining the process to require all applicants to submit their audits no later than May 1 or seek an extension as described above.

the financial information included in the application. As such, staff recommends finding SBCILDC ineligible for IOLTA/EAF application in 2023.

Staff recommends adopting the eligibility recommendations as reflected in Attachment B and conveying those recommendations to the LSTFC.

CONCLUSION

The LSTFC will meet the same day as the Eligibility & Budget Review Committee to finalize eligibility determinations for 2023 IOLTA/EAF funding. Completing the application review process at the August 12 meeting and presenting recommendations to the LSTFC will allow the process to continue on schedule. Staff will run the IOLTA funding formula the following week in order to release tentative allocation amounts and budget proposal forms on August 26.

ATTACHMENTS

- A. Governing Authorities: [IOLTA statute](#) (Business & Professions Code sections 6210-6228); [Rules of the State Bar](#); [Schedule of Charges and Deadlines](#); Eligibility Guidelines for [Legal Services Projects](#) and [Support Centers](#)
- B. List of Applicants Recommended as Eligible or Ineligible for IOLTA and EAF Funding for Grant Year 2023

2023 IOLTA/EAF Applicant Eligibility Recommendations

Organizations recommended as eligible

Legal Services Projects		
#	Organization	Pro Bono Applicant
1	Advancing Justice - Asian Law Caucus	
2	Affordable Housing Advocates	
3	Aids Legal Referral Panel	
4	Alameda County Homeless Action Center	
5	Alliance for Children's Rights	YES
6	Asian Americans Advancing Justice Southern California	
7	Asian Pacific Islander Legal Outreach	
8	Bay Area Legal Aid	
9	Bet Tzedek Legal Services	YES
10	California Indian Legal Services	
11	California Rural Legal Assistance, Inc.	
12	Capital Pro Bono Inc.	YES
13	Casa Cornelia Law Center	YES
14	Central California Legal Services	
15	Centro Legal de la Raza	
16	Community Lawyers Inc.	
17	Community Legal Aid SoCal	
18	Community Legal Services in East Palo Alto	YES
19	Contra Costa Senior Legal Services	
20	Dependency Advocacy Center	
21	Disability Rights California	
22	Disability Rights Legal Center	YES
23	East Bay Community Law Center	
24	Elder Law & Advocacy	
25	Eviction Defense Collaborative	
26	Family Violence Law Center	
27	Greater Bakersfield Legal Assistance	
28	Harriett Buhai Center for Family Law	YES
29	Housing and Economic Rights Advocates	
30	IEP Collaborative, Inc.	
31	Inland Counties Legal Services	
32	Inland Empire Latino Lawyers Association, Inc.	YES
33	Inner City Law Center	
34	Justice & Diversity Center of the Bar Association of San Francisco	YES
35	La Raza Centro Legal	
36	LACBA Counsel for Justice	YES
37	Law Foundation of Silicon Valley	
38	Lawyers' Committee for Civil Rights	YES
39	Learning Rights Law Center	
40	Legal Access Alameda	YES
41	Legal Aid at Work	
42	Legal Aid Foundation of Los Angeles	
43	Legal Aid Foundation of Santa Barbara County	
44	Legal Aid of Marin	

45	Legal Aid of Sonoma County	
46	Legal Aid Society of San Bernardino	YES
47	Legal Aid Society of San Diego	
48	Legal Aid Society of San Mateo County	
49	Legal Assistance for Seniors	
50	Legal Assistance to the Elderly	
51	Legal Services for Children	
52	Legal Services for Seniors	
53	Legal Services of Northern California	
54	Los Angeles Center for Law and Justice	
55	Loyola Marymount University	
56	McGeorge Community Legal Services	
57	Mental Health Advocacy Services	
58	Neighborhood Legal Services	
59	Open Door Legal	
60	Prison Law Office	
61	Public Advocates Inc.	
62	Public Counsel	YES
63	Public Law Center	YES
64	Riverside Legal Aid	YES
65	San Diego Volunteer Lawyer Program	YES
66	San Joaquin College of Law	
67	San Luis Obispo Legal Assistance Foundation	
68	Santa Clara County Asian Law Alliance	
69	Santa Clara University Alexander Law Center	
70	Senior Adults Legal Assistance	
71	Senior Advocacy Network	
72	Senior Citizens Legal Services	
73	Social Justice Collaborative	
74	UC Davis School of Law Legal Clinics	
75	UnCommon Law	
76	USD School of Law Legal Clinics	
77	Veterans Legal Institute	YES
78	Wage Justice Center	
79	Watsonville Law Center	
80	Yuba-Sutter Legal Center for Seniors	
Support Centers		
#	Organization	
81	California Advocates for Nursing Home Reform	
82	California Rural Legal Assistance Foundation	
83	California Women's Law Center	
84	Center for Gender and Refugee Studies - California	
85	Center for Human Rights and Constitutional Law	
86	Child Care Law Center	
87	Coalition of California Welfare Rights Organizations	
88	Disability Rights Education and Defense Fund	
89	Family Violence Appellate Project	
90	Immigrant Legal Resource Center	
91	Impact Fund	
92	Justice in Aging	
93	Legal Services for Prisoners with Children	
94	National Center for Youth Law	

95 National Health Law Program
96 National Housing Law Project
97 OneJustice
98 Public Interest Law Project
99 Western Center on Law and Poverty
100 Worksafe, Inc.
101 Youth Law Center

Organizations recommended as ineligible**Legal Services Projects**

102 Santa Barbara County Immigrant Legal Defense Center