

**JUDICIAL COUNCIL OF CALIFORNIA  
ADMINISTRATIVE OFFICE OF THE COURTS**

455 Golden Gate Avenue  
San Francisco, California 94102-3688

**Report**

TO: Members of the Judicial Council

FROM: Administrative Office of the Courts  
Center for Families, Children & the Courts  
Bonnie Rose Hough, Managing Attorney, 415-865-7668,  
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DATE: August 1, 2009

SUBJECT: Equal Access Fund: Distribution of Funds for IOLTA-Formula  
Grants (Action Required)

Issue Statement

The State Bar Legal Services Trust Fund Commission has submitted its annual report on the distribution of Equal Access Fund grants. In that report, the commission requests that the Judicial Council approve the distribution of \$14,625,000 according to the statutory formula set out in the proposed State Budget since the commission has complied with the guidelines set forth for the distribution of those funds. For the last 10 years, the Budget Act authorizing the Equal Access Fund has provided that the Judicial Council must approve the commission's recommendations if the council determines that the awards comply with statutory and other relevant guidelines.

Recommendation

Staff of the Administrative Office of the Courts recommends that the Judicial Council follow the recommendation of the State Bar Legal Services Trust Fund Commission and approve the distribution of \$14,625,000 in IOLTA<sup>\*</sup>-Formula Grants for 2009–2010 according to the terms of the State Budget, once that budget is enacted, and approve the commission's determination that the proposed budget of each individual grant complies with statutory and other guidelines.

The commission's report on distribution of the grant funds is attached at pages 4–22.

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<sup>\*</sup> IOLTA stands for Interest on Lawyers' Trust Accounts.

### Rationale for Recommendation

For the last 10 years, the state Budget Act has contained a provision for the allotment of \$10 million to an Equal Access Fund “to improve equal access and the fair administration of justice.” (Stats. 2009, AB X4 1, ch. 1, pp. 18-22; Stats. 2008, ch. 268, pp. 32–36; Stats. 2007, ch.171, pp. 40–42; Stats. 2006, ch. 47, pp. 26–30; Stats. 2005, ch. 38, pp. 9–11; Stats. 2004, ch. 208, pp.16–17; Stats. 2003, ch. 157, pp. 11–12; Stats. 2002, ch. 379, pp. 30–31; Stats. 2001, ch. 106, pp. 73–74; Stats. 2000, ch. 52, pp. 78–79; Stats. 1999, ch. 50, pp. 55–56.)

In 2005, the Uniform Civil Fees and Standard Fee Schedule Act was approved by the Legislature and the Governor. That act established a new distribution of \$4.80 per filing fee to the Equal Access Fund. The estimated revenue from filing fees for the fund is \$5,700,000 per year. Those revenues were collected by the trial courts starting in January 2007.

The proposed budget-control language (attached at pages 11-12) requires the Judicial Council to distribute the Equal Access Fund monies to legal services providers through the State Bar Legal Services Trust Fund Commission. The State Bar created the commission to administer the law regulating attorneys’ interest-bearing (IOLTA) trust accounts. (Bus. & Prof. Code, § 6210 et seq.; State Bar Rules Regulating Interest-Bearing Trust Fund Accounts for the Provision of Legal Services to Indigent Persons, rule 4.)

The proposed Budget Act further requires that “[t]he Judicial Council shall approve awards made by the commission if the council determines that the awards comply with statutory and other relevant guidelines. . . . The Judicial Council may establish additional reporting or quality control requirements. . . .” (The relevant sections of the proposed act are attached at page 11-12.)

Under the Budget Act, the Chief Justice as chair of the Judicial Council, appoints one-third of the voting members to the commission: five attorney members and two public members, one of whom is a court administrator. The Chief Justice also appoints three nonvoting judges to the commission: two trial court judges and one appellate justice. (The membership roster is attached at pages 13–14.)

The Legal Services Trust Fund Commission met on April 24, 2009, and approved a schedule for allocation of IOLTA-Formula Grants to legal services providers according to the formula established under the Business and Professions Code. Since the funds are allocated based on a formula set out in that statute, the commission determined that eligible programs would be mailed application packets indicating the grant amount according to that formula. As in previous years, the commission approved a grant year of October 1, 2009, through September 30, 2010.

The commission's report on the allocation of the Equal Access Fund shows that the commission has followed the statutory requirements and the additional criteria proposed in a report to the Judicial Council at its August 1999 meeting.

It is appropriate for the Judicial Council to approve the distribution of \$14,625,000 in IOLTA-Formula Grants awarded by the Legal Services Trust Fund Commission once the Budget Act of 2009 has been signed by the Governor to allow distribution to the eligible organizations in October. The commission will return to request approval of the distribution of Partnership Grants after completing that selection process later this year.

#### Alternative Actions Considered

There are no viable alternatives to distributing the funds according to the recommendations of the Legal Services Trust Fund Commission. The Budget Act requires the council to approve the distribution if it finds that the statutory and other relevant guidelines are met.

#### Comments From Interested Parties

The recommendations have been approved by the Legal Services Trust Fund Commission as required by law. The statutory scheme does not contemplate public comment.

#### Implementation Requirements and Costs

The IOLTA-Formula Grants require no court implementation. AOC staff will continue to work with trust fund commission staff to oversee administration of the Equal Access Fund. AOC staff support is covered by the provision for administrative costs in the Budget Act appropriation. Although the recommended allocations will have no direct fiscal effect on the courts, the courts will benefit indirectly from the assistance provided to self-represented litigants.

