

The IOLA Fund of the State of New York

**ANNUAL REPORT
2008**

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THE IOLA FUND

The IOLA Fund of New York provides grants to a statewide network of non-profit organizations to support the civil legal assistance they provide to low-income New Yorkers.

The Fund was established in 1983 as an independent entity within the Executive of the State of New York, governed by a Board of Trustees appointed by the Governor. The Trustees act as fiduciaries and oversee all aspects of the Fund's grantmaking and administration.

In September, the Fund welcomed its new Chair, Benito Romano, appointed by Governor Paterson to succeed Edwin Lopez-Soto.

The Fund provides financial support for non-profit civil legal aid organizations in New York through grants. It receives no tax dollars. It is entirely financed by the interest earned on nominal or short term deposits of client funds that New York attorneys hold in their IOLA escrow accounts – sums that would not be capable of earning interest if placed in traditional attorney escrow accounts.

2008 HIGHLIGHTS

In 2008, the Fund awarded grants totaling approximately \$25 million, one of the larger amounts in the Fund's history. A year earlier the Fund had amended its regulations to ensure that banks set interest rates on IOLA accounts that were comparable to the rates set on similar accounts. The result was significantly higher revenue that supported the grants awarded in 2008. The increased level of revenue lasted until the fourth quarter of 2008 when the national financial crisis began to reduce bank interest rates.

As a consequence, the Fund was faced with a high probability that its revenue would decline sharply in 2009. To provide as much financial stability as possible to civil legal services providers, in late 2008 the Fund awarded fifteen month grants to grantees – for the period from January 1, 2009 to March 31, 2010.

In addition to its grantmaking, the Fund provided technical assistance support for activities that improve the civil legal services delivery system as a whole. These included support for a citywide legal needs assessment performed by Legal Services for New York City, an expansion of LawHelp/NY Consortium's editorial board and content on its statewide website, repair and upgrading of Empire Justice Center's statewide website and the New York Legal Assistance Group's assumption of responsibility for pending immigration cases transferred from another agency.

GRANTEE ACCOMPLISHMENTS

The advocates who work for IOLA's grantees – and the pro bono attorneys who volunteer their time – deliver legal services to low-income clients through representation in court or administrative proceedings, in negotiations leading to settlements and through advice, information and referrals.

At the end of each grant period, grantees report their accomplishments to IOLA. The reports for calendar 2008 will be submitted by April 2009. The following is based on the most recent data available – that for 2007.

In 2007, IOLA's grantees provided direct assistance to 429,539 low-income clients.

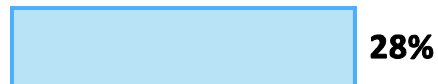
345,677 additional people received community legal education, assistance with self-representation in court and other essential legal services. Another 150,736 were assisted by Hotlines and 232,433 received referrals. Many more obtained information about legal issues from grantees' websites.

10,121 attorneys donated pro bono services through grantees' programs and contributed 388,842 hours of uncompensated time to legal assistance clients at a value estimated at over \$77 million. Through their work, 11,687 people and their families were helped.

MAJOR CATEGORIES OF ASSISTANCE PROVIDED BY IOLA GRANTEEES IN 2007

Housing: 129,001 Clients

Legal problems included unlawful eviction, denial of access to public or government-subsidized housing, and illegal mortgage foreclosure.



Family: 76,179 Clients

Legal problems included domestic violence, child support, divorce, child custody, parental rights and guardianships.



Income Maintenance: 64,159 Clients

Legal problems included eligibility for or termination of SSD (disability), SSI (Supplemental Security), unemployment compensation or public benefits.



Education: 41,211 Clients

Legal problems included suspension or expulsion from school and denial of access to educational opportunities.



Other: 118,989 Clients

Legal problems included consumer, employment, juvenile, health, individual rights, and others.



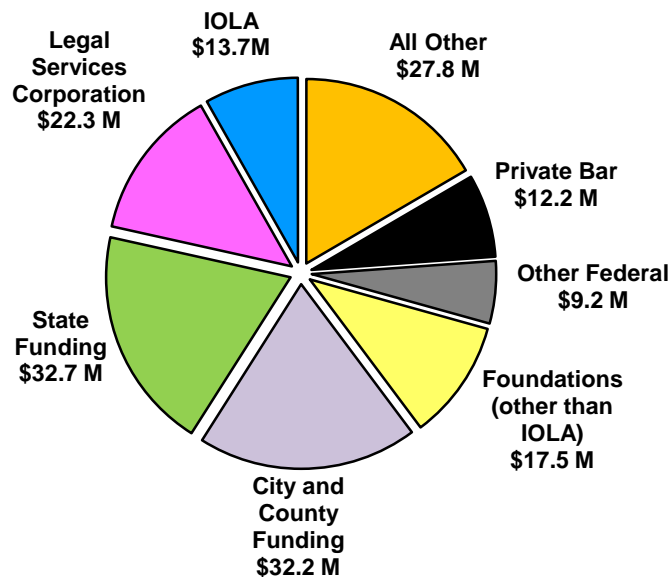
DOLLAR BENEFITS WON FOR CLIENTS IN 2007: \$204.7 MILLION

Social Security, SSI Benefits	\$	97,365,154
Other Federal Benefits	\$	12,942,882
Unemployment Compensation	\$	1,733,676
Child Support	\$	14,735,314
Alimony	\$	795,221
Affirmative Judgments	\$	8,496,535
Other Benefits	\$	68,625,011
TOTAL BENEFITS:		\$ 204,693,792

Note: The totals included back awards and the 3 year total of monthly benefits, estimated over 6 months for unemployment compensation, 12 months for other Federal benefits (food stamps, alimony, affirmative judgments and other benefits) and 36 months for Social Security, SSI and child support.

FUNDING RECEIVED BY GRANTEES FROM ALL SOURCES

In 2007, IOLA's grantees obtained over \$167 million in support — including grants received from the Fund.



BEHIND THE STATISTICS

Representative Accomplishments of the Fund's Grantees

CASES

Housing

Angela had a child with developmental disabilities resulting from childbirth difficulties. A medical malpractice lawsuit awarded the child money, which a judge ordered placed in a needs trust for the child's care. When Angela was being evicted from her apartment, she asked the trustee for a disbursement to help pay her back rent. She was refused, and sought help from **Queens Volunteer Lawyers Project** in Queens County. Angela's child was enrolled in special programs within the school district, and if evicted, Angela feared her child's attendance in these programs would have been jeopardized. The QVLP attorney communicated with the judge and appeared in housing court. The trustee agreed to make the disbursement, allowing Angela and her child to remain in their apartment.

Mr. Rice contacted Buffalo-based **Neighborhood Legal Services'** Housing Unit from the hospital where he was being treated for heart problems. He was scheduled to be in eviction court in three days and would likely not be released from the hospital in time to make the hearing. Mr. Rice was being evicted from his federally subsidized apartment, in part because his landlord alleged Mr. Rice no longer lived there. Due to his heart problems, Mr. Rice requested that his landlord transfer him to a lower unit, but had been refused. Mr. Rice felt he could not safely navigate his way to his third-floor walk-up, so he had been temporarily staying with friends. Neighborhood Legal Services represented him in the eviction proceeding and lost. An appeal was filed in County Court, during which time Mr. Rice was scheduled for open heart surgery. Before the appeal was heard, the parties settled, allowing Mr. Rice to transfer to a more accessible unit in another location and recuperate in his own home.

Domestic Violence

Mary lived with her abuser for five years before they were married. Although terrified of him, Mary married him because she feared what he would do if she refused; she had nowhere to turn, and lacked resources to get away from him. Mary's abuse was severe, as was her abuser's ability to break down her sense of self worth. After they married, he was sentenced on a rape charge, unrelated to her, and sent to prison. Mary felt safer and more empowered with him in prison, so she sought services from Victim's Resource in Wayne County. They helped her realize she could leave her abuser and referred her to the **Legal Aid Society of Rochester**, who helped her with divorce, child custody and support issues.

Legal Assistance of Western New York represented Nancy and her two young children. Despite severe abuse inflicted upon Nancy by her husband, Child Protective Services

had failed to take action for months. When CPS finally filed a petition of neglect against him, they also filed against Nancy, alleging that she had failed to protect her children from the abuse by not fully cooperating with protection requirements. LAWNY argued that CPS failed to make a claim that met the standard set by the New York Court of Appeals in a landmark case, and the court dismissed the county's petition against Nancy. The case then went to trial on the custody and family offense issues, as well as the neglect petition against Nancy's husband. Nancy was awarded custody and granted permission to relocate to another state. The court also granted a five-year order of protection and made a finding of neglect against Nancy's husband. To follow up on the poor CPS proceedings, LAWNY worked through the Steuben County Domestic Abuse Response Team to ensure that CPS workers received the appropriate training for addressing domestic violence situations.

Seniors

Elli is a 91-year-old Holocaust survivor who lived alone and suffered from multiple illnesses, including dementia. In order for Elli to remain at home, she received home care paid by Medicaid. Elli also had a 24-hour home attendant. Elli became hospitalized, but when she was ready for discharge, her home care provider claimed they could no longer provide long-term care. This illegal action would have forced Elli to move to a nursing home. To prevent that, the **New York Legal Assistance Group** requested a fair hearing and contacted the home care provider. Through a combination of advocacy and pressure of legal action, NYLAG persuaded the home care provider to resume Elli's service.

A 73-year-old man was institutionalized by his youngest son against the man's wishes. The nursing home refused to allow other family members to visit him, and refused to allow him to return home. The matter was litigated, and **Legal Services for the Elderly, Disabled, or Disadvantaged of Western New York** represented the man in Supreme Court. With his consent, his two older children were appointed as his guardians. In addition, the judge ordered the facility to allow any visitors the man wanted. The order also gave him the opportunity to return home with the assistance of a care giver. The youngest son then had no control over the person or property of the man.

