



The State Bar of California

OPEN SESSION

AGENDA ITEM

4.1 NOVEMBER 2024

LEGAL SERVICES TRUST FUND COMMISSION LEGAL AID LEADERS FELLOWSHIP GRANTS COMMITTEE

DATE: November 13, 2023

TO: Members, Legal Services Trust Fund Commission Legal Aid Leaders Fellowship
Grants Committee

FROM: Elizabeth A. Hom, Program Director, Office of Access & Inclusion

SUBJECT: Action on Late Submitted 2024 Legal Aid Leaders Fellowship Grants

EXECUTIVE SUMMARY

Business and Professions Code section 6140.03 increases by five dollars the contribution collected as part of the attorneys' annual license fee to support Interest on Lawyers' Trust Accounts (IOLTA) funded organizations. The statute directs that the additional five dollars "be allocated to qualified legal services projects or qualified support centers... to fund law student summer fellowships for the purpose of supporting law students interested in pursuing a career in legal services for indigent persons." The statute specifies that grants for law student summer fellowships shall be allocated pursuant to competitive grant process administered by the Legal Services Trust Fund Commission. The commission has delegated authority to the Legal Aid Leaders Fellowship (LALF) Grants Committee to review and make recommendations regarding this grant.

Applications for 2024 LALF grant cycle were released to eligible applicants on September 11, 2023, and completed applications were due by 5:00 p.m. on October 10, 2023. Thirty-six applications were submitted requesting more than \$2 million to fund 207 law student summer interns. Two applications were submitted past the posted deadline. This memorandum provides information related to the late submitted applications for the committee's consideration at its November 13, 2023 meeting.

BACKGROUND

On September 18, 2022, Governor Gavin Newsom signed Assembly Bill 2958 (AB 2958).¹ AB 2958 amends section 6140.03 of the Business and Professions Code to increase by five dollars the contribution collected as part of the attorneys' annual license fee to support Interest on Lawyers' Trust Accounts (IOLTA) funded organizations. The amended statute directs that the additional five dollars "be allocated to qualified legal services projects [QLSPs] or qualified support centers... to fund law student summer fellowships for the purpose of supporting law students interested in pursuing a career in legal services for indigent persons." The statute further specifies that grants for law student summer fellowships shall be allocated pursuant to a competitive grant process administered by the Legal Services Trust Fund Commission (LSTFC). The LSTFC has delegated authority to the Legal Aid Leaders Fellowship (LALF) Grants Committee to review and make recommendations regarding the Request for Proposals and grant awards.¹

Applications for the summer 2024 LALF grant were released to eligible applicants on September 11, 2023, and completed applications were due by 5:00 p.m. on October 10, 2023. Thirty-six applications were submitted requesting more than \$2 million to fund 207 law student summer interns. The State Bar collects the revenue for this grant fund during the annual attorney licensing fee cycle, which begins on December 1. Staff projects revenue to be approximately \$760,000.

After the October 10 deadline, two applicants reached out to staff to inquire about submitting late LALF grant applications. Public Counsel contacted staff on October 12. Staff then took the necessary administrative steps to allow a late application to be submitted, and requested Public Counsel to both submit its application as well as a statement that explained the reasons for the lateness of their application. Public Counsel submitted their application and explanation on October 19. Legal Assistance to the Elderly (LAE) contacted staff on October 18. Staff took the necessary administrative steps, and also requested that LAE also submit its application along with a statement explaining the reasons for the late application. LAE submitted their application and explanation on October 25. Both organizations cited staffing resources as the reason for the lateness of their respective submissions. See Attachment A for the organizations' explanations.

SUBMISSION OF LATE MATERIALS

State Bar Rule 3.680 requires applicants to submit "timely and complete" grant applications in the manner prescribed by the LSTFC. Revised State Bar Rules related grants administration and specifically to the treatment of late materials became effective July 1, 2023. Rule 3.680(F) allows staff to accept late materials (with the exception of late audits) up to one business day

¹ To leverage the expertise in diversity, equity, and inclusion issues related to the legal profession, the commission invited members of the State Bar's Council on Access and Fairness (COAF) to join the LALF Committee. Business & Professions Code section 6210.5 defines various tasks the LSTFC is entrusted with, including individual grant decisions, which are self-executing without any need for approval by the Board of Trustees. Because there are non-commissioners participating as members of this committee, it is appropriate for the commission or the Executive Committee, if authority is delegated to it, to approve the committee's recommendations.

after a posted deadline. The rule allows the LSTFC or a committee of its members to accept, accept with conditions, or reject application materials that are submitted beyond one business day after the posted deadline. Factors that may be considered in making this determination include, but are not limited to: the lateness of the application, completeness of the submission, reasonableness of the applicant's explanation for the delay, any mitigating factors the applicant provides to the committee, and the number of late applications or reporting submissions made by the applicant in the preceding three years. See Attachment B for the full text of revised State Bar Rule 3.680.

DISCUSSION

Submission of late application materials is often due to technical issues related to the grants management platform (e.g., the grant application timing out.) State Bar Rule 3.680(F), which allows staff to accept a late submission up to one business day after the posted deadline, would have accommodated a technical or other administrative issue resulting in a late application. Neither organization cited to a technical or other administrative issue as the reason for the late submission.

