



The State Bar of California

OPEN SESSION

AGENDA ITEM

7.2 NOVEMBER 2024

LEGAL SERVICES TRUST FUND COMMISSION, ELIGIBILITY AND BUDGET REVIEW COMMITTEE

DATE: November 1, 2024

TO: Members, Legal Services Trust Fund Commission, Eligibility and Budget Review Committee

FROM: Heidi Slater, Program Manager
Esteban Cano-Gutierrez, Senior Financial Analyst

SUBJECT: Recommend Approval of 2024 IOLTA/EAF Budget Modifications

EXECUTIVE SUMMARY

Organizations that receive IOLTA and EAF grant funding may seek to modify their approved grant budget. During the grant period, organizations may request to modify approved grant budgets on a rolling basis. According to the Legal Services Trust Fund Commission's (LSTFC's) Functional Matrix, State Bar staff (staff) may review and approve requests that are between 10 and 25 percent of the total award, and the LSTFC must approve budget modifications that are above 25 percent. The LSTFC also reviews late-submitted requests. This memo summarizes the IOLTA and EAF budget revision requests submitted for approval.

RECOMMENDED ACTION

Staff recommends that the committee recommend that the LSTFC approve the two late budget deviation requests from Inland Empire Latino Lawyers Association (IELLA) and one deviation over 25 percent of the grant award from Elder Law and Advocacy (ELA).

DISCUSSION

Legal Services Trust Fund Program General Grant Provision 7.01 states that recipients shall not materially deviate from their approved budget without first obtaining prior written approval. Grantees seeking to modify their budgets must submit a written request for revision. Budget modification requests must fully delineate the reason for the revision and any effect on the

recipient. According to the Functional Matrix, changes that are 10 percent or less than the total award are considered permissible deviations. 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 LSTFC approval.

Staff received three 2024 IOLTA and five 2024 EAF budget revision requests. Each request was reviewed, and the percentage of the total award represented by each revision was calculated to determine whether LSTFC approval was necessary. Of these, staff approved three IOLTA and four EAF budget revisions between 10 percent and 25 percent of the total awards.

Additionally, one budget modification request was submitted during the carryover period for 2022 EAF, and another was submitted after the grant period for 2023 EAF. These requests were considered late. Finally, one 2024 EAF budget modification request exceeded 25 percent. These last three requests require Committee and LSTFC approval.

Table 1. IOLTA & EAF Budget Revision Requests

Organization	Grant	Grant award	Revision amount	Revision percent	Status
Inland Empire Latino Lawyers Association	2022 EAF	\$111,400	\$26,588	23.87%	Recommend Approval
Inland Empire Latino Lawyers Association	2023 EAF	\$120,900	\$30,961	22.08%	Recommend Approval
Elder Law and Advocacy	2024 EAF	\$111,316	\$37,870	34.02%	Recommend Approval
LACBA Counsel for Justice	2024 IOLTA	\$265,601	\$28,397	10.69%	Staff Approved
LACBA Counsel for Justice	2024 EAF	\$87,895	\$12,536	14.26%	Staff Approved
Los Angeles Center for Law and Justice	2024 IOLTA	\$326,580	\$43,594	13.35%	Staff Approved
Los Angeles Center for Law and Justice	2024 EAF	\$108,071	\$11,864	10.98%	Staff Approved
Center for Human Rights and Constitutional Law	2024 EAF	\$225,046	\$42,788	19.01%	Staff Approved
Law Foundation of Silicon Valley	2024 IOLTA	\$882,826	\$115,009	13.03%	Staff Approved
Law Foundation of Silicon Valley	2024 EAF	\$292,098	\$47,105	16.13%	Staff Approved

Inland Empire Latino Lawyers Association's 2022 EAF Request

IELLA requested a 23.87 percent budget modification for its 2022 EAF grant. The modification includes decreases in lawyers, other staff, and administrative salaries, with corresponding

increases in paralegal and nonpersonnel expenses such as space, technology, and other administrative costs. This request was submitted during the grant carryover period, which ended on June 30, 2024.

Inland Empire Latino Lawyers Association's 2023 EAF Request

IELLA requested a 22.08 percent budget modification for its 2023 EAF grant. The modification includes decreases in lawyers and administrative salaries, with corresponding increases in paralegal and nonpersonnel expenses such as space, office supplies, technology, contract services to clients and other administrative costs. This request was submitted after the grant period, which ended on June 30, 2024.

Elder Law and Advocacy's 2024 EAF Request

ELA requested a 34.02 percent budget modification for its 2024 EAF grant. The modification includes reductions in lawyer salaries and associated employee benefits, with corresponding increases in contract services for clients and other administrative costs. This adjustment results in only 58 percent of ELA's budget being allocated to personnel expenses. The reason for the low personnel percentage is because they moved funds from attorneys to contract services for clients and retained a contract attorney.

LACBA Counsel for Justice's (LACBA) 2024 IOLTA Request

LACBA requested a 10.69 percent budget modification for its 2024 IOLTA grant. The modification includes reductions in lawyer salaries and other staff, with corresponding increases in employee benefits and office supplies.

LACBA Counsel for Justice's (LACBA) 2024 EAF Request

LACBA requested a 14.26 percent budget modification for its 2024 EAF grant. The modification includes reductions in office supplies and nonpersonnel administrative expenses, with corresponding increases in lawyers, paralegals, and employee benefits.

Los Angeles Center for Law and Justice's (LACJ) 2024 IOLTA Request

LACJ requested a 13.35 percent% budget modification for its 2024 IOLTA grant. The modification includes reductions in paralegals, other staff, employee benefits, and various non-personnel expenses, with corresponding increase in lawyers.

Los Angeles Center for Law and Justice's (LACJ) 2024 EAF Request

LACJ requested a 10.98 percent budget modification for its 2024 EAF grant. The modification includes reductions in various nonpersonnel expenses and administrative salaries with an increase in lawyers.

Center for Human Rights and Constitutional Law's (CHRCL) 2024 EAF Request

CHRCL requested a 19.01 percent budget modification for its 2024 EAF grant. The modification includes reductions in lawyers, other staff, administrative personnel, and various nonpersonnel expenses with corresponding increases in paralegals and contract services to clients.

Law Foundation of Silicon Valley's (LFSV) 2024 IOLTA Request

LFSV requested a 13.03 percent budget modification for its 2024 IOLTA grant. The modification includes reductions in other staff and employee benefits, with increases for lawyers, paralegals, employee benefits, and nonpersonnel expenses such as space, insurance, and other administrative costs.

Law Foundation of Silicon Valley's (LFSV) 2024 EAF Request

LFSV requested a 16.13 percent budget modification for its 2024 EAF grant. The modification includes reductions in lawyers and paralegals, and administrative personnel, with increases for other staff, employee benefits, and nonpersonnel expenses such as space, library, and other administrative costs.

CONCLUSION

Staff recommends approving the budget revision requests for IELLA and ELA as described in this memo. Table 1 details each budget revision request; staff has approved the budget revision requests that are between 10 and 25 percent. Staff recommends that the committee recommend that the LSTFC approve the late budget revision requests and those that are greater than 25 percent.

PREVIOUS ACTION

None

RESOLUTIONS

Should the committee concur, passage of the following resolution is recommended:

RESOLVED, that the Legal Services Trust Fund Commission (LSTFC) Eligibility & Budget Review Committee recommends that the LSTFC approve the two late-submitted budget modification requests and the one budget modification request exceeding 25 percent, as described herein.