Children

Alice, a 36-year-old woman with two school-age children, suffered from a chronic, life-threatening illness and wanted to make future care and custody arrangements for her children, one of whom was in a special education program. Alice was concerned that her children not be placed with their father, who had been physically abusive to her and who had a substance abuse problem. Alice was also concerned because she did not have any family living locally who would take care of her children. Alice met with a pro bono attorney from the **Volunteer Legal Services Project of Monroe County** and began standby guardianship proceedings, resulting in the appointment of a family friend as standby guardian.

A 16-year-old boy who read at a first-grade level received minimal services at his high school. Although barely able to read, he had achieved almost one-third of the required credits for graduation, and evaluations revealed his IQ to be in the low to average range. Prior to seeking assistance from **Partnership for Children's Rights**, his mother had prevailed at an impartial hearing and had been awarded the right to obtain an independent evaluation. A **Partnership** attorney helped the mother obtain the evaluation, which revealed her son was incapable of learning to read and that he required intensive, one-on-one remediation. The attorney secured several hundred hours of one-on-one tutoring for the boy, and it was found that he had been denied a free, appropriate public education for several years. The Department of Education was ordered to find an adequate private school for the boy.

Disabled

Legal Services of the Hudson Valley represented a disabled, senior woman who lived in a private apartment with a Section 8 subsidy. She had two adult sons, one of whom was also disabled and lived with her. Their only income was from Social Security. The other son was paroled from prison to his mother's apartment. She applied to have him added to the household but was told he was ineligible, due to his criminal history, and that he would have to move out. When the son was rearrested and found in his mother's apartment, her subsidy was terminated for having an illegal occupant in the household. She represented herself at the termination hearing, where only hearsay evidence was introduced against her. **LSHV** then commenced an Article 78 proceeding against the Housing Authority, and the court found in favor of our client, reinstating her subsidy.

A disabled husband and wife, neither of whom could speak or hear, were evicted from an affordable, rent-stabilized apartment, along with their family. After the **Northern Manhattan Improvement Corporation** reviewed the court file, it became clear that the eviction papers contained a material falsehood. The family was restored to possession immediately.

Immigration

A foreign-born mother and a U.S.-citizen father brought their three children into the United States when the children were young. It was discovered that the children's paperwork was never completed when the oldest child was ready to attend college. He applied for financial assistance and was determined to be ineligible because he had no legal immigration status. At the time of the application, the parents were separated due to domestic violence perpetrated by the father against both his wife and the oldest boy, his stepson. The **Empire Justice Center** was able to get the boy his green card based on the domestic violence. The younger two children, both girls, were about to face the same problem. They had graduated from high school but could neither go to college nor get work. However, because they were biological children of the U.S. citizen — father, **EJC** filed for certificates of citizenship for them. Both girls now have citizenship papers, and all three children have been able to go to college and move forward with their lives.

Mr. Adul, a teacher in Chad, served as president of an activist organization promoting interethnic peace. One of Mr. Adul's relatives was arrested and sent to prison for opposing the ruling party. Upon his escape, Mr. Adul was arrested imprisoned for ten days. During this time, he was beaten and interrogated about the whereabouts of his family member and the extent of his involvement in opposition politics. Mr. Adul was rearrested a year later for his activism, and at this point he was kept in a hole and brutally beaten in an attempt to get him to reveal the whereabouts of the same family member. After two months, Mr. Adul's relatives arranged for his escape and subsequent travel to the United States. Once here, he contacted the **City Bar Justice Center's Refugee Assistance Project**, which provided him with a volunteer attorney to represent him in his asylum petition. Mr. Adul's claim was granted, and he has applied for a green card.

HOTLINES

The **New York Dispute Resolution Association** offered three toll-free numbers to assist low-income individuals and others. They contracted with the Albany Roman Catholic Dioceses' Independent Mediation Assistance Program, or "IMAP" to provide services for sexual abuse victims whose cases had passed the statutes of limitation for court-related services. **NYSDRA** also offered the Lemon Law Arbitration Program hotline for those with questions or seeking referrals relating to New York's Lemon Law. **NYSDRA** had an additional hotline for the Agricultural Mediation Program, which served individuals in rural communities, as well as anyone adversely affected by decisions of the U.S. Department of Agriculture.

The Legal HelpLine of **Legal Services of Central New York** was manned by four staff attorneys. In 2007, the HelpLine handled about 700 cases. Initially, calls were limited to housing and consumer cases, but the HelpLine since expanded to include all legal problems in three of the service area's rural counties. Low-income and other eligible residents of the 13-county service area used the HelpLine to obtain brief service and advice, as well as case assessment and referral of appropriate cases for extended service to **LSCNY** and the Legal Aid Society of Mid New York.

PRO SE ASSISTANCE

Staff of **The Door** offered regular "Know Your Rights" workshops to youths who participated in various **Door** programs and also to those in other agencies. Workshops were designed to be interactive and aimed at educating the audience on the legal rights of young people and the most effective means for obtaining favorable results. Center staff and members of the **Door's** Foster Youth Peer Education Program presented self-advocacy and "Know Your Rights" workshops to youths at various foster care agencies in New York. The goal was to provide young people with a clear understanding of their legal rights within the foster care system, along with developing the necessary skills for self-advocacy.

The Volunteer Lawyers Project Pro Se Divorce Clinic of the **Onondaga County Bar Association** collaborated with Legal Services of Central New York to assist those who sought an uncontested divorce. In 2007, 193 clients qualified for the sessions, and 13 attorneys, helped by 14 legal assistants and 10 trained Stetson University College of Law students, provided educational clinics outlining the procedures for filing and serving divorce papers. The Bar's program coordinator and the College of Law research assistant handled an additional 200 intake queries for people who were not qualified to participate, either because they were not ready for a divorce or who had incomes over 125 percent of federal poverty guidelines. This led to the formation of a Low-Fee Divorce Panel with the Bar.

COMMUNITY LEGAL EDUCATION

During 2007, **Lenox Hill Neighborhood House** conducted more than 50 community education workshops on issues such as tenants' rights, unemployment benefits, workers' rights, food stamps, Medicaid and Medicare, and advance directives. These workshops were provided throughout the city at senior centers, homeless shelters, meal programs, social services providers and at **Lenox Hill**. Regular outreach to East Side senior centers also continued in 2007. In addition, **Lenox Hill** began a "Legal Workshops for Parents" series in 2007, through which parents were educated and trained in the Early Childhood Center on relevant legal issues, such as disability rights, workers' rights, food stamps and tenants' rights.

Staff at **Legal Services for the Elderly, Disabled, or Disadvantaged of Western New York** was in demand as lecturers in 2007, speaking to 26 different groups, reaching approximately 1,390 people. It partnered with the Volunteer Lawyers Project to train volunteer attorneys on city tax foreclosures. Staff also provided materials to private attorneys who agreed to pro bono work, thereby increasing the number of clients who were able to get assistance and avoid losing their homes.

PRO BONO

Pro bono contributions by private attorneys and the work of law school students and faculty enabled the **LawHelp/NY Consortium**, which provides legal information on the Internet, to fill gaps in new subjects in 2007: immigration, Internet fraud and the consequences of criminal charges. **LawHelp** also developed relationships with law school professors and clinic programs and worked with City Bar Justice Center's Pro Bono Coordinator. When three new topic areas were developed in 2007, LawHelp sought out experts to form oversight teams.

In 2007, the Legal Center at **Sanctuary for Families – Center for Battered Women's Legal Services** trained more than 475 pro bono attorneys to represent domestic violence victims. Sanctuary lawyers provided the pro bono attorneys with a broad array of back-up services. Due to overwhelming response to the pro bono program from area law firms and financial institutions, Sanctuary developed a model of training and

supervision in which staff attorneys dedicated a substantial amount of time to the supervision of pro bono cases. Through the Courtroom Advocates Project, the Legal Center recruited and trained law student volunteers who assisted domestic violence victims petitioning for orders of protection.

PARTNERSHIPS

The **International Institute of Buffalo** increased its work on domestic violence matters with Farmworkers Legal Services; continued a partnership with Erie County's Family Justice Center and worked with Catholic Charities' Refugee Program, Jewish Family Services, and Vive la Casa. The Institute also worked with Erie County matrimonial attorneys to serve as a resource for immigrants in cases of domestic violence, divorce, custody, relocation and juvenile issues.

The **Advocacy Center** established a relationship with the Rochester school district, maintaining a physical presence there so that parents had ready access to services and information. A collaboration with Wilson Commencement Park supported education-related information focusing on single mothers.

The **Long Island Advocacy Center** maintained an office at Touro Law School's Public Advocacy Center, where LIAC attorneys provided information and training to law students and collaborated with other members of the Center.

2008 GRANTS

Civil Legal Services

“No less than seventy-five percent of the total funds distributed in any fiscal year shall be allocated to not-for-profit tax-exempt providers for the purpose of delivering civil legal services to the poor. The funds distributed annually to legal services providers shall be allocated according to the geographical distribution of poor persons throughout the state based on the latest available figures from the United States department of commerce, bureau of census, as prescribed by rules and regulations of the board of trustees.” State Finance Law 97-v(3)(b).

