



The State Bar of California

**OPEN SESSION
AGENDA ITEM
FEBRUARY 2024
LEGAL SERVICES TRUST FUND COMMISSION
PARTNERSHIP GRANTS COMMITTEE 4.1**

DATE: February 6, 2024

TO: Members, Partnership Grants Committee

FROM: Angela O'Hara, Senior Program Analyst, Office of Access & Inclusion

SUBJECT: Partnership Grant Budget Revision and/or Carryover Requests

EXECUTIVE SUMMARY

Organizations that receive Partnership Grant funding have the opportunity to request a modification of their approved grant budget or request a carryover of their grant award. During the grant period, organizations may submit requests to modify approved grant budgets on a rolling basis. For Partnership Grants that ended on December 31, 2023, final requests to modify approved budgets or to carryover funds were due January 31, 2024.

Requests equal to or exceeding 25 percent of the total grant award require Legal Services Trust Fund Commission (LSTFC) review and approval. The Partnership Grants Committee (Committee) reviews requests equal to or over 25 percent and develops recommendations for the LSTFC. Staff recommendations for requests received by January 31, 2024, for Partnership Grant budget modification or carryover will be presented to the Partnership Grants Committee at its February 6, 2024, meeting.

BACKGROUND

Grantees seeking to modify their budgets or to carryover funds to the following grant year must submit a request. The spenddown period to carryover funds for grants that ended on December 31, 2023, will be from January 1, 2024, to June 30, 2024; unspent funds after June 30, 2024, must be remitted to the State Bar. In the Legal Services Trust Fund Program General Grant Provisions, provision 7.01 states that recipients shall not materially deviate from the approved budget without first obtaining prior written approval. Budget modification requests must fully delineate the reason for the revision and any effect on the recipient. According to the

Commission's Functional Matrix, changes that are less than 10 percent of the total award are allowed. State Bar staff (staff) may review and approve requests that are between 10 and 25 percent of the total award, while those equal to or greater than 25 percent require Committee and LSTFC approval.

DISCUSSION

At the time this memo was published, the deadline to submit requests for budget modifications and carryovers for grants that ended on December 31, 2023, had not yet passed. Staff anticipated that there may be requests that would require Committee and LSTFC approval.

Staff review each budget modification and carryover request and calculate the percent that the request represents of the total award to determine if it requires Committee and LSTFC approval. Staff review the stated reason for a budget modification and/or carryover and the potential effect on the recipient and assess the budget narratives to determine whether the proposed use of funds is reasonable (e.g., would continue to fund qualifying work, would not pay for a different project's costs, or put an unexplained amount into capital additions, etc.). The spenddown period for approved carryover requests is from January 1, 2024, through June 30, 2024; unspent funds after June 30, 2024, must be remitted to the State Bar.

Past explanations for requests that have been found reasonable include, but are not limited to, unanticipated staffing changes, hiring delays, unexpected receipt of additional funding, and changes in legislation that impacted project goals. Past explanations that have been found unreasonable include an organization failing to clearly address how it will spend carryover funds along with new allocations, high budget deviation amounts, and repeated requests for modification or carryover year over year.

RECOMMENDATION

Should the Partnership Grants Committee concur with staff's recommendation as presented at the February 6, 2024, meeting, passage of the following resolution is recommended:

RESOLVED, that the Legal Services Trust Fund Commission (LSTFC) Partnership Grants Committee recommends to the Commission that it approve all Partnership Grant budget modification requests, as presented at its February 6, 2024, meeting.

RESOLVED, that the Legal Services Trust Fund Commission (LSTFC) Partnership Grants Committee recommends to the Commission that it approve all Partnership Grant carryover requests, as presented at the February 6, 2024, meeting.