Present: Chair Davis, Trustees Galowitz, Lindenaier, Lopez-Soto, Cirando, and Madigan and Ross
Absent: Trustees Dunham, Leider, and Nardelli
Staff: Agard, Fecko, O’Malley and Reyes

1. **Call to Order.**

   The meeting was called to order via Video & Tele-Conference (as permitted by Executive Order 202.1, dated March 13, 2020) by Chair Davis at approximately 12:05 p.m. Ms. Davis made the following announcement:

   “Due to public health and safety concerns related to COVID-19, today’s meeting of the IOLA Board of Trustees will not be held in-person.

   I have confirmed with the IOLA Fund’s General Counsel that today’s meeting has been convened in accordance with the Governor’s Executive Order 202.1, which suspends certain provisions of the Open Meetings Law to allow this public Board to convene a meeting via video and teleconferencing.

   In accordance with that Executive Order, the public has been provided with the ability to view today’s meeting, to provide comments live via WebEx written chat or in advance via email, and a transcript will be provided at a later date, upon request.

   I have also confirmed with the IOLA Fund staff that this meeting has been duly noticed. We have fulfilled our legal notice requirements by posting a notice with the New York Law Journal, the website of the Western New York Law Center, and the IOLA Fund’s own website.

   Finally, I will note that today’s meeting is being recorded, including any public comments that have or may be received via email or through the WebEx chat.”

2. **Approval of the minutes of the meeting of the Board of Trustees held on April 1, 2020.**

   The minutes of the above meeting were reviewed and approved with no objection.
Executive Report

Mr. O'Malley reported that the IOLA Fund continues to operate remotely and thanked the staff for their excellent effort. Mr. O'Malley stated that he has been in contact with NYS government regarding any reopening and it was made clear that if our office can do business remotely, then it should remain doing so. When the office does reopen, it will follow guidelines regarding plexiglass barriers, temperature checks, etc. With the office located in New York City, however, the greater issue with return to work in the office is concern regarding the use of public transportation.

Mr. O'Malley also reported that New York State has prohibited the IOLA Fund from making any payments other than the basic operating expenses like rent. We have been unable to make payments to grantees for Q4 of the current grant contracts. Additionally, New York State has put a hold on new RFPs. Mr. O'Malley has been unable to obtain any guidance from the Division of Budget on when grant payments will resume and the likelihood that we will be able to release the RFP in August, as planned. This information has been recently provided all grantees, plus IOLA advised grantees receiving PPP loans regarding the process for modifying their IOLA grant budgets.

Next, Mr. O’Malley discussed the decline in IOLA revenue, which has been projected to be approximately 50% lower in calendar 2020 than 2019. If rate remain low for 2021 – and the Federal Reserve recently announced that low rates are expected through 2022 – then IOLA’s revenue would be down about 70% in 2021 as compared to 2019. Currently, IOLA has roughly $107 million on hand, $35 million of which is for FY21 grant payments, $9 million for Q4 FY20 grant payments, which leaves $63 million (plus revenue received through August 2020) for the next RFP without counting the $15 million per year support expected from OCA. This means that our initial estimate of releasing an RFP for 2 year grants in the total amount of $70 million remains reasonable. OCA may reduce its support, but IOLA has not received any information about this.

Finally, Mr. O’Malley reported that the Permanent Commission on Access to Justice continues its work and will sponsor a virtual Technology Conference this year, spread over 2 days in October 2020. Virtually all Grantee Activity Reports for FY2020 have been received and reviewed.

In response to Mr. O’Malley’s report, the Board briefly discussed the impact on grantee budgets of PPP loans and the possibility of resurrecting the idea of creating a fundraising IOLA arm, which was last considered during the last economic crisis.

Administrative and Financial Report

Ms. Agard presented the Administrative and Financial Report, including the April 2020 Consolidated Bank and Revenue Report.

Ms. Agard noted that the cash on hand is about $107 million. April 2020 earnings were about $3 million as compared with $5.9 million for the same period.
last year. The significant rate drop by the #1 bank created much of that change. Ms. Agard warned that May 2020 earnings will be worse because a number of additional banks have reduced their rates. Finally, Ms. Agard reported that aside from salaries, the Division of Budget has limited spending to rent and utilities. Moreover, IOLA has been instructed to hold 50% of its non-personal service expense in reserve.

5. **Counsel’s Report**
Ms. Fecko referenced her written report, highlighting a few items. She provided significant support to the Permanent Commission Technology Working Group’s weekly webinars on technology issues facing the civil legal aid community during the pandemic. There have been 12 sessions so far, with an average of about 125 attendees, and the 13th is scheduled for June 17. Ms. Fecko reported on her collection and analysis of data from LawHelpNY regarding increased demand for legal information. In the month following the coronavirus shutdown, inquiries on LawHelpNY went up about 50%, to nearly 60,000, with the largest spikes in the Syracuse and Rochester areas (over 200% increases). Ms. Fecko reported on NYSBA’s launch of a new pro bono program via a public website and the assistance she has offered, including by providing data regarding IOLA grantees with existing pro bono programs and relevant practice groups.

Ms. Fecko described her work, as a member of the NAIP Board of Directors, to co-coordinated a survey of NAIP members regarding projected revenue losses in 2020 and 2021 stemming from the pandemic related economic downturn.

Finally, Ms. Fecko discussed efforts to ensure close monitoring of bank remittances and requests for rate reductions and referenced Mr. O’Malley’s earlier report of the projected impact for 2020 and 2021.

6. **Next Meeting**
The next meeting of the IOLA Board of Trustees is scheduled for September 23, 2020. Mr. O’Malley advised that this meeting is likely to be conducted remotely.

There being no further business before the Board, the meeting was adjourned at approximately 12:45 p.m.

Respectfully submitted,
Christopher B. O’Malley
Executive Director