Grantee	Purpose	2008
Bronx Defenders – Civil Action Practice 860 Courtlandt Avenue Bronx, NY 10451	Provide civil legal services	\$100,000
Empire Justice Center 119 Washington Avenue Albany, NY 12210	Provide civil legal services in Nassau and Suffolk Counties.	196,694
Frank H. Hiscock Legal Aid Society 351 South Warren Street Syracuse, NY 13202	Provide civil legal services	344,291
Legal Aid Bureau of Buffalo 237 Main Street Buffalo, NY 14203	Provide civil legal services	150,000
Legal Aid Society (New York City) 199 Water Street New York, NY 10038	Provide civil legal services	4,500,000
Legal Aid Society of Northeastern New York 55 Colvin Avenue Albany, NY 12206	Provide civil legal services	1,024,577
Legal Aid Society of Rochester One West Main Street Rochester, NY 14614	Provide civil legal services	470,000
Legal Aid Society of Rockland County 2 Congers Road New City, NY 10956	Provide civil legal services	186,333
Legal Assistance of Western New York One Franklin Square Geneva, NY 14456	Provide civil legal services	850,000
Legal Services for New York City 350 Broadway New York, NY 10013	Provide civil legal services	4,500,000

Legal Services of Central New York 472 South Salina Street Syracuse, NY 13202	Provide civil legal services	954,450
Legal Services of the Hudson Valley 90 Maple Avenue White Plains, NY 10601	Provide civil legal services	1,173,678
MFY Legal Services 299 Broadway New York, NY 10007	Provide civil legal services	425,000
Nassau/Suffolk Law Services Committee One Helen Keller Way Hempstead, NY 11550	Provide civil legal services and pro bono legal services	800,000
Neighborhood Legal Services 237 Main Street Buffalo, NY 14203	Provide civil legal services	700,000
New York Legal Assistance Group 450 West 33 rd Street New York, NY 10001	Provide civil legal services	750,000
Northern Manhattan Improvement Corp. 76 Wadsworth Avenue New York, NY 10033	Provide civil legal services	900,000
Urban Justice Center 123 William Street New York, NY 10038	Provide civil legal services	450,000
Western New York Law Center 237 Main Street Buffalo, NY 14203	Provide civil legal services	175,000

Administration of Justice

“The remaining funds shall be allocated for purposes related to the improvement of the administration of justice, including, but not limited to, the provision of civil legal services to groups currently underserved by legal services, such as the elderly and the disabled, and the enhancement of civil legal services to the poor through innovative and cost-effective means, such as volunteer lawyer programs and support and training services.” State Finance Law ‘97-v(3)(c).

Grantee	Category	2008
Advocacy Center 590 South Avenue Rochester, NY 14620	Special Populations	\$40,000
Albany County Bar Association One Lodge Street Albany, NY 12207	Pro Bono	40,000
Asian American Legal Defense and Education Fund 99 Hudson Street New York, NY 10013	Special Populations	40,000
Association of the Bar of the City of New York: City Bar Justice Center 42 West 44 th Street New York, NY 10036	Pro Bono	200,000
Brooklyn Bar Association: Volunteer Lawyers Project 123 Remsen Street Brooklyn, NY 11201	Pro Bono	115,000
CAMBA/CAMBA Legal Services 1720 Church Avenue Brooklyn, NY 11226	Special Populations	200,000
Catholic Charities Community Services of the Archdioceses of New York 1011 First Avenue New York, NY 10022	Special Populations	100,000
Center for Disability Advocacy Rights 100 Lafayette Street New York, NY 10013	Special Populations	45,000
Center for Family Representation 116 John Street New York, NY 10038	Special Populations	75,000
Central American Legal Assistance 240 Hooper Street Brooklyn, NY 11211	Special Populations	40,000

Disability Advocates 5 Clinton Square Albany, NY 12207	Special Populations	55,000
Empire Justice Center 119 Washington Avenue Albany, NY 12210	Special Populations, Statewide/Regional	400,000
Erie County Bar Association: Volunteer Lawyers Project 237 Main Street Buffalo, NY 14203	Pro Bono	100,000
Farmworkers Legal Services of New York 1187 Culver Road Rochester, NY 14609	Special Populations	225,000
Housing Conservation Coordinators 777 Tenth Avenue New York, NY 10019	Special Populations	100,000
inMotion 70 West 36 th Street New York, NY 10018	Special Populations	150,000
International Institute of Buffalo 864 Delaware Avenue Buffalo, NY 14209	Special Populations	100,000
LawHelp NY Consortium 151 West 30 th Street New York, NY 10001	Delivery Innovations/Technology	175,000
Lawyers Alliance For New York 330 Seventh Avenue New York, NY 10001	Pro Bono	130,000
Legal Action Center 225 Varick Street New York, NY 10014	Special Populations	75,000
Legal Aid Bureau of Buffalo 237 Main Street Buffalo, NY 14203	Special Populations	100,000
Legal Aid Society of Mid-New York 255 Genesee Street Utica, NY 13501	Special Populations	100,000
Legal Aid Society of Rochester One West Main Street Rochester, NY 14614	Special Populations	200,000

Legal Services for the Elderly, Disabled or Disadvantaged of Western New York 237 Main Street Buffalo, NY 14203	Special Populations	375,000
Lenox Hill Neighborhood House 331 East 70 th Street New York, NY 10021	Special Populations	75,000
Long Island Advocacy Center 999 Herricks Road New Hyde Park, NY 11040	Special Populations	90,000
Make The Road 301 Grove Street Brooklyn, NY 11237	Special Populations	100,000
My Sister's Place One Water Street White Plains, NY 10601	Special Populations	50,000
National Center For Law And Economic Justice 275 Seventh Avenue New York, NY 10001	Statewide/Regional	50,000
New York Community Trust: Fund for New Citizens 909 Third Avenue New York, NY 10022	Special Populations	300,000
New York County Lawyers Association 14 Vesey Street New York, NY 10007	Pro Bono	40,000
New York Lawyers For The Public Interest 151 West 30 th Street New York, NY 10001	Special Populations	200,000
New York State CASA Association 32 Essex Street Albany, NY 12206	Statewide/Regional	125,000
New York State Dispute Resolution Association 255 River Street Troy, NY 12180	Statewide/Regional	100,000
NYSARC 393 Delaware Avenue Delmar, NY 12054	Special Populations	100,000
Onondaga County Bar Association: Volunteer Lawyers Project 109 South Warren Street Syracuse, NY 13202	Pro Bono	40,000

Partnership For Children's Rights 271 Madison Avenue New York, NY 10016	Special Populations	125,000
Partnership for the Homeless 305 Seventh Avenue New York, NY 10001	Special Populations	75,000
Pro Bono Net 151 West 30 th Street New York, NY 10001	Delivery Innovations/Technology	75,000
Pro Bono Partnership 237 Mamaroneck Avenue White Plains, NY 10605	Pro Bono	60,000
Queens Volunteer Lawyers Project 90-35 148 th Street Jamaica, NY 11435	Pro Bono	50,000
Resources For Children With Special Needs 116 East 16 th Street New York, NY 10003	Special Populations	50,000
Rural Law Center 56 Cornelia Street Plattsburgh, NY 12901	Statewide/Regional	250,000
Safe Horizon 210 Joralemon Street Brooklyn, NY 11201	Special Populations	150,000
Sanctuary for Families 110 Wall Street New York, NY 10005	Special Populations	150,000
St. John's University School of Law: St. Vincent DePaul Legal Program 8000 Utopia Parkway Queens, NY 11439	Special Populations	50,000
The Door 121 Avenue of the Americas New York, NY 10013	Special Populations	75,000
Volunteer Legal Services Project of Monroe County One West Main Street Rochester, NY 14614	Pro Bono	100,000
Volunteers of Legal Services 54 Greene Street New York, NY 10013	Pro Bono	125,000

Western New York Law Center 237 Main Street Buffalo, NY 14203	Delivery Innovations/Technology	250,000
Workers Rights Law Center 101 Hurley Avenue Kingston, NY 12401	Special Populations	75,000

STATUTES AND REGULATIONS

State Finance Law §97-v.

The New York Interest on Lawyer Account (IOLA) Fund.

1. There is hereby established in the custody of the state comptroller a fiduciary fund to be known as the New York interest on lawyer account (IOLA) fund. A board of trustees shall be appointed to administer the New York IOLA fund.

2. The board shall consist of fifteen members appointed by the governor. All members shall be residents of the state of New York and shall be knowledgeable and supportive of the delivery of civil legal services to the poor and the improvement of the administration of justice. At least eight of the members shall be attorneys licensed to practice law in the state of New York. Two members shall be appointed upon the recommendation of the temporary president of the senate, at least one of whom shall be an attorney; two members shall be appointed upon the recommendation of the speaker of the assembly, at least one of whom shall be an attorney; one member shall be appointed upon the recommendation of the minority leader of the senate; and one member shall be appointed upon the recommendation of the minority leader of the assembly. Two members shall be appointed upon the recommendation of the court of appeals, each of whom shall be an attorney. The governor shall designate one of the members of the board as chairman.

a. The term of office shall be three years, provided, however, that of the members first appointed, five shall be appointed for terms expiring on December thirty-first, nineteen hundred eighty-four, five shall be appointed for terms expiring on December thirty-first, nineteen hundred eighty-five and five shall be appointed for terms expiring on December thirty-first, nineteen hundred eighty-six. Vacancies shall be filled in the manner of original appointments for the remainder of the term.

b. The members shall receive no compensation for their services as members, but shall be reimbursed for their actual and necessary expenses incurred in the performance of their duties.

c. The members shall be considered employees of the state for the purposes of section seventeen of the public officers law.

d. No member of the senate or assembly shall be eligible to serve as a member of the board.