Attachments



# THE STATE BAR OF CALIFORNIA

## LEGAL SERVICES TRUST FUND PROGRAM

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DATE: July 6, 2009

TO: Members of the Judicial Council

FROM: Barbara Yanow Johnson, Chair  
Legal Services Trust Fund Commission

Stephanie L. Choy, Managing Director  
Legal Services Trust Fund Program

SUBJECT: Distribution of Equal Access Fund Grants

### EXECUTIVE SUMMARY

Since 1999, the Judicial Council (the "Council") budget has included the Equal Access Fund for grants to provide free legal assistance to indigent Californians. These grants are made through the Legal Services Trust Fund Commission of the State Bar (the "commission").

In 1999, you took action to implement this Fund, adopting procedures for the Chief Justice to appoint a third of the members of the Legal Services Trust Fund Commission and approving the award of grants. You approved the award of grants each subsequent year since 1999.

Each year the Equal Access Fund is distributed in two parts: 90% of the funds are distributed according to the statutory IOLTA formula, 10% of the funds are distributed as discretionary grants to partnership projects between legal aid and court programs.

Our tenth grant year, 2008-09, will end September 30, 2009, and we now request the Council approve the distribution of the IOLTA-Formula Grants for 2009-2010.

*IOLTA-Formula Grants.* The \$13,399,980 in "IOLTA-Formula Grants" allocated for the 2008-09 grant year has already funded a wide range of legal services for low-income Californians. These funds were allocated according to a formula set forth in the Interest on Lawyers Trust Accounts (IOLTA) statute (Business & Professions Code sections 6210 et seq.) and pursuant to procedures already in place for determining eligibility and administering grants. Two categories of legal services providers are eligible for grants: "Qualified Legal Services Projects" and "Qualified Support Centers." A system of grant application, budget review, reporting and on-site visits, is used to monitor compliance with grant requirements. We will request the Judicial Council approve the distribution of the Partnership grants at its December 2009 meeting.

The commission has already identified eligible legal services providers and the appropriate allocation of 2009-2010 Equal Access Fund grants in accordance with the IOLTA statute. With approval by the Council at its August 2009 meeting, and pending the commission's final approval of specific project budgets from grantees, staff will begin to distribute the grant funds shortly after the commencement of the grant year on October 1.

It is now appropriate for the Judicial Council to approve the distribution of the IOLTA-Formula Grants for 2009-2010 in the amount of \$14,625,000 pursuant to the Budget Act of 2009. The commission will present the proposed Partnership grants awards at a later date.

## **INTRODUCTION – THE BUDGET ACT**

The Equal Access Fund, initially created by the Budget Act of 1999, has been continued in each subsequent Budget Act, including the 2009 Budget Act. The budget initially allocated \$9.5 million to the Judicial Council, to be distributed in grants to legal services providers through the Legal Services Trust Fund Commission of the State Bar. The budget control language establishes two kinds of grants: IOLTA-Formula Grants and Partnership Grants. The budget also provides for funds for the cost of administration.

In 2005, the Uniform Civil Fees and Standard Fee Schedule Act was approved by the Legislature and the Governor. That Act established a new distribution to the Equal Access Fund of \$4.80 per filing fee. Filing fee revenue distributed through to the Equal Access Fund was \$4 million, 5.7 million, and \$5.4 million in 06-07, 07-08, and 08-09, respectively. Current receipts of filing fee funds support an estimate of \$5.7 million in total grant year filing fee income available for distribution in 2009-10. If actual filing fee receipts for 2009-10 exceed this sum, the excess will be included in the legal services grants for 2010-11.

The Budget Act also applied the State Appropriation Limit (SAL) to the Judiciary Budget for the first time in 2006, and again in 2007 and 2008. We do not anticipate a SAL given the budgetary limitations this year.

The basic budgetary allocation of \$10,778,365 and filing fee revenue of \$5,700,000, result in an estimated total of \$16,478,365. Because this number is only an estimate, at this time we recommend a distribution of \$16,250,000 in 2009-2010. Any amount collected in excess of this amount will be distributed in the 2010-2011 grant year. Distribution will be pursuant to the language of the Budget Act:

- Ninety percent of the grant funds are to be distributed to IOLTA-eligible legal services providers according to a formula set forth in California's Interest on Lawyer Trust Accounts ("IOLTA") statute. Funds available for this category of grants, called "IOLTA-Formula Grants," equal \$14,625,000.
- Ten percent of the grant funds are set aside for Partnership Grants to IOLTA-eligible legal services providers for "joint projects of courts and legal

services programs to make legal assistance available to pro per litigants.” Funds available for Partnership Grants equal \$1,625,000.

- Administrative costs, in a total amount up to \$812,500. are shared between the Judicial Council and the Trust Fund Commission.

(The 2009-2010 budget control language is attached as Attachment A.)

The Chief Justice continues to appoint one-third of the members of the Legal Services Trust Fund Commission, plus three advisors. All of them participate actively in the commission’s work, with each serving or having served on one of its three standing committees. (Attachment B is a roster of commission members as of the date of the Council’s August meeting.)

## **THE FIRST DECADE OF GRANTS**

For each year of the Equal Access Fund, the budget control language has provided for the funds to be distributed “to qualified legal services projects and support centers as defined in sections 6213 through 6215 of the Business and Professions Code.” Those provisions of the IOLTA statute establish the basic eligibility requirements for these two categories of organizations that are entitled to receive funding:

- “Legal Services Projects,” which have as their primary purpose the provision of legal services in civil matters directly to indigent clients without charge. [Business and Professions Code, §6213(a)]
- “Support Centers,” which provide statewide back-up assistance – training, technical assistance and advocacy support – to the legal services projects. [Business and Professions Code, §6213(b)]

The fund helps the most vulnerable Californians when they face critical, life-changing legal issues affecting their basic needs, their safety, and their security – issues such as elder abuse, domestic violence, family support, housing or access to needed health care. Among those served are indigent people, the working poor, children, people who live in isolated rural areas, veterans, those with limited English proficiency, abused women, people with disabilities and the frail elderly.