State Bar Rule 3.680(F) provides some factors that the committee and LSTFC may consider in determining whether to accept late application materials. Both organizations described staffing resource issues as the reason for submitting their applications past the posted deadline, and both organizations have since submitted complete applications. Staff acknowledges that not accepting the late applications from LAE and Public Counsel will likely impact their ability to recruit and compensate summer law students, which, in turn, impacts available paid opportunities in legal aid for law students. However, it would be unfair to the 34 grantee applicants that were able to submit their materials timely to allow deadline extensions due to common staffing issues experienced by many applicants. Allowing late submissions in this instance could open the door to habitual late submissions, and the nullification of posted deadlines.

In addition, the LALF Grant is a competitive, discretionary grant with requests for funding far exceeding available grant dollars. Issues of fairness and equity in allowing late applications are further compounded given that the grant is greatly over-subscribed. Even excluding the two late applications, the 34 timely submitted applications have requested more \$1.6 million to fund 170 summer law student fellows, and available funding is projected to be only approximately \$760,000.

Staff are confident that both LAE and Public Counsel's applications support the goals of this grant fund is to encourage a pipeline of law students into legal aid. Unfortunately, due to the specific circumstances of the 2024 LALF Grants, staff recommends that LAE and Public Counsel's late applications not be accepted.

RECOMMENDATION

Should the Legal Aid Leaders Fellowship Grants Committee concur in the proposed action, passage of the following resolution is recommended:

RESOLVED, that the Legal Aid Leaders Fellowship Grants Committee recommends the Legal Services Trust Fund Commission (or the Executive Committee if delegated authority) not accept the applications from Legal Assistance to the Elderly and Public Counsel, which were submitted past the posted deadline.

ATTACHMENT(S) LIST

- A. Organizations' Explanations for Late Application Submission
- B. Text of State Bar Rule 3.680

From: [Laura Chiera](#)
To: [McGary, Lauren](#)
Cc: [Hom, Elizabeth](#)
Subject: Re: LALF Grant Application Submission
Date: Wednesday, October 25, 2023 11:54:15 AM

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Lauren,

Thank you for your assistance with this matter. Our grants manager is currently on maternity leave and we haven't been able to find a temporary replacement. She, amongst her other duties, tracks all of the grant deadlines. Her leave left me to pick up her duties including tracking deadlines and completing the grant reporting. We also had our annual event, which she also coordinates normally, on the same week as the deadline to submit this grant. Unfortunately, with all of this added to my plate, this deadline slipped by my attention and we missed it.

Receiving this grant was critical to our ability to recruit for our summer internship program.

Thank you again for this opportunity to plead my case. If you have any questions or need any further information please give me a call.

Best, Laura



Laura Slade Chiera
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Pronoun: She/Her

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From: McGary, Lauren <Lauren.McGary@calbar.ca.gov>
Sent: Wednesday, October 25, 2023 10:20 AM
To: Laura Chiera <lchiera@laesf.org>
Cc: Hom, Elizabeth <Elizabeth.Hom@calbar.ca.gov>
Subject: LALF Grant Application Submission

Hi Laura,

Thank you for submitting Legal Assistance to the Elderly's Legal Aid Leaders Fellowship Grant application.

As a reminder, State Bar Rule 3.680(F) only allows staff to accept a late application up to one business day after the deadline. After that time, the committee will need to determine whether to accept the application.

State Bar Rule 3.680(F) includes factors that may be taken into account in accepting or rejecting a late application. To assist the committee in its determination, please provide by email a statement that explains the reasons for the lateness of the application.

Please let me know if you have any questions.

Thank you,

Lauren McGary

Senior Program Analyst, Office of Access & Inclusion

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From: [Joshua Hirsch](#)
To: [Hom, Elizabeth](#)
Subject: 2024 Legal Aid Leaders Fellowship Grant
Date: Thursday, October 19, 2023 5:37:28 PM

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Elizabeth:

Thank you so much for allowing us to submit an application for a 2024 Legal Aid Leaders Fellowship Grant after the deadline. I apologize for the need to request this extension. I was out of the country when the email with the application information arrived. I triaged the time sensitive emails that came in during my absence, but I missed that announcement and didn't catch it until October 12.

We appreciate your allowing us to submit this application for consideration, understanding that the Committee will make the final decision whether to accept it.

Best,
Joshua

Joshua Hirsch

he/him/his

Director of Grants

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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 by an independent certified public accountant in lieu of an audited financial statement may be submitted by an applicant whose gross corporate expenditures, excluding in-kind donated services, were less than the amount specified in the Schedule of Charges and Deadlines;
 - (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.
- (F) State Bar staff may accept application materials, except for audited financial statements or financial reviews, which are addressed in Appendix A of these Rules, submitted up to one business day after the posted deadline. The Commission or a committee of its members may accept, accept with conditions, or reject application materials that are submitted beyond one business day after the posted deadline or that are submitted up to one business day after the posted deadline but not accepted by State Bar staff. Factors that the Commission or committee may consider when determining whether to accept a late application include, but are not limited to
- (1) how late after the deadline the submission was received;
 - (2) the completeness of the submission;
 - (3) the reasonableness of the applicant's explanation for the delay;
 - (4) any mitigating factors that the applicant provides to the committee; and
 - (5) the number of late application or reporting submissions made by the applicant in the preceding three years.

Rule 3.680 adopted effective March 6, 2009; amended effective January 25, 2019; amended effective July 1, 2023.