3. a. The board shall have the power to receive, hold and manage any moneys and property received from any source. It shall distribute funds as grants and contracts to not-for-profit tax-exempt entities for the purpose of delivering civil legal services to the poor and for purposes related to the improvement of the administration of justice, including, but not limited to, the provision of civil legal services to groups currently underserved by legal services, such as the elderly and the disabled, and the enhancement of civil legal services to the poor through innovative and cost-effective means, such as volunteer lawyer programs and support and training services.

b. No less than seventy-five percent of the total funds distributed in any fiscal year shall be allocated to not-for-profit tax-exempt providers for the purpose of delivering civil legal services to the poor. The funds distributed annually to legal services providers shall be allocated according to the geographical distribution of poor persons throughout the state based on the latest available figures from the United States department of commerce, bureau of census, as prescribed by rules and regulations of the board of trustees.

c. The remaining funds shall be allocated for purposes related to the improvement of the administration of justice, including, but not limited to, the provision of civil legal services to groups

currently underserved by legal services, such as the elderly and the disabled, and the enhancement of civil legal services to the poor through innovative and cost-effective means, such as volunteer lawyer programs and support and training services.

d. The board shall adopt rules and regulations for the administration of the IOLA fund to carry out the purposes and provisions of this section and of section four hundred ninety-seven of the judiciary law. Such regulations shall be adopted in accordance with article two of the state administrative procedure act.

e. The board may employ and remove such personnel as it may deem necessary for the performance of its functions and fix their compensation within the amounts made available therefor and may allocate funds for the actual and necessary nonpersonnel administrative costs of the program. No more than ten percent of the funds available in any fiscal year shall be spent on personnel and related services, and on necessary nonpersonnel administrative costs of the program provided, however, that such limitations may be waived by the board by the adoption of a resolution and such waiver shall remain in effect until the board determines by a subsequent resolution that the program is fully operational.

f. The board shall insure that grants and contracts are made with not-for-profit providers of civil legal services for the poor to provide stable, economical and high quality delivery of civil legal services to the poor throughout the state.

g. Notwithstanding any statute or rule to the contrary, the board shall maintain all papers, records, documents or other information identifying an attorney, client or beneficial owner of an IOLA account on a private and confidential basis and shall not disclose such information unless such disclosure is necessary to accomplish the purposes of this section and section four hundred ninety-seven of the judiciary law, or unless disclosure is pursuant to compulsory legal process.

h. All payments from the IOLA fund shall be made by the state comptroller upon certification and authorization of the board of trustees of the fund.

4. a. The board of trustees shall establish by regulation a specific dollar amount equivalent to the cost of administering a segregated interest bearing account for a client or beneficial owner. This dollar amount may be used by participating attorneys as a guide when determining whether the moneys are qualified funds.

b. The board of trustees shall also establish by regulation the qualifications of a recipient of funds and the nature and scope of civil legal services to be provided to poor persons by the funds disbursed under this section.

5. If it shall appear to the satisfaction of the board of trustees that, because of a mistake of fact, error in calculation or erroneous interpretation of the provisions of this chapter or of section four hundred ninety-seven of the judiciary law, or of any regulation adopted by the board, a banking institution has remitted to the IOLA fund any moneys not required by such provisions to be remitted, the board shall refund such moneys upon application of any aggrieved party. Any such refund shall be paid from the IOLA fund without interest and without the deduction of any service charge, and shall be and constitute a full satisfaction and discharge of any claim for such refund.

Judiciary Law §497.

Attorneys fiduciary funds; interest-bearing accounts.

1. An "interest on lawyer account" or "IOLA" is an unsegregated interest-bearing deposit account with a banking institution for the deposit by an attorney of qualified funds.

2. "Qualified funds" are moneys received by an attorney in a fiduciary capacity from a client or beneficial owner and which, in the judgment of the attorney, are too small in amount or are reasonably expected to be held for too short a time to generate sufficient interest income to justify the expense of administering a segregated account for the benefit of the client or beneficial owner. In determining whether funds are qualified for deposit in an IOLA account, an attorney may use as a guide the regulation adopted by the board of trustees of the IOLA fund pursuant to subdivision four of section ninety-seven-v of the state finance law.

2-a. "Funds received in a fiduciary capacity" are funds received by an attorney from a client or beneficial owner in the course of the practice of law, including but not limited to funds received in an escrow capacity, but not including funds received as trustee, guardian or receiver in bankruptcy.

3. A "banking institution" means a bank, trust company, savings bank, savings and loan association, credit union or foreign banking corporation whether incorporated, chartered, organized or licensed under the laws of this state or the United States, provided that such banking institution conducts its principal banking business in this state.

4. (a) An attorney shall have discretion, in accordance with the code of professional responsibility, to determine whether moneys received by an attorney in a fiduciary capacity from a client or beneficial owner shall be deposited in non-interest, or in interest bearing accounts. If in the judgment of an attorney any moneys received are qualified funds, such funds shall be deposited in an IOLA account in a banking institution of his or her choice offering such accounts.

(b) The decision as to whether funds are nominal in amount or expected to be held for a short period of time rests exclusively in the sound judgment of the lawyer or law firm. Ordinarily, in determining the type of account into which to deposit particular funds held for a client, a lawyer or law firm shall take into consideration the following factors:

(i) the amount of interest the funds would earn during the period they are expected to be deposited;

(ii) the cost of establishing and administering the account, including the cost of the lawyer or law firm's services;

(iii) the capability of the banking institution, through subaccounting, to calculate and pay interest earned by each client's funds, net of any transaction costs, to the individual client.

(c) All qualified funds shall be deposited in an IOLA account unless they are deposited in:

(i) a separate interest bearing account for the particular client or client's matter on which the interest will be paid to the client; or

(ii) an interest bearing trust account at a banking institution with provision by the

bank or by the depositing lawyer or law firm for computation of interest earned by each client's funds and the payment thereof to the client.

(d) Notwithstanding the deposit requirements of this subdivision, no attorney or law firm shall be liable in damages nor held to answer for a charge of professional misconduct for failure to deposit qualified funds in an IOLA account.

5. No attorney or law firm shall be liable in damages nor held to answer for a charge of professional misconduct because of a deposit of moneys to an IOLA account pursuant to a judgment in good faith that such moneys were qualified funds.

6. (a) An attorney or law firm which receives qualified funds in the course of its practice of law and establishes and maintains an IOLA account shall do so by (1) designating the account as "(name of attorney/law firm IOLA account)" with the approval of the banking institution; and (2) notifying the IOLA fund within thirty days of establishing the IOLA account of the account number and name and address of the banking institution where the account is deposited.

(b) The rate of interest payable on any IOLA account shall be not less than the rate paid by the banking institution on similar accounts maintained at that institution, and the banking institution shall not impose on such accounts any charges or fees greater than it imposes on similar accounts maintained at that institution.

(c) With respect to IOLA accounts, the banking institution shall:

(i) Remit at least quarterly any interest earned on the account directly to the IOLA fund, after deduction of service charges or fees, if any, are applied.

(ii) Transmit to the IOLA fund with each remittance a statement showing at least the name of the account, service charges or fees deducted, if any, and the amount of net interest remitted from such account.

(iii) Transmit to each attorney or law firm which maintains an IOLA account a statement showing at least the name of the account, service charges or fees deducted, if any, and the amount of interest remitted from such account.

(iv) Be permitted to impose reasonable service charges for the preparation and issuance of the statement.

(v) Have no duty to inquire or determine whether deposits consist of qualified funds.

7. (a) Payment from an IOLA account to or upon the order of the attorney maintaining such account shall be a valid and sufficient release of any claims by any person or entity against any banking institution for any payments so made.

(b) Any remittance of interest to the IOLA fund by a banking institution pursuant to this section shall be a valid and sufficient release and discharge of any claims by any person or entity against such banking institution for any payment so made, and no action shall be maintained against any banking institution solely for opening, offering, or maintaining an IOLA account, for accepting any funds for deposit to any such account or for remitting any interest to the IOLA fund.

8. Nothing contained in this section shall be construed to require any banking institution to offer, accept or maintain IOLA accounts.

9. All papers, records, documents or other information identifying an attorney, client or beneficial owner of an IOLA account shall be confidential and shall not be disclosed by a banking institution except with the consent of the attorney maintaining the account or as permitted by any law, regulation or administrative requirement.

10. An attorney or law firm that can establish that compliance with subdivision six of this section has resulted in any banking service charges or fees shall be entitled to reimbursement of such expense from the interest on lawyer account fund by filing a claim with supporting documentation with the fund.

New York Codes, Rules and Regulations

TITLE 21. MISCELLANEOUS

CHAPTER LXIX. INTEREST ON LAWYER ACCOUNT FUND

PART 7000. TRUSTEES' REGULATIONS AND PROCEDURES

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Section 7000.1 Purpose of fund.

The purpose of the Interest on Lawyer Account Fund is to provide funding for providers of civil legal services in order to ensure effective access to the judicial system for all citizens of the State and to provide stable, economical and high quality delivery of civil legal services to the poor throughout the State. The fund is authorized to receive funds from any source for disbursement to nonprofit legal services providers for charitable purposes, including the delivery of legal services in civil matters to poor persons. The fund will receive interest or dividends earned by qualified client funds held by attorneys in unsegregated interest-bearing or dividend-bearing accounts at banking institutions to the extent that such institutions choose to offer and receive the benefits of providing IOLA accounts, and will utilize the interest or dividends so received for the above-stated purposes.

Section 7000.2 Definitions.

(a) Banking institutions are banks, trust companies, savings banks, savings and loan associations, credit unions or foreign banking corporations whether incorporated, chartered, organized or licensed under the laws of this State or the United States, provided that such banking institutions have a banking office in this State.

(b) Eligible bank or eligible banking institution means a banking institution that maintains IOLA accounts that comply with section 497 of the New York Judiciary Law, section 97-v of the New York State Finance Law and the criteria provided in these regulations, and has been approved by the Board of Trustees to maintain IOLA accounts.