In March 2005, the Judicial Council submitted an extensive report to the Legislature evaluating the efficiency and effectiveness of the first five years of use of these funds. The report concluded that “nonprofit legal aid providers have efficiently and effectively used their grants to provide legal assistance to some of the neediest Californians, but that there remains a tremendous unmet need.” The report included the following key findings:

- The Equal Access fund improves the lives of vulnerable Californians.
- Thoughtful and innovative delivery systems have been implemented to stretch Equal Access Fund dollars and maximize services to clients.

- The Equal Access Fund strengthens, expands, and is efficiently incorporated into the legal aid delivery system.
- The Equal Access Fund creates strong partnerships between the courts and nonprofit legal aid providers that benefit low-income litigants, the judicial system, and the public at large.
- Despite the gains, significantly more funding is necessary to serve California's unrepresented litigants.

In this current economy, legal service organizations are reporting increased need, and more dire need, among their service populations. At the same time, the legal aid organizations are faced with decreases in revenue – from IOLTA, local government, foundations, law firms and individual giving. Thus, the recommendations from the Judicial Council's 2005 report resonate now more than ever: The Equal Access Fund should be increased to build on the statewide legal aid network serving low-income people; additional funding is needed to expand court-based self-help centers; and ongoing evaluation is needed to continue to improve the delivery of legal assistance to low-income and marginalized Californians.

## **ELIGIBILITY AND DISTRIBUTION**

All grantees must be nonprofit corporations, must maintain quality control procedures approved by the commission, and must meet minimum levels of funding and services that are set out in the statute. [Business and Professions Code, §§6214-6215]

The requirements regarding eligibility and use of funds are reflected in regulating rules and grant conditions approved by the State Bar Board of Governors and incorporated into a written agreement with each grant recipient. To monitor compliance with these requirements, the commission administers a system of grant reporting and oversight that includes written reports, regular telephone contact, and on-site visits.

Oversight begins with the annual application for funding. The application includes extensive information about the legal services provider's activities and services, accompanied by an annual financial statement that must be audited (or reviewed if gross expenditures are less than \$500,000) by an independent certified public accountant. Following the commission's determination of eligibility and allocation of IOLTA-Formula Grant amounts, each applicant submits a proposed budget for use of the funds, with a narrative description of the services to be provided and how the efficacy and impact of those services will be measured and maximized. The commission reviews this budget to ensure that it complies with the requirements described above before any funds are actually distributed. Subsequently grant recipients provide written reports of their expenditure of grant funds, services provided, and clients or customers served

On-site visits are used in tandem with review of the application documentation and budgets to monitor compliance with the statutory requirements and grant conditions as well as to evaluate provider effectiveness and monitor the provider's fiscal practices for the handling of grant funds. Teams of staff, sometimes joined by commission members, conduct these visits on a three-year cycle.

At the request of the commission, providers budget these funds for specific projects, activities, staff and other identified expenses, rather than use the funds for general operating support. The programs are required to report on project results from prior grant years and to describe their organizational efforts to measure and evaluate the success of their activities. The Administrative Office of the Courts has provided, and continues to provide, education and training to service providers in evaluation theory and technique relevant to this last recommendation, and has analyzed significant quantities of reported data. AOC and State Bar staff continue to cooperate closely to analyze evaluative data and to provide technical assistance to service providers to improve the efficiency and utility of their evaluations.

**IOLTA Formula Grants.** Legal services providers have used the IOLTA-Formula Grants for a wide range of services and activities that reflect both the legal needs of poor people and the special strengths of the participating programs. A substantial share of the efforts funded by these grants has been aimed at legal needs of children (adoptions, guardianships and children’s access to health care, for example) or the elderly (abuse cases, nursing home evictions, home equity fraud). IOLTA-Formula Grants have also supported efforts to address the needs of families, including a range of services to help overcome barriers to self-sufficiency and make welfare-to-work a reality. Others focus on populations that are particularly at risk, such as people with disabilities, the homeless, or victims of human trafficking.

The Budget Act requires 90 percent of the Equal Access Fund to be distributed to qualified organizations in the same way as are the IOLTA funds, consistent with sections 6216 through 6223 of the Business and Professions Code, for IOLTA-Formula Grants. Business and Professions Code section 6216 establishes the formula by which funds for IOLTA-Formula Grants are allocated:

- Fifteen percent of the grant money is reserved for Support Centers and is divided among those centers equally.
- Eighty-five percent of the funds is allocated by county based on poverty population, and then divided up within each county among Legal Services Projects based on the amount each such project spent in the prior calendar year providing free legal services to the indigent in that county. Programs that utilize volunteers as their principal means of delivering legal services share an additional allocation in each county where they so qualify.

The IOLTA statute also addresses the use of funds by recipient organizations. Grants must be used to provide free civil legal services to indigent persons or to qualified Legal Services Projects. Qualified Legal Services Projects are required to spend grant funds providing services for the benefit of clients in the counties for which they are allocated. In addition, Legal Services Projects shall make extra efforts to increase services to especially disadvantaged and underserved client groups within their service areas. Qualified Support Centers must publicize the availability of their services and demonstrate that they actually provide legal support to qualified Legal

Services Projects on a statewide basis. [Business and Professions Code, §§6218, 6220, 6221, 6223]

**Partnership Grants.** Since 1999, 10% of the Equal Access Fund has been set aside annually in the Budget Act for a competitive grants program for projects that work with local courts to help provide legal services for self-represented litigants. Beginning in 2006, those funds have been augmented by filing fee income and application of the Statutory Appropriations Limit. In 2009, thirty projects throughout California are receiving \$1.6 million in total “Partnership Grants,” in grant sums from \$20,000 to \$126,000. Only recipients of IOLTA and IOLTA-Formula Grants are eligible to apply for these grants, which are awarded to maximize the impact of this funding across areas of legal need, population types, and geographical regions. This year, \$1,625,000 will be available for Partnership Grants.

