

**IOLA Fund of the State of New York
Meeting of the Board of Trustees – New York City, NY
September 30, 2026
DRAFT**

Present: Chair Cheng de Castro and Trustees Davis, Agarwal, Hinds-Radix

Public

Videoconference: Trustees Villaverde, Hegt, Cohen, Ross and Lindenauer

Private

Videoconference: Trustee Kummer

Absent: Trustees Dunham and Cirando

Staff: Fecko, Fehringer, Nyiendo, Fisher and Thurton

1. Call to Order

The meeting was called to order by Chair Cheng de Castro at approximately 1:05 p.m.

2. Approval of the minutes of the meeting of the Board of Trustees held on June 17, 2026

The minutes of the above meeting were reviewed. Trustee Villaverde moved to approve the Board minutes, which was seconded by Trustee Agarwal. The motion passed unanimously.

3. Executive Report

Ms. Fecko greeted the Board of Trustees. Ms. Fecko thanked the grantees who gave educational presentations to the Board earlier that day. Ms. Fecko congratulated New York Lawyers for Public Interest (NYLPI) for receiving a non-profit organization award at the NYSBA Partnership Conference the week prior.

Ms. Fecko gave an update on the Training Center, noting that over a thousand people have received training since April 2026. She also stated that there will soon be the launch of a learning management system which will facilitate a broader reach of training. Ms. Fecko advised that CyTap has also re-launched and has a schedule of training through December with trainings in the next calendar year anticipated. Stout is the project manager for the Justice

Infrastructure Project (JIP) and is working to develop the next phase of this project, focusing on building out the modules.

Regarding stakeholder engagement, IOLA's annual report for FY2026 is being finalized and will be available in the next couple weeks. Ms. Fecko advised that she and Ms. Fehringer had a productive meeting last month with the Division of Budget team.

Ms. Fecko advised that she gave testimony at the Chief Judge's annual hearing on Civil Legal Services at the NYS Court of Appeals last week.

4. Director of Administration Report

Ms. Fehringer discussed staffing updates and advised that Jeanne Augustin was recently hired as a Program Assistant. Further, DOB has advised that it has approved the addition of a Program Data Analyst to IOLA's staffing bringing IOLA to twelve FTEs.

Chair Cheng de Castro asked for a motion authorizing the creation of a Program Data Analyst role. Trustee Agarwal so moved and Trustee Davis seconded. The motion passed unanimously.

Ms. Fehringer advised that we continue to work with ITS to transition to their hosting environment for our internet and technology services. We expect to have new equipment and connectivity through ITS by the end of the calendar year.

Ms. Fehringer discussed the financial report, noting that IOLA's fund balance as of July 31 is \$767.5M. Ms. Fehringer also discussed the variance report. As of July 31, IOLA expects to spend \$2.7M on State Operations this fiscal year. Adjustment pertaining to the addition of a Program Data Analyst and hiring a consultant to assist with a records retention policy will be reflected in the variance report for the next Board meeting.

She noted that the Aid to Localities budget projects spending of \$90.4M out of our total \$102.5M appropriation. This is primarily due to the delay in the passage of the State Budget which in turn delayed our time frame to offer the four new RFPs. She noted that reserves are important to accommodate reimbursement requests from grantees for expenses not anticipated by IOLA. Therefore, we do not presently recommend any action by the Board on the projected unspent funds.

5. General Counsel Report

Regarding attorney bar association matters, Ms. Nyiando advised that she was a member of the Steering Committee to plan the NYSBA Partnership Conference and was a panelist on a housing CLE, which conference took place last week in Albany. Ms. Nyiando advised that she will also be a panelist on two sessions at

the Joint IOLTA/ABA Conference in Indianapolis next week pertaining to data collection and the Community Reinvestment Act, respectively.

Turning to ethics matters, Ms. Nyiendo stated that she has advised the Trustees on conflict of interest regarding the pending RFPs. One Trustee is recused from deliberation and vote on one applicant; another Trustee is recused on three applicants. Those two Trustees have been so advised.

Ms. Nyiendo advised that the Federal Reserve met on September 16 and increased interest rates by 25 basis points. The FFTR is now 3.75 – 4.00%, which corresponds to a Safe Harbor rate of 2.4%, effective as of October 1. All indications are that there may be at least one more interest rate increase by the end of this calendar year.

Regarding the Banking revenue report, Ms. Nyiendo advised that in FYQ1 revenue figures have increased in relation to the prior quarter. Total net revenue (net interest revenue plus STIP revenue) was \$54.2M in Q1, an increase of 6%. We attribute the increase in revenue to our compliance audit since interest rates remained steady during Q1.

6. FY2027 Grant Opportunities

Ms. Fecko provided an overview of the process for the four pending RFP opportunities. The four RFPs were released on July 3, with applications due on July 30. The four RFPs are: Strengthening the NYS Legal Ecosystem for \$2.5M; Comprehensive and Dynamic Legal Services Directory for \$1.25M; Statewide Knowledge Platform for \$2.5M; and a Justice Infrastructure Project Governance grant for \$250K. Current grantees were eligible for all JIP RFPs, but not for the Ecosystem RFP. Eligibility for the Ecosystem RFP was limited only to new applicants not currently receiving an IOLA grant.

7. Executive Session

Chair Cheng de Castro entertained a motion to enter into Executive Session to discuss the appointment of particular not-for-profit corporations relevant to the pending FY2027 grant opportunities. Trustee Agrawal so moved. Trustee Hinds-Radix seconded. The motion passed unanimously. The Board moved into Executive Session

8. FY2027 Grant Decisions

The Board returned to open session. Ms. Fecko discussed the review and scoring process for the grant applications and the Board's role in approving the grants. Ms. Nyiendo advised that the two Trustees referenced earlier did not participate in the deliberations on those applications to which they are recused and their upcoming vote on the RFPs pertain only to those applications to which they do not have a conflict.

Chair Cheng de Castro entertained a motion to vote on the Strengthening the NYS Ecosystem grant. Trustee Davis so moved. Trustee Agarwal seconded. The motion passed unanimously, subject to the afore-mentioned recusals of two Trustees.

The Chair entertained a motion with respect to the Resolution Authorizing a Comprehensive and Dynamic Legal Services Directory grant to be issued to Scale Justice, Trustee Davis so moved. Trustee Agarwal seconded. The motion passed unanimously.

The Chair entertained a motion with respect to the Resolution Authorizing a Statewide Knowledge Platform grant to be issued to Legal Services NYC. Trustee Hinds-Radix so moved. Trustee Hegt seconded. The motion passed with one abstention.

The Chair entertained a motion with respect to the Resolution Regarding the RFP for the Justice Infrastructure Project Governance authorizing the withdrawal and cancellation of this grant opportunity. Trustee Davis so moved. Trustee Villaverde seconded. The motion passed with one abstention.

9. IOLA Spending Plan (FY2028 – FY2032)

Ms. Fecko advised that since the last Board meeting