(c) Funds received in a fiduciary capacity are funds received by an attorney or a law firm from a client or third person in the course of the practice of law, including but not limited to funds received in an escrow capacity, but not including funds received as trustee, executor, administrator, guardian or receiver in bankruptcy.

(d) Interest on Lawyer Account or IOLA account means an unsegregated interest-bearing or dividend-bearing account, as approved by the Board of Trustees of the IOLA fund, maintained in an eligible bank for the deposit by an attorney or law firm as a fiduciary of qualified funds.

(e) Qualified funds are moneys received by an attorney or a law firm in a fiduciary capacity from a client or a third person and which, in the sole discretion and judgment of the attorney or law firm, are too small in amount or are reasonably expected to be held for too short a time to generate sufficient income to justify the expense of administering a segregated account for the benefit of the client or third person and cannot earn income for a client or third person in excess of the costs incurred to secure such income. Qualified funds do not include those moneys which are deposited for the particular client or client's matter on which the interest will be paid to the client or an interest-bearing trust account at a banking institution with provision by the bank or by the depositing attorney or law firm for computation of interest earned by the client funds and the payment thereof to the client.

(f) New York Interest on Lawyer Account fund or IOLA fund means the fiduciary fund established by subdivision (1) of section 97-v of the New York State Finance Law and administered by the IOLA Board of Trustees.

(g) IOLA board of trustees, board of trustees or board means the body of individuals appointed by the Governor pursuant to subdivision (2) of section 97-v of the New York State Finance Law that is authorized to administer the IOLA fund.

Section 7000.3 Organization.

(a) The IOLA fund shall be administered by a board of trustees appointed by the Governor.

(b) The board of trustees shall consist of 15 members, at least eight of whom shall be attorneys licensed to practice in New York. Two of the appointments, at least one of whom shall be an attorney, shall be appointed on the recommendation of the President of the Senate; two of the appointments, at least one of whom shall be an attorney, shall be appointed on the recommendation of the Speaker of the Assembly; one appointment shall be on the recommendation of the Minority Leader of the Senate and one on the recommendation of the Minority Leader of the Assembly. Two of the appointments, both of whom shall be attorneys, shall be appointed on the recommendation of the Court of Appeals. The Governor shall designate one member of the board as chair. No member of the Senate or Assembly shall be eligible to serve as a member of the board.

(c) The term of a trustee shall be three years. Of the trustees first appointed, five shall be appointed for terms expiring December 31, 1984; five shall be appointed for terms expiring December 31, 1985; and five shall be appointed for terms expiring December 31, 1986. As each term expires, each new appointment shall be for a term of three years. Vacancies shall be filled in the manner of the original appointment for the remainder of the term.

(d) The trustees shall employ an executive director to serve as the chief administrative officer of the fund.

(e) The trustees shall serve without compensation, but shall be entitled to receive their actual and necessary expenses incurred in the discharge of their duties.

Section 7000.4 Meetings.

(a) The trustees shall meet at least quarterly each year at such locations, and in such manner, as the chair shall designate. Special meetings may be called by the chair, and shall be called by the chair upon the request of at least four trustees. The chair shall provide reasonable notice of all meetings.

(b) Eight trustees shall constitute a quorum. A majority of the trustees present at any meeting of the board may exercise any powers held by the trustees, except as otherwise provided in this Part.

Section 7000.5 Powers and duties of trustees.

(a) In the exercise of the authority granted the trustees, the trustees have the power to:

(1) receive, hold and distribute the moneys remitted to the IOLA fund pursuant to the provisions of section 497 of the Judiciary Law and to receive such other moneys and property received from any source, including voluntary contributions, together with any interest accrued thereon. All such revenue not distributed shall be secured and invested as required by the provisions of sections 97-v and 98 of the State Finance Law;

(2) require eligible banking institutions that apply to be considered eligible to accept the deposit of IOLA funds to verify their current compliance with New York Judiciary Law 497, New York State Finance Law 97-v and these regulations and determine eligibility for the deposit of IOLA funds;

(3) make available to the public the names of eligible banking institutions;

(4) allocate no less than 75 percent of the net funds distributed after covering administrative expenses in any fiscal year as grants and contracts to not-for-profit tax-exempt "qualified legal services providers," as defined by section 7000.12(a)(1) of this Part, for the provision of civil legal services to the poor allocated according to the geographic distribution of poor persons throughout the State based on the latest available figures from the United States Department of Commerce, Bureau of Census;

(5) allocate the remaining funds to "administration of justice providers," as defined by section 7000.12(a)(2) of this Part, for purposes related to the improvement of the administration of justice, including but not limited to the provision of civil legal services to groups currently underserved by legal services, such as the elderly and the disabled, and the enhancement of civil legal services to the poor through innovative and cost-effective means, such as volunteer lawyer programs and support and training services;

(6) adopt and amend regulations for the administration of the fund and procedures for the distribution of grants and contracts;

(7) review applications for grants and contracts using staff and other available resources;

(8) determine, pursuant to the provisions of section 97-v of the State Finance Law, the award

of grants and contracts, including the amount to be awarded and the terms under which the awards of grants and contracts shall be made;

(9) employ and remove, at their pleasure, employees, agents and consultants and fix their compensation within the amounts available therefor, but in no event shall more than 10 percent of the funds available in any fiscal year be spent on personnel and related services, including necessary nonpersonnel administrative costs of the program; provided, however, that pursuant to section 97-v of the State Finance Law as amended by the Laws of 1984, such limitation may be waived by the board of trustees by the adoption of a resolution, and such waiver shall remain in effect until the board determines by a subsequent resolution that the program is fully operational;

(10) furnish the Governor, the Court of Appeals, the Legislature and the State Comptroller with an annual report of the activities and operations of the fund; and

(11) perform all other acts necessary or proper for the fulfillment of the purpose of the fund and its effective administration, including but not limited to the creation of subcommittees of the board and the appointment of officers other than chair.

(b) Powers and duties of officers. The duties of the officers of the fund shall be as follows:

(1) the chair shall preside at all meetings of the trustees, generally supervise the administration of the fund and exercise such other functions and duties that the trustees may assign or delegate, or that are customary to the office of the chair;

(2) the vice-chair shall assume the duties of the chair in the absence or disability of the chair;

(3) the treasurer shall maintain the financial records of the fund and, jointly with the chair, certify vouchers of the fund that authorize the State Comptroller to make payments of grants and contracts; and

(4) the executive director shall assist the trustees, supervise the implementation of regulations, coordinate the review of applications, supervise staff, serve as secretary at meetings and fulfill such other duties as may be assigned or delegated by the chair or the trustees.

Section 7000.6 Conflict of interest.

A trustee with a past or present affiliation with an applicant (including employee, officer, director, trustee, counsel or business relationship) for distribution of funds shall declare such affiliation to the trustees, and that trustee shall not participate in a vote on any matter relating directly to such applicant.

Section 7000.7 Reports.

(a) On or after the first day of April each year, the trustees shall prepare an annual report of the activities and operations of the fund during the preceding year. The report shall be transmitted to the Governor, the Legislature, the Court of Appeals and the State Comptroller.

(b) The trustees may issue periodic reports to the public concerning the activities and procedures of the fund.

Section 7000.8 Establishment of IOLA accounts by attorneys and law firms.

(a) Participation in IOLA is mandatory. Each attorney or law firm that receives qualified funds shall

establish and maintain an IOLA account in an eligible banking institution of the attorney's or law firm's choosing. An attorney or law firm which receives qualified funds in the course of its practice of law and establishes and maintains an IOLA account shall (i) designate the account as "(name of attorney/law firm IOLA account)" with the approval of the banking institution and (ii) notify the IOLA fund within 30 days of establishing the IOLA account of the account number and the name and address of the eligible banking institution where the account is deposited. Such attorney or law firm:

(1) shall have discretion, in accordance with the code of professional responsibility, to determine whether moneys received by the attorney or law firm in a fiduciary capacity from a client or third person shall be deposited in a nonsegregated IOLA account;

(2) shall, if in the judgment of the attorney or law firm any moneys received are qualified funds, deposit such funds in an IOLA account;

(3) shall, ordinarily, in determining the type of account into which to deposit particular funds held for a client or third person, take into consideration the following factors:

(i) the amount of the funds received, the interest or dividends the funds would earn during the period they are expected to be deposited, the expected duration of the deposit, the rates of interest or yield and service charges or fees at a banking institution where the funds may be deposited;

(ii) the cost of establishing and administering non-IOLA accounts for clients or third persons, including the cost of the lawyer or law firm's services, and including the cost of obtaining tax identification information, the necessity or propriety of completing tax reports and forms, and remitting interest to a client;

(iii) the capability of the banking institution, or attorney or law firm, to calculate and pay interest earned by each client's fund, net of any service charges, fees or other applicable costs, to the particular clients, including through the use of subaccounting;

(iv) any other circumstances that affect the ability of the funds to earn income for a client or third person in excess of the costs incurred to secure such income while the funds are held.

(b) Notwithstanding the deposit requirements of this subdivision, no attorney or law firm shall be liable in damages nor held to answer for a charge of professional misconduct because of a deposit of moneys into an IOLA account pursuant to the attorney's good faith judgment that such moneys were qualified funds.

(c) Attorneys with accounts in a financial institution which ceases for any reason to be an eligible banking institution for IOLA accounts shall move such accounts to an eligible banking institution.