The Partnership Grants process begins with evaluation of proposals by Trust Fund Program staff and a committee of the Legal Services Trust Fund Commission. This evaluation encompasses several criteria, including but not limited to assuring the impartiality of the services, providing meaningful referrals, assurances of program effectiveness and fiscal stability, and whether the proposal seeks refunding or is for a new project. Partnership Grants are considered “seed money” to encourage new projects; consequently, grants for ongoing projects have in the past been reduced significantly after three years of Partnership funding, and have generally been terminated after five unless extraordinary conditions dictate to the contrary, as defined by written commission protocols. Funding is provided on a calendar year basis.

The Request for Proposals for Partnership Grants projects for calendar year 2010 will be issued in August 2009. The commission, with the advice and participation of AOC staff, will select successful proposals and determine tentative allocations in November 2009. The Council will have final responsibility for approving the commission’s recommendations and grant awards at its December 15, 2009 meeting.

## **NEXT STEPS: TRUST FUND COMMISSION AND JUDICIAL COUNCIL**

*Legal Services Trust Fund Commission.* At its meeting on April 24, 2009, the commission reviewed grant applications and determined which legal services providers are eligible for IOLTA grants for the 2009-10 grant year.

Based on amounts distributed last year and projected filing fee revenue, the commission has provided grantees with tentative Equal Access Fund grant allocation amounts. Based on these tentative amounts, each grant recipient is currently preparing a detailed line item budget. Budgets will be reviewed by staff and amendments will be proposed as needed between August 18<sup>th</sup> and September 18<sup>th</sup>. The commission will approve budgets on September 21, 2009; thereafter, the State Bar will sign a grant agreement with each recipient program. (Attachment C is a form version of the grant agreement used last year; no substantive changes have been proposed for this year's agreement.)

The grant period for these distributions will be October 1, 2009, through September 30, 2010. We plan to issue the first of four quarterly grant checks for distribution to recipients in October. [A list of the grant allocations, along with the allocation of grants from the IOLTA Fund for the 2009-10 grant year (July 1, 2009, through June 30, 2010, in the case of the IOLTA Fund grants) appears at Attachment D.]

The commission and its staff will be responsible for administration of these funds in tandem with IOLTA revenues and voluntary contributions through the Justice Gap Fund. Along with the regular reporting we already require for IOLTA Fund Grants, grant recipients account separately for the Equal Access Fund IOLTA-Formula Grants, submitting quarterly expenditure reports as well as year-end program assessments.

We will continue to work closely with AOC staff, providing regular reports reflecting how the grants meet the statutory requirements and other guidelines, as well as information needed to assist the Council in budget preparation. In 2004, consultants hired by the AOC together with AOC research department staff finalized mandatory reporting instruments and program-owned evaluative toolkits that were used to collect data for the comprehensive report to the Legislature. In January 2009, Trust Fund Staff and the Administrative Office of the Courts jointly hosted a day-long meeting to provide training and an opportunity to share information and collaborate on ways to improve program operations and evaluation for Partnership Grant-funded projects. Legal aid organization staff and their court partners were invited to attend. The Trust Fund staff, working together with the Administrative Office of the Courts, continues to encourage legal services providers to make critical assessments of their work and its impact on the communities they serve.

*Judicial Council.* The Budget Act provides that "the Judicial Council shall approve awards made by the commission if the Council determines that the awards comply with statutory and other relevant guidelines." It is now appropriate for the Council to approve the distribution of \$14,625,000 in IOLTA-Formula Grants for 2009-10 to those

legal services providers determined by the commission to be in compliance with the statutory and other applicable guidelines. The funds will be released by the Council to the State Bar in four equal disbursements, and will be paid out to the eligible legal services programs quarterly over the course of the grant period.

### **SUMMARY OF COUNCIL ACTION REQUIRED**

In conclusion, it is appropriate for the Judicial Council to approve on August 15 the distribution of \$14,625,000 in IOLTA-Formula Grants awarded by the Legal Services Trust Fund Commission pursuant to the Budget Act of 2009. That will make it possible for us to disburse the first quarter of the funding to eligible organizations in October.

The commission will return to request approval of the distribution of \$1,625,000 in Partnership Grants after completing the selection process later this year.

**ATTACHMENT A - BUDGET CONTROL LANGUAGE**

**BILL NUMBER: ABX4 1, Evans**

SEC. 9. Item 0250-101-0001 of Section 2.00 of the Budget Act of 2009 is amended to read:

0250-101-0001--For local assistance,  
Judicial Branch..... 18,409,000

- (1) - (7) ...
- (8) 45.55.090-Equal  
Access Fund Program. 10,776,000
- (9) Reimbursements..... -59,665,000
- (10) Amount payable from  
Federal Trust Fund  
(Item 0250-101-  
0890)..... -2,275,000

Provisions:

1. In order to improve equal access and the fair administration of justice, the funds appropriated in Schedule (8) are to be distributed by the Judicial Council through the Legal Services Trust Fund Commission to qualified legal services projects and support centers as defined in Sections 6213 to 6215, inclusive, of the Business and Professions Code, to be used for legal services in civil matters for indigent persons. The Judicial Council shall approve awards made by the commission if the council determines that the awards comply with statutory and other relevant guidelines. Ten percent of the funds in Schedule (8) shall be for joint projects of courts and legal services programs to make legal assistance available to pro per litigants and 90 percent of the funds in Schedule (8) shall be distributed consistent with Sections 6216 to 6223, inclusive, of the Business and Professions Code. The Judicial Council may establish additional reporting or quality control requirements consistent with Sections 6213 to 6223, inclusive, of the Business and Professions Code.