(d) An attorney or law firm that establishes that compliance with the foregoing provisions of this section has resulted in any banking service charges or fees to such attorney or law firm shall be entitled to reimbursement of such charges or fees from the interest on the IOLA account of such attorney or law firm by filing a claim with supporting documentation with the IOLA fund within 90 days of the imposition of such charges or fees, as approved by the Board. In no event, however, shall the attorney or law firm be entitled to reimbursement in excess of the interest earned by such IOLA account.

Section 7000.9 Interest and dividends.

(a) To be considered presumptively eligible for the deposit of IOLA funds, an IOLA account shall pay an interest or dividend rate on IOLA accounts which is not less than the highest rate available among the following types of accounts, as paid by the banking institution to its best customers on accounts maintained at that institution which are determined to be similar to its IOLA accounts:

- (1) A money market account with or tied to check writing capability;
- (2) A government (such as for municipal deposits) checking account;
- (3) An open-end money market fund investment offered through the banking institution that is (i) tied to check writing capability at the institution, (ii) and which fund is solely invested in, or fully collateralized by, U.S. Government securities and (iii) has total assets of at least \$250,000,000; or
- (4) Any other interest- or dividend-paying product with or tied to check-writing capability at the institution.

(b) As alternatives to the foregoing, the institution requesting designation by the trustees of an account as eligible to accept the deposit of IOLA funds may offer:

- (1) 60% of the Federal Funds Target Rate paid on an interest-bearing checking account; or
- (2) A yield specified by the IOLA fund, if it so chooses, which is agreed to by the financial institution and would be in effect for a period to be mutually agreed upon.

(c) The following additional provisions are applicable. As indicated by their terms, some apply only to one or some of the options set forth above.

- (1) The Federal Funds Target Rate referenced in paragraph (1) of subdivision (b) shall be calculated as of the first day of each month.
- (2) A bank may elect to offer the highest rates that it pays on government or high-yield money market accounts on another qualifying IOLA checking account, instead of actually offering such account.
- (3) Institutions may elect to pay a higher interest or dividend rate than provided for in this section.
- (4) All participating financial institutions shall report, in the form and manner prescribed by the IOLA fund, on the best rate paid to their best customers for each of the types of accounts they offer within the definitions specified in paragraphs (1) through (4) of subdivision (a) above. To enable attorneys and law firms to open and maintain an IOLA account, an eligible banking institution shall, within 60 days of the effective date of these regulations and as requested thereafter, provide to the IOLA board information that demonstrates compliance with the provisions of this section.

(5) Where there is reasonable cause to believe a financial institution is willfully misrepresenting its best rate information, the IOLA fund may condition continued approval status on a finding by the institution's auditor that its certifications have been accurate.

(d) The IOLA Board shall periodically monitor the effectiveness of this standard.

7000.10 Eligible banking institutions.

With respect to IOLA accounts, eligible banking institutions that choose to offer, establish, accept or maintain IOLA accounts:

- (a) shall have no duty to inquire or determine whether deposits consist of qualified funds;
- (b) shall charge only equitable service charges or fees against the interest earned on IOLA accounts which shall not be greater than it imposes on similar accounts maintained at the institution and shall be limited to per check charges, per deposit charges, monthly maintenance fees, a fee in lieu of a minimum balance, federal deposit insurance fees, or a service charge for the preparation and issuance of reports required by this section, as approved by the trustees of the fund. All other fees for special services requested by the account-holder are the responsibility of, and may be charged to, the lawyer or law firm maintaining the IOLA account;
- (c) may elect to waive any charges or fees on IOLA accounts;
- (d) shall remit at least quarterly any interest earned on IOLA accounts to the IOLA fund, after deduction of equitable service charges or fees, if any;
- (e) shall not take any equitable service charges or fees in excess of the interest or dividends earned on an IOLA account for any month or quarter from interest or dividends earned on another IOLA account or from the principal of the account and such charges or fees in excess of the interest or dividends earned on an IOLA account may be carried over to the next remitting periods and deducted from interest or dividends earned in such account;
- (f) shall transmit to the IOLA fund with each remittance a report that shall identify each lawyer or law firm for whom the remittance is sent, the amount of remittance attributable to each IOLA account, the rate and type of interest or dividends applied, the amount of interest or dividends earned, the amount and type of fees deducted, if any, and the average balance for each IOLA account for the period in which the report is made;
- (g) shall transmit to each attorney or law firm who maintains an IOLA account a report in accordance with the normal procedures for reporting to its depositors;
- (h) shall have no liability for any claims by any person or entity for payments from an IOLA account to or upon the order of the attorney or law firm maintaining the account;
- (i) shall have no liability for any claims by any person or entity for any remittance of interest to the IOLA fund pursuant to the provisions of section 97-v of the State Finance Law; and
- (j) shall not be subject to any action solely by reason of its opening, offering or maintaining an IOLA account, accepting any funds for deposit to any such accounts or remitting any interest to the IOLA fund. If in the sole discretion of the board of trustees of the IOLA fund, a banking institution has, because of a mistake of fact, error in calculation or erroneous interpretation of section 97-v of the State Finance Law, section 497 of the Judiciary Law or of this Part, remitted to the IOLA fund any moneys not required by such provision to be remitted, the board of trustees shall refund such moneys upon application of any aggrieved party. Any such refund shall be paid from the IOLA fund without interest and without the deduction of any service charge and shall constitute a full satisfaction and discharge of any claim for such refund.

Section 7000.11 Confidentiality.

(a) All records, documents or other information identifying an attorney or law firm, client or third person of an IOLA account shall be confidential and shall not be disclosed by a banking institution except with the consent of the attorney or law firm maintaining the account or as required by law, regulation, administrative requirement or compulsory legal process.

(b) The board of trustees shall maintain all papers, records, documents or other information identifying an attorney or law firm, client or third person of an IOLA account on a private and confidential basis, and shall not disclose such information unless such disclosure is (1) necessary to accomplish the purposes of section 497 of the Judiciary Law and section 97-v of the State Finance Law or (2) made pursuant to compulsory legal process.

Section 7000.12 Qualified recipients.

(a) Qualified recipients shall be not-for-profit entities, tax-exempt under section 501(a) of the Internal Revenue Code, or any successor provision, eligible to receive distributions of IOLA funds pursuant to one or both of the following categories:

(1) Qualified legal services providers which shall be an entity which operates within New York State and provides direct civil legal services without charge to poor persons within a geographical area in New York State; or

(2) Administration of justice providers which shall be an entity which operates within New York State and which:

(i) enhances civil legal services to the poor through innovative and cost-effective means;

(ii) provides direct civil legal services either to groups of clients currently underserved by legal services, such as the elderly or the disabled, or in an area of representation, whether substantive or geographical, that cannot be or is not effectively served by individual qualified legal services providers;

(iii) provides legal, management or operational training, or legal, management, support service, or technical assistance, or direct legal assistance, informational advocacy or litigation support to qualified legal services providers; or

(iv) which otherwise promotes the improvement of the administration of justice.

(b) All qualified recipients shall:

(1) ensure that the funds received are expended in accordance with the provisions of section 97-v of the State Finance Law, section 497 of the Judiciary Law and this Part;

(2) preserve the attorney-client privilege in all cases;

(3) ensure that no one shall interfere with any attorney funded in whole or in part by IOLA funds in fulfilling a professional responsibility to a client as established by the code of professional responsibility and the provisions of section 97-v of the State Finance Law, section 497 of the Judiciary Law and this Part; and

(4) prohibit discrimination, as defined by the applicable laws of the United States and the State of New York, against (i) any person applying for employment or employed by the qualified recipient; or (ii) any person seeking participation in, or the benefits or proceeds of, a program or programs supported in whole or in part by IOLA funds.

(c) Recognizing that the IOLA funds available for distribution may not be sufficient to make distributions to all qualified recipients submitting applications for such funds which merit funding, the board of trustees shall from time to time establish funding priorities. Among the factors to be considered by the board of trustees in establishing the priorities shall be:

(1) if there are two or more qualified recipients in a geographical area who have applied for IOLA funding, the board shall distribute available funds annually based upon a determination by the board in its discretion of the merits of the applications of the qualified recipients and the impact that distribution to the qualified recipients will have on ensuring the delivery of stable, economical and high quality civil legal services to that area;

(2) absent special circumstances, qualified recipients shall have substantial sources of income used for the provision of civil legal services to the poor in addition to the funds requested;

(3) expansion and improvement of existing qualified recipients shall be preferred over requests to provide IOLA funding to establish new qualified recipients, except in instances of unique and difficult to serve areas and groups;

(4) requests shall be encouraged for applications for IOLA funds which will result in the development and strengthening of pro bono programs which generate the provision of substantial voluntary legal services to the poor;

(5) the level of professional standards and efficiency and quality of services;

(6) the provisions for client participation in program planning, priority setting and operation;

(7) provisions which prohibit attorneys employed full time in legal assistance activities supported all or in part by IOLA funds from engaging in any compensated outside practice of law;

(8) the encouragement of cooperative proposals from multiple qualified recipients in a given service area;

(9) the level of client and community support for the services for which IOLA funds are being sought;

(10) whether a qualified support and training provider applicant seeking IOLA funds to provide training and support services to qualified legal service providers has obtained the approval of a majority of the programs it seeks to assist; and

(11) qualified support and training provider applicants seeking IOLA funds to provide direct legal services either to groups of clients currently underserved by legal services or in areas of representation that cannot effectively be serviced by individual qualified legal services providers shall demonstrate the need for such services.