SEC. 10. Item 0250-101-0932 of Section 2.00 of the Budget Act of 2009 is amended to read:

0250-101-0932--For local assistance,  
Judicial Branch, payable from the Trial  
Court Trust Fund..... 2,943,158,000

(1) - (6) ...

(7) 45.55.090-Equal  
Access Fund Program. 5,685,000

...

9. In order to improve equal access and the fair administration of justice, the funds appropriated in Schedule (7) are available for distribution by the Judicial Council through the Legal Services Trust Fund Commission to qualified legal services projects and support centers as defined in Sections 6213 to 6215, inclusive, of the Business and Professions Code, to be used for legal services in civil matters for indigent persons. The Judicial Council shall approve awards made by the commission if the council determines that the awards comply with statutory and other relevant guidelines. Upon approval by the Administrative Director of the Courts, the Controller shall transfer up to 5 percent of the funding appropriated in Schedule (7) to Item 0250-001-0932 for administrative expenses. Ten percent of the funds remaining after administrative costs shall be for joint projects of courts and legal services programs to make legal assistance available to pro per litigants and 90 percent of the funds remaining after administrative costs shall be distributed consistent with Sections 6216 to 6223, inclusive, of the Business and Professions Code. The Judicial Council may establish additional reporting or quality control requirements consistent with Sections 6213 to 6223, inclusive, of the Business and Professions Code.

**ATTACHMENT B**

LEGAL SERVICES TRUST FUND COMMISSION ROSTER 2008-2009

OFFICERS

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<p>Kathleen Meehan  Department of Justice  Office of the Attorney General  2550 Mariposa Mall, Room 5090  Fresno, CA 93721  ph: (559) 477-1679    fx: (559) 445-5106  e-mail: <a href="mailto:Kathleen.Meehan@doj.ca.gov">Kathleen.Meehan@doj.ca.gov</a>  Term: 2008-2011</p>	<p><u>ADVISORS</u>  Hon. Keith D. Davis  Judge of the Superior Court, County of San Bernardino  8303 Haven Avenue  Rancho Cucamonga, CA 91730  ph: (909) 945-4177  e-mail: <a href="mailto:kddavis@courts.sbcounty.gov">kddavis@courts.sbcounty.gov</a>  Term: 2006-2009</p>
<p>Steven A. Nissen  Vice President, Legal &amp; Government Affairs  NBC Universal  100 Universal City Plaza, 1280/04  Universal City, CA 91608  ph: (818) 777-9632    fx: (818) 866-3363  e-mail: <a href="mailto:Steve.Nissen@nbcuni.com">Steve.Nissen@nbcuni.com</a>  Term: 2006-2009</p>	<p>Hon. Charles F. Palmer  Judge of the Superior Court, County of Los Angeles  Stanley Mosk Courthouse  111 North Hill Street  Los Angeles, CA 90012  ph: (213) 974-5641    fx: (213) 625-8726  e-mail: <a href="mailto:cfpalmer@LASuperiorCourt.org">cfpalmer@LASuperiorCourt.org</a>  Term: 2005-2011</p>
<p>Richard Odgers  Pillsbury Winthrop Shaw Pittman LLP  50 Fremont Street  San Francisco, CA 94105  ph: (415) 983-1000    fx: (415) 983-1200  e-mail: <a href="mailto:richard.odgers@pillsburylaw.com">richard.odgers@pillsburylaw.com</a>  Term: 2002-2011</p>	<p><u>Hon. Maria P. Rivera</u>  Justice, First District Court of Appeal  350 McAllister Street  San Francisco, CA 94102-4712  ph: (415) 865-7240    fx: (415) 865-7309  e-mail: <a href="mailto:maria.rivera@jud.ca.gov">maria.rivera@jud.ca.gov</a>  Term: 1999-2010</p>
<p>Ellen Pirie  County of Santa Cruz  701 Ocean Street, Room 500  Santa Cruz, CA 95060  ph: (831) 454-2200    fx: (831) 454-3262  e-mail: <a href="mailto:ellen.pirie@co.santa-cruz.ca.us">ellen.pirie@co.santa-cruz.ca.us</a>  Term: 2002-2007, 2007-2010</p>	
<p>John W. Stump  4133 Poplar Avenue  City Heights, CA 92105  ph: (619) 281-4688    fx: (619) 281-7394  e-mail: <a href="mailto:jwstump@cox.net">jwstump@cox.net</a>  Term: 2007-2010</p>	

## **ATTACHMENT C**

## **GRANT AGREEMENT**

### **THE STATE BAR OF CALIFORNIA**

### **LEGAL SERVICES TRUST FUND PROGRAM - EQUAL ACCESS FUND**

This Grant Agreement is made as of October 1, 2008, (the “Effective Date”) between The State Bar of California (“State Bar”), a California public corporation, and «PGNM27», a California nonprofit corporation (“Recipient”).

#### **RECITALS**

Pursuant to California Business and Professions Code Section 6210-6228 (the “Act”) and the Budget Act of 2008 (Statutes 2008, chapter 268, §2, item No. 0250-101-0001, schedule (8), provision 1, and item No. 0250-101-0932, schedule (7), provisions 10, 11 (AB 1781, the “Budget Act”)) and the Rules Regulating Interest-Bearing Trust Fund Accounts for the Provision of Legal Services to Indigent Persons (the “Rules”) and The State Bar of California Legal Services Trust Fund Program General Grant Provisions (the “Grant Provisions”), a Legal Services Trust Fund Program (“Program”) has been established in the State of California and will administer an Equal Access Fund (“Fund”).