7000.13 Use of funds.

(a) No IOLA funds distributed pursuant to section 97-v of the State Finance Law, section 497 of the Judiciary Law and this Part may be used for any of the following purposes:

(1) the provision of legal services with respect to any fee-generating case unless adequate representation is unavailable;

(i) for the purposes of this subparagraph, fee-generating case shall mean any case or matter which, if undertaken on behalf of an eligible client by an attorney in private practice, reasonably may be expected to result in a fee for legal services from an award to a client, from public funds, or from the opposing party;

(ii) other adequate representation is deemed unavailable if any one of the following factors are met:

(a) it has been determined that free referral is not possible for any of the following reasons:

(1) the case has been rejected by the local lawyer referral service or by two attorneys in private practice who have experience in the subject matter of the case;

(2) neither the referral service nor at least two attorneys in private practice who have experience in the subject matter of the case will consider the case without payment of a consultation fee;

(3) the case is of the type which attorneys in private practice in the area ordinarily do not accept without prepayment of a fee;

(4) emergency circumstances compel immediate action before referral can be made, but the client is advised that, if appropriate and consistent with the code of professional responsibility, referral will be attempted at a later time;

(b) recovery of damages is not the principal object of the case and a request for damages is ancillary to an action for equitable or other nonpecuniary relief, or inclusion of a counterclaim requesting damages is necessary for effective defense or because of applicable rules governing joinder of counterclaims;

(c) a court has appointed a qualified recipient or an attorney employed by a qualified recipient pursuant to a statute or a court rule or practice of equal applicability to all attorneys in the jurisdiction;

(d) the case involves the rights of a claimant under a publicly supported benefit program for which entitlement to benefit is based on need.

(b) Criminal proceedings. No funds distributed pursuant to this Part shall be used for the provision of legal assistance with respect to any criminal proceeding or any action in the nature of habeas corpus collaterally attacking a criminal conviction.

(c) Prohibition on the use of funds for political purposes. No funds distributed pursuant to this Part shall be used either directly or indirectly to contribute to any political party or association, or any candidate for public or party office, and no political test or qualification shall be used in making any decision, taking any action, or performing any function under these regulations.

7000.14 Client financial eligibility for services.

(a) A person eligible to receive legal services from funds allocated pursuant to this Part must have an income that does not exceed 125 percent of the official poverty threshold as defined by the United States Office of Management and Budget, except in the following circumstances:

- (1) the person is seeking legal assistance to secure benefits provided by a governmental program for the poor;
- (2) the person would be eligible but for the receipt of benefits provided by a governmental income maintenance program; or
- (3) the person's circumstances require that eligibility should be allowed on the basis of one or more of the factors set forth in subdivision (b) of this section.

(b) In addition to income, a recipient shall consider other relevant factors in determining whether a person is eligible to receive legal assistance. Factors to be considered shall include:

- (1) current income, taking into account seasonal variations in income;
- (2) liquid assets;
- (3) fixed debts and obligations, including Federal and local taxes and medical expenses;
- (4) child care, transportation, mandatory payroll deductions and other expenses necessary for employment;
- (5) age or physical infirmity of resident family members;
- (6) the cost of obtaining private legal representation with respect to the particular matter in which assistance is sought;
- (7) the consequences for the individual if legal assistance is denied; and
- (8) any other factors related to financial inability to afford legal assistance.

(c) A recipient may provide legal assistance to a group, corporation, or association if it:

- (1) is primarily composed of persons eligible for legal assistance under these regulations; or
- (2) has as its primary purpose the furtherance of the interests of persons in the community who are unable to afford legal assistance; and
- (3) provides information showing that it lacks, and has no practical means of obtaining, funds to retain private counsel.

(d) A recipient shall adopt a simple form and procedure to obtain information to determine eligibility in a manner that promotes the development of trust between attorney and client. If there is substantial reason to doubt the accuracy of the information, a recipient shall make appropriate inquiry to verify it in a manner consistent with the attorney-client relationship. Information furnished to a recipient by a client to establish financial eligibility shall not be disclosed to any person who is not employed by the recipient in a manner that permits identification of the client without the express written consent of the client.

(e) If an eligible client becomes ineligible due to a change in circumstances, a recipient shall discontinue representation if the change in circumstances is sufficiently likely to continue for a period which will enable the client to retain private legal assistance, and discontinuation is not inconsistent with the attorney's professional responsibility.

7000.15 Applications for grants and contracts.

(a) The board of trustees shall seek submissions of grant and contract applications on a regular and periodic basis, and distribute available IOLA funds, after the payment of administrative expenses, to qualified recipients pursuant to the provisions of this Part on the basis of the merits of the applicants. The board of trustees may delegate the screening of the funding applications to its staff or other entity it deems appropriate.

(b) All applicants seeking funds pursuant to this Part shall:

- (1) submit a written grant proposal;
- (2) respond adequately to the recommended grant proposal format and any additional requests for information;
- (3) agree to carry out the program for which funds are requested, report on its progress and results, and return any funds not utilized in accordance with the grant;
- (4) cooperate with all data collection and evaluation activities requested and submit annually an audited financial statement by a certified public accountant and a report of the programs on which the IOLA funds were expended.

(c) All grant and contract applications submitted to the board of trustees shall include the following information:

- (1) community characteristics demonstrating the need for legal services and describing the affiliation with existing legal services providers, volunteer lawyer programs and local bar associations;
- (2) organizational structure of the applicant, including policy board composition, sources and amounts of other funding, planning and priority setting processes, and client and community input and support;
- (3) description of the applicant, including community outreach, office and staffing patterns, staff qualifications, specialty units, client statistics, client screening, intake and referral procedures, systems of quality control (case assignment and review, supervision and follow-up training, technical assistance and other support), client grievance procedures and staff and program evaluation;
- (4) description of the program for which IOLA funding is sought;

(5) program budget which sets forth the proposed use of the requested IOLA funds and a timetable and self-assessment plan to monitor the implementation and operation of the proposed program;

(6) the documentation to be provided by the applicants shall include: (i) tax-exempt status; (ii) latest audited financial statements; (iii) affirmative action policy; (iv) current professional liability coverage; and (v) approval of the proposal by the applicant's board of directors; and

(7) any other relevant information requested by the executive director.

7000.16 Processing applications.

Review and approval of the grant and contract applications shall be completed within three months of the date set for the submission of the funding application, and if the amount to be distributed differs from the funds requested, within 30 days after notification of such proposed distribution, each qualified recipient shall submit a modified budget and narrative explaining how the funds will be utilized.

7000.17 Payment of grants and contracts.

All payments from the IOLA fund shall be made by the State Comptroller upon certification and authorization of the trustees of the fund.

7000.18 Denial of grants and contracts.

(a) The board of trustees shall have the power to determine that an applicant for funding is not qualified to receive funding or is not the most meritorious of competing applicants, to deny or reduce future funding, or to terminate existing funding.

(b) In reaching a decision, the board of trustees shall take into consideration the amount of funds available for distribution, the continuity, competence and cost-effectiveness of the services provided, the provider's compliance with the terms and conditions of the grant and the requirements of these regulations, the standing of the recipient in the client community being served, the viability of an alternate provider of services and the disruption of services caused by a change in the identity of the provider. If a decision is made to terminate or deny refunding of a grant, the board of trustees may authorize temporary funding if necessary to enable a grant recipient to close or transfer current matters in a manner consistent with its professional responsibilities to its current clients. Where the board of trustees has funded an applicant for general operating support on a recurring basis, a decision to terminate funding or deny refunding will normally only be based on:

(1) a substantial failure to comply with the terms and conditions of the grant or the requirements and restrictions of these regulations;

(2) a substantial failure to use the grant to provide economical and effective legal assistance as measured by generally accepted professional standards and the provisions of these regulations; or

(3) a lack of sufficient funds available for distribution pursuant to these regulations.

(c) The provisions of subdivision (b) of this section shall not apply to any grant awards which the board of trustees designates, at the time such award is made, as onetime in nature.

7000.19 Advisory council.

The board of trustees may from time to time establish one or more advisory councils made up of representatives of qualified recipients and members of the private bar and communities serviced in order to assist in the promotion of IOLA accounts and to provide advice in the development and implementation of the programs initiated by this Part. The members of the advisory council will receive no compensation for their services but, in the discretion of the board, may be entitled to receive reimbursement for their actual and necessary expenses incurred in the discharge of their duties.

7000.20 Adoption and amendment of regulations.

New regulations may be adopted, and any regulation may be amended or repealed, by the trustees at any regular or special meeting, provided that notice of the proposed adoption, amendment or repeal has been given to all trustees at least seven days before the meeting and, provided further, that any amendment of a provision of this Part, which by its terms requires action by a special vote, shall become effective only if adopted by such special vote. In addition, any such regulation proposed by the board of trustees to be adopted, amended or repealed may be so adopted, amended or repealed only in accordance with Article 2 of the State Administrative Procedure Act. Copies of all regulations shall be made available to the public at all offices of the fund.

7000.21 Construction of regulations.

This Part shall be liberally construed to accomplish the objectives of the fund and the policies of the trustees.

7000.22 Fiscal year.

The fund's fiscal year shall begin April 1 and end March 31.

INTEREST ON LAWYER ACCOUNT FUND OF THE STATE OF NEW YORK

**FINANCIAL STATEMENTS
AND
AUDITORS' REPORT**

YEAR ENDED MARCH 31, 2008

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INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Interest on Lawyer Account Fund of The State of New York

We have audited the accompanying statement of financial position of the Interest on Lawyer Account Fund of The State of New York ("IOLA") as of March 31, 2008, and the related statements of activities, and cash flows for the year then ended. These financial statements are the responsibility of IOLA's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of IOLA as of March 31, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedules of general and administrative expenses and grants awarded are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Israeloff, Trattner & Co., PC

Garden City, New York
February 3, 2009

INTEREST ON LAWYER ACCOUNT FUND OF THE STATE OF NEW YORK

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2008

ASSETS

CURRENT ASSETS

Cash	\$ 29,935,673
Accrued revenue	<u>3,996,845</u>

TOTAL CURRENT ASSETS	33,932,518
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OTHER ASSETS

Security deposits	<u>55,020</u>
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TOTAL ASSETS	<u>\$ 33,987,538</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Grants payable	\$ 17,284,316
Accrued expenses	<u>523,969</u>

TOTAL CURRENT LIABILITIES	17,808,285
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UNRESTRICTED NET ASSETS	<u>16,179,253</u>
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 33,987,538</u>
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See accompanying notes to financial statements.