Recipient has completed, executed and submitted to State Bar an Application for Funding under the Program and Fund. As part of the Application for Funding, Recipient has completed, executed and submitted to State Bar, Certifications, Assurances, Attachments, and a Proposed Budget (collectively, including the Application for Funding, the “Application Materials”).

In reliance upon the representations and agreements made in the Application Materials, State Bar has determined that Recipient is eligible for a grant under the Program and the Fund for the period commencing on October 1, 2008 and ending on September 30, 2009 (“Grant Period”).

The Board of Directors, the officers and similarly empowered staff of Recipient have read and understand the Act, Budget Act, Rules, the Grant Provisions and the Application Materials. Recipient has familiarized its staff with the requirements of the Act, Budget Act, Rules, the Grant Provisions and the Application Materials.

#### **AGREEMENTS**

1. Pursuant to the Program and Fund and in reliance upon the promises and representations made by Recipient, State Bar grants to Recipient «SMIGT» (“Grant Amount”).
2. The Act, Budget Act, Rules, Grant Provisions and Application Materials are incorporated into this Agreement as if set forth in their entirety in this Agreement. Recipient agrees to comply with the Act, Budget Act, Rules, Grant Provisions and Assurances and other agreements made in the Application Materials. Recipient agrees to comply with all lawful statutes, rules, regulations, guidelines, policies, instructions and similar directives pertaining to the Program and the Fund (collectively “Directives”) issued by the State of California, the Supreme Court of the State of California or State Bar, including without limitation, any Directive adopted after the Effective Date.
3. State Bar will use its best efforts to pay the Grant Amount in accordance with the Grant Provisions. State Bar, however, will in no circumstances bear any liability to Recipient or to other persons or entities for delays in payments.

4. Notwithstanding the Grant Provisions or any other provision of the entire agreement regarding the payment of grants, Recipient acknowledges that the Grant Amount and all payments thereof shall be made from funds received by the State Bar pursuant to the Budget Act; and are contingent upon the availability and sufficiency of such funds to the State Bar, as determined by the State Bar. Consequently, Recipient shall not be guaranteed any specific dollar amount in grant funds or any grant funds at all, if funds received pursuant to the Budget Act (“State Funding”) are insufficient or unavailable to the State Bar. This Agreement shall terminate automatically if State Funding becomes unavailable. The State Bar shall not assume any liability whatsoever to Recipient for any failure to pay the Grant Amount or any part thereof that results because funds are insufficient or unavailable.

5. Recipient must spend funds received in connection with the Program and Fund in each county served in the amounts set forth in Schedule of Grant Allocations, attached hereto and made a part hereof.

6. Recipient warrants that Recipient’s Application Materials for a grant under the Program and Fund do not contain any misstatement of a material fact or omit any material fact necessary to make the statements contained in the Application Materials not misleading. Recipient will notify State Bar promptly of any change in any material fact affecting Recipient's eligibility to receive funds under the Program and Fund, including without limitation, any change that affects the accuracy of any statement made in conjunction with Recipient's application for a grant under the Program and Fund.

7. In support of the State Bar’s obligation to the Judicial Council to ensure full participation by Trust Fund grant recipients in maintaining and utilization of statewide on-line resources for legal advocates and consumers of legal services, Recipient will:

a) Ensure that, during the grant year, Recipient is accurately identified on the statewide legal services websites, including, as appropriate, in the:

- i. Client referral directory on LawHelpCalifornia.org;
- ii. Legal Services Directories (support center and field program directories); and
- iii. *Pro Bono* Opportunities Guide on CALegalAdvocates.org.

b) Include information about LawHelpCalifornia.org and CALegalAdvocates.org in trainings for new advocates; circulate information about the sites when received from state coordinators; encourage advocates to join the CALegalAdvocate.org Web site; and encourage participation in available brief trainings about the sites.

8. Recipient will permit State Bar’s agents to inspect at any time any office or other premises maintained by Recipient or used by Recipient in connection with the expenditure of funds received under the Program. Recipient will cooperate with State Bar’s agents during such inspections and will furnish the agents with any information that the agents reasonably request as relevant to determining Recipient’s compliance with this Agreement. State Bar’s right of access to Recipient's records for purposes of compliance will survive the expiration of the Grant Period. In complying with disclosure requirements of this Agreement and of the Program and Fund, Recipient may withhold any client-identifying information when Recipient reasonably determines that disclosure would violate the Act, the Rules or a rule or canon of professional responsibility.

9. The Act, Budget Act, Rules, Grant Provisions and Directives set forth requirements concerning use of Program funds and payment for subcontracts to provide legal services (“Subcontracted Services”). Recipient acknowledges its obligation to inform all providers of Subcontracted Services with the requirements of the Program and to obtain from all Subcontracted Services providers a written

agreement to comply with all requirements of this Agreement as if that provider is the Recipient. Recipient assigns to State Bar all rights that Recipient has or will acquire to inspect the premises and records of providers of Subcontracted Services to ensure compliance with Program, provided that disclosure of client-identifying information by a provider of Subcontracted Services shall be governed by the provisions of paragraph 8 hereof.

10. (a) Recipient shall not represent or in any way suggest that it may obligate or pledge the credit of the State of California or of State Bar.

(b) Recipient agrees to indemnify, defend, and hold harmless State Bar (including its Board of Governors, officers, agents, and employees, as the same may be constituted now and from time to time hereafter) from and against any and all liabilities, losses, damages, expenses or costs, whatsoever (including reasonable attorneys' fees, costs and expenses), which may arise against or be incurred by State Bar as a result of or in connection with (i) claims by any and all contractors, subcontractors, providers of consulting services, materialmen, laborers, or any other person, firm, or corporation retained by Recipient to furnish or supply work, service, materials, or supplies in connection with the performance of this Agreement; and (ii) claims by any person, firm, or corporation for injury or damage by Recipient or Recipient's agents in connection with the provision of legal services pursuant to this Agreement. Recipient shall further protect, indemnify and hold harmless the State Bar from and against all liabilities, losses, damages, expenses, or costs, whatsoever (including reasonable attorneys' fees, costs and expenses), arising from or in connection with the State Bar's enforcement of its rights under this paragraph. This indemnity provision shall survive the termination or expiration of this Grant Agreement.

(c) Recipient will use reasonable efforts to have State Bar named as an insured party to any liability insurance policies purchased by or for Recipient, and shall provide the State Bar with these certificates of insurance.

11. This Agreement does not impose on State Bar any obligation to provide Recipient funds in excess of the Grant Amount or beyond the end of the Grant Period.

12. (a) All notices given in connection with this Agreement will be in writing and be made personally or by first-class, certified, registered or express mail addressed to the parties at the addresses stated below:

State Bar: The State Bar of California  
180 Howard Street  
San Francisco, California 94105  
Attention: Stephanie L. Choy, Managing Director  
Legal Services Trust Fund Program

Recipient: «PGNM26»  
«PGA126»  
«PGA226»  
«PGCY26», «PGST26» «PGZP26»  
Attention: «PGNM28»  
«PGTL28»

Notices given by mail will be deemed to have been given five (5) business days after being deposited in a United States Postal Services mailbox or with an express courier mail service. Changes in address for purposes of giving notice will be effective two weeks after giving notice of the change in address.

(b) This Agreement, together with the Application Materials, Rules, Grant Provisions and Directives, contains and constitutes the entire agreement between State Bar and Recipient regarding the State Bar's grant of Equal Access Fund monies to Recipient and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement shall be binding upon agents and successors of both parties. No alteration of the terms of this Agreement will be valid or effective unless in writing and executed by each party.

(c) This Agreement was made and entered into by the parties in the State of California and shall be construed according to the laws of that state. Any action or suit brought to interpret, construe or enforce the provisions of this Agreement shall be commenced in the Superior Court of the State of California.

(d) Each party has full power and authority to enter into and perform this Agreement and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement. Each party further acknowledges that its Directors, Governors or similarly empowered persons have read this Agreement, understand it and agree to be bound by it.

(e) No term or provision herein shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented. No consent or waiver by one party to a breach of this Agreement by the other party, whether expressed or implied, shall constitute a consent to, waiver of, or excuse for any other, different or subsequent breach. No amendment, consent, or waiver on behalf of State Bar shall be binding upon State Bar unless it is executed by the Executive Director of The State Bar of California or his/her designee.

By executing this Agreement below, the parties agree to its terms.

THE STATE BAR OF CALIFORNIA RECIPIENT

By \_\_\_\_\_ By \_\_\_\_\_  
Stephanie L. Choy, Managing Director «PGNM28»  
Legal Services Trust Fund Program Director

DATE: \_\_\_\_\_, 2008 DATE: \_\_\_\_\_, 2008

By \_\_\_\_\_ By \_\_\_\_\_  
Peggy Van Horn Name  
Chief Financial Officer Chairperson

DATE: \_\_\_\_\_, 2008 DATE: \_\_\_\_\_, 2008

**ATTACHMENT D**

**List of 2009-2010 Grant Allocations**

<b>Program Name</b>	<b>IOLTA grant</b>	<b>IOLTA-Formula EAF grant</b>
AFFORDABLE HOUSING ADVOCATES	11,761	12,125
AIDS LEGAL REFERRAL PANEL	13,083	13,487
ALAMEDA CO BAR VOLUNTEER LEGAL SERVICES	26,286	27,098
ALAMEDA COUNTY HOMELESS ACTION CENTER	24,770	25,536
ALLIANCE FOR CHILDREN'S RIGHTS	251,557	259,329
ASIAN LAW CAUCUS	22,337	23,027
ASIAN PACIFIC AMERICAN LEGAL CENTER	244,164	251,708
ASIAN PACIFIC ISLANDER LEGAL OUTREACH	35,293	36,383
BAY AREA LEGAL AID	261,496	269,579
BENCHMARK INSTITUTE	95,239	98,181
BET TZEDEK LEGAL SERVICES	503,807	519,374
CALIF. ADVOCATES FOR NURSING HOME REFORM	95,239	98,181
CALIF. RURAL LEGAL ASSISTANCE FOUNDATION	95,239	98,181
CALIFORNIA INDIAN LEGAL SERVICES	98,335	101,370
CALIFORNIA RURAL LEGAL ASSISTANCE, INC.	1,148,385	1,183,871
CALIFORNIA WOMEN'S LAW CENTER	95,239	98,181
CASA CORNELIA LAW CENTER	89,449	92,212
CENTER FOR HEALTH CARE RIGHTS	97,344	100,352
CENTER FOR HUMAN RIGHTS AND CONST. LAW	95,239	98,181
CENTRAL CALIFORNIA LEGAL SERVICES	577,376	595,217
CENTRO LEGAL DE LA RAZA	14,554	15,003
CHAPMAN UNIVERSITY SCHOOL OF LAW CLINICS	23,721	24,454
CHILD CARE LAW CENTER	95,239	98,181
CHILDREN'S RIGHTS CLINIC	15,728	16,215
COALITION OF CALIF. WELFARE RIGHTS ORGS.	95,239	98,181
COMMUNITY LEGAL SERVICES IN EAST PALO ALTO	17,391	17,928
CONTRA COSTA SENIOR LEGAL SERVICES	11,984	12,354
DISABILITY RIGHTS CALIFORNIA	1,334,907	1,376,155
DISABILITY RIGHTS EDUC. AND DEFENSE FUND	95,239	98,181
DISABILITY RIGHTS LEGAL CENTER	141,850	146,233
EAST BAY COMMUNITY LAW CENTER	76,186	78,540
ELDER LAW & ADVOCACY	48,071	49,556
FAMILY VIOLENCE LAW CENTER	44,121	45,484
GREATER BAKERSFIELD LEGAL ASSISTANCE	229,854	236,957
HALSA	43,606	44,954
HARRIETT BUHAI CENTER FOR FAMILY LAW	132,921	137,028
IELLA LEGAL AID PROJECT	39,539	40,760
IMMIGRANT LEGAL RESOURCE CENTER	95,239	98,181
INLAND COUNTIES LEGAL SERVICES	569,463	587,059
INNER CITY LAW CENTER	94,459	97,378
INSIGHT CENTER	95,239	98,181