INTEREST ON LAWYER ACCOUNT FUND OF THE STATE OF NEW YORK

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED MARCH 31, 2008

REVENUES

Interest received from participating law firms	\$ 34,607,689	
Other interest	<u>888,989</u>	
Total Revenues		\$ 35,496,678

EXPENSES

Grant awards	25,010,023	
General and administrative	<u>1,375,000</u>	
Total Expenses		<u>26,385,023</u>
Change in net assets		9,111,655
UNRESTRICTED NET ASSETS, beginning of year		<u>7,067,598</u>
UNRESTRICTED NET ASSETS, end of year		<u>\$ 16,179,253</u>

See accompanying notes to financial statements.

INTEREST ON LAWYER ACCOUNT FUND OF THE STATE OF NEW YORK

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2008

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets		\$ 9,111,655
Changes in assets and liabilities:		
Accrued revenue	\$ (2,279,431)	
Grants payable	9,489,116	
Accrued expenses	<u>272,994</u>	
Total Adjustments		<u>7,482,679</u>
Net cash provided by operating activities		16,594,334
CASH - beginning		<u>13,341,339</u>
CASH - end		<u>\$ 29,935,673</u>

See accompanying notes to financial statements.

INTEREST ON LAWYER ACCOUNT FUND OF THE STATE OF NEW YORK

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ORGANIZATION

Interest on Lawyer Account Fund of The State of New York ("IOLA") was created by Chapter 659 of the Law of 1983, by New York State. The purpose of IOLA is to provide funding for providers of civil legal services in order to ensure effective access to the judicial system for all citizens of the State of New York and to provide stable, economical and high quality delivery of civil legal services to the poor throughout New York State. The IOLA program requires attorneys to deposit funds received from clients either in interest bearing accounts for the benefit of the clients or in interest bearing IOLA accounts, in accordance with the provision of the statute (Judiciary Law §497). These funds are then pooled to generate interest income which is forwarded from the financial institution to the IOLA Fund. The funds provide the money for grants made by the 15 member Board of Trustees, appointed by the Governor, to non-profit civil legal services providers across the state.

BASIS OF PRESENTATION

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

IOLA considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. Cash and cash equivalents are held by New York State in its short-term investment pool.

REVENUE

Revenue, including accrued revenue, is based on interest earned on the participating attorneys' client escrow accounts held at various financial institutions.

2. GRANTS

In 2008 IOLA awarded approximately \$25 million in grant aid to legal programs throughout New York State. Of the \$25 million awarded, \$18.6 million was awarded to Civil Legal Services providers and \$6.4 million was awarded to programs which enhanced the administration of justice.

INTEREST ON LAWYER ACCOUNT FUND OF THE STATE OF NEW YORK

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2008

3. **COMMITMENTS**

IOLA rents office space under a ten-year lease which will expire in August 2015. Rent expense for the year ended March 31, 2008 was \$203,498. Future minimum annual lease commitments are as follows:

Years ending March 31,

2009	\$	191,471
2010		196,804
2011		202,296
2012		207,953
2013		213,780
Thereafter		<u>540,984</u>
	\$	<u>1,553,228</u>

4. **PENSION PLAN**

PLAN DESCRIPTION

IOLA participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. ERS provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the System. The Comptroller has adopted and may amend rules and regulations for the administration and transaction of the business of the System and for the custody and control of their funds. The New York State and Local Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the New York State and Local Retirement System, office of the State Comptroller, A.E. Smith State Office Building, Albany, NY 12244.

FUNDING POLICY

The funding of the System is noncontributory, except for employees who joined the System after July 27, 1976, who contribute 3% of their salary. Under the authority of the NYSRSSL, the Comptroller certifies, annually, the rates expressed as a proportion of the payroll of the members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

IOLA is required to contribute at an actuarially determined rate. IOLA's contributions to the System are equal to the required contribution. Pension expense for the year ended March 31, 2008 was approximately \$62,000.

INTEREST ON LAWYER ACCOUNT FUND OF THE STATE OF NEW YORK

ADDITIONAL INFORMATION

FOR THE YEAR ENDED MARCH 31, 2008

GENERAL AND ADMINISTRATIVE EXPENSES

Wages	\$	586,262
Fringe benefits		271,733
Conferences and training		5,725
Contractual services		77,146
Data processing supplies		20,156
Equipment rentals		3,816
Office supplies		45,786
Other		33,446
Postage and shipping		4,307
Printing		6,634
Professional fees		28,475
Rent		203,498
Repairs and maintenance		20,637
Technical assistance grants		14,999
Telephone		23,774
Travel		<u>28,606</u>
	\$	<u>1,375,000</u>

INTEREST ON LAWYER ACCOUNT FUND OF THE STATE OF NEW YORK

ADDITIONAL INFORMATION

FOR THE YEAR ENDED MARCH 31, 2008

SCHEDULE OF GRANTS AWARDED

CIVIL LEGAL SERVICES

Bronx Defenders	\$ 100,000
Empire Justice Center	196,694
Frank H. Hiscock Legal Aid Society	344,291
Legal Aid Bureau of Buffalo	150,000
Legal Aid Society (NYC)	4,500,000
Legal Aid Society of Northeastern New York	1,024,577
Legal Aid Society of Rochester	470,000
Legal Aid Society of Rockland County	186,333
Legal Assistance of Western New York	850,000
Legal Services for New York City	4,500,000
Legal Services of Central New York	954,450
Legal Services of the Hudson Valley	1,173,678
MFY Legal Services	425,000
Nassau / Suffolk Law Services Committee	800,000
Neighborhood Legal Services	700,000
New York Legal Assistance Group	750,000
Northern Manhattan Improvement Corporation	900,000
Urban Justice Center	450,000
Western New York Law Center	<u>175,000</u>

Total Civil Legal Services \$ 18,650,023

INTEREST ON LAWYER ACCOUNT FUND OF THE STATE OF NEW YORK

ADDITIONAL INFORMATION

FOR THE YEAR ENDED MARCH 31, 2008

SCHEDULE OF GRANTS AWARDED (CONTINUED)

Administration of Justice

Advocacy Center	\$ 40,000
Albany County Bar Association	40,000
Asian American Legal Defense and Education Fund	40,000
Association of the Bar of the City of New York Fund - City Bar Justice Center	200,000
Brooklyn Bar Association - Volunteer Lawyers Project	115,000
CAMBA Legal Services - Coalition for the Working Poor	200,000
Catholic Charities Community Services of the Archdiocese of New York	100,000
Center for Disability Advocacy Rights	45,000
Center for Family Representation	75,000
Central American Legal Assistance	40,000
Disability Advocates	55,000
Empire Justice Center	400,000
Erie County Bar Association - Volunteer Lawyers Project	100,000
Farmworkers' Legal Services of New York	225,000
Foundation of the Monroe County Bar	200,000
Housing Conservation Coordinators	100,000
InMotion	150,000
International Institute of Buffalo	100,000
LawHelp Consortium	175,000
Lawyers Alliance of New York	130,000
Legal Action Center	75,000
Legal Aid Bureau of Buffalo	100,000
Legal Aid Society of Mid New York	100,000
Legal Aid Society of Rochester - Upstate New York Immigration Legal Program	200,000
Legal Services for the Elderly, Disabled or Disadvantaged of Western New York - Coalition Project	200,000
Legal Services for the Elderly, Disabled or Disadvantaged of Western New York	175,000
Lenox Hill Neighborhood House	75,000
Long Island Advocacy Center	90,000
Make the Road New York	100,000
My Sister's Place	50,000
National Center for Law and Economic Justice	50,000
New York Community Trust	300,000
New York Lawyers for the Public Interest	40,000
New York Lawyers for Public Interest	200,000
New York State CASA Association	125,000
New York State Dispute Resolution Center	100,000
NYSARC	100,000

INTEREST ON LAWYER ACCOUNT FUND OF THE STATE OF NEW YORK

ADDITIONAL INFORMATION

FOR THE YEAR ENDED MARCH 31, 2008

SCHEDULE OF GRANTS AWARDED (CONTINUED)

Administration of Justice (Continued)

Onondaga County Bar Association - Volunteer Lawyers Project	40,000
Partnership for Children's Rights	125,000
Partnership for the Homeless	75,000
Pro Bono Net	75,000
Pro Bono Partnership	60,000
Queens Volunteer Lawyers Project	50,000
Resources For Children With Special Needs	50,000
Rural Law Center of New York	300,000
Safe Horizon	150,000
Sanctuary for Families	150,000
St. John's University School of Law	50,000
The Door	75,000
Volunteer Legal Service Project of Monroe County	100,000
Volunteers of Legal Services	125,000
Western New York Law Center	250,000
Workers Rights Law Center of New York	<u>75,000</u>

Total Administration of Justice

6,360,000

\$ 25,010,023

The IOLA Fund of the State of New York
11 East 44th Street New York, NY 10017
(646) 865-1541
(646) 865-1545 fax
www.iola.org

This report contains information about the financial support that grantees received from all sources in 2007, as reported by them to the Fund. This data has not been audited by the Fund. With the exception of the amounts listed for grants awarded by the Fund, the Fund does not certify the accuracy of such information.