<b>Program Name</b>	<b>IOLTA grant</b>	<b>IOLTA-Formula EAF grant</b>
LA RAZA CENTRO LEGAL	30,451	31,391
LAW FOUNDATION OF SILICON VALLEY	109,788	113,180
LAWYERS' COMMITTEE FOR CIVIL RIGHTS	68,451	70,566
LEARNING RIGHTS LAW CENTER	38,417	39,604
LEGAL AID FOUNDATION OF LOS ANGELES	846,753	872,916
LEGAL AID FOUNDATION OF SANTA BARBARA	57,552	59,330
LEGAL AID OF MARIN	23,626	24,357
LEGAL AID OF NAPA VALLEY	13,463	13,879
LEGAL AID OF SONOMA COUNTY	33,303	34,332
LEGAL AID SOCIETY OF ORANGE COUNTY	534,066	550,568
LEGAL AID SOCIETY OF SAN BERNARDINO	121,183	124,928
LEGAL AID SOCIETY OF SAN DIEGO	361,588	372,761
LEGAL AID SOCIETY OF SAN MATEO COUNTY	41,276	42,552
LEGAL AID SOCIETY-EMPLOYMENT LAW CENTER	163,751	168,806
LEGAL ASSISTANCE FOR SENIORS	31,816	32,799
LEGAL ASSISTANCE TO THE ELDERLY	11,330	11,680
LEGAL SERVICES FOR CHILDREN	46,256	47,685
LEGAL SERVICES FOR SENIORS	37,499	38,658
LEGAL SERVICES OF NORTHERN CALIFORNIA	609,310	628,145
LEGAL SERVICES FOR PRISONERS WITH CHILDREN	95,239	98,181
LOS ANGELES CENTER FOR LAW AND JUSTICE	58,197	59,995
LOS ANGELES CO. BAR ASSOCIATION PROJECTS	52,971	54,608
MCGEORGE COMMUNITY LEGAL SERVICES	34,241	35,300
MENTAL HEALTH ADVOCACY SERVICES	69,803	71,960
NATIONAL HEALTH LAW PROGRAM	95,239	98,181
NATIONAL HOUSING LAW PROJECT	95,239	98,181
NATIONAL SENIOR CITIZENS LAW CENTER	95,239	98,181
NATIONAL CENTER FOR YOUTH LAW	95,239	98,181
NATIONAL IMMIGRATION LAW CENTER	95,239	98,181
NEIGHBORHOOD LEGAL SERVICES	526,823	543,101
PRISON LAW OFFICE	125,474	129,354
PRO BONO PROJECT SILICON VALLEY	41,710	42,999
PUBLIC ADVOCATES	128,086	132,040
PUBLIC COUNSEL	580,448	598,383
PUBLIC INTEREST CLEARINGHOUSE	95,239	98,181
PUBLIC INTEREST LAW PROJECT	95,239	98,181
PUBLIC LAW CENTER	210,629	217,137
PUBLIC SERVICE LAW CORP. OF RIVERSIDE	58,413	60,218
SAN DIEGO VOLUNTEER LAWYER PROGRAM	109,682	113,071
SAN FRANCISCO BAR VOLUNTEER LEGAL SERVICES	64,999	67,00
SANTA CLARA COUNTY ASIAN LAW ALLIANCE	22,190	22,876
SANTA CLARA UNIVERSITY ALEXANDER LAW CENTER	34,385	35,447
SENIOR ADULTS LEGAL ASSISTANCE	19,491	20,094
SENIOR CITIZENS' LEGAL SERVICES	19,238	19,833
SENIOR LAW PROJECT	10,118	10,431

<b>Program Name</b>	<b>IOLTA grant</b>	<b>IOLTA-Formula EAF grant</b>
THE IMPACT FUND	95,239	98,181
UC DAVIS SCHOOL OF LAW LEGAL CLINICS	55,083	56,785
USC LAW SCHOOL LITIGATION CLINICS	68,138	70,243
USD SCHOOL OF LAW LEGAL CLINICS	65,183	67,197
VOLUNTARY LEGAL SERVICES OF NORTHERN CALIF.	67,844	69,940
THE WATSONVILLE LAW CENTER	14,894	15,355
WESTERN CENTER ON LAW AND POVERTY	95,239	98,181
WORKSAFE INC.	95,239	98,181
YOUTH LAW CENTER	95,239	98,181
YUBA-SUTTER LEGAL CENTER FOR SENIORS	11,398	11,750
	<b>13,968,373</b>	<b>14,399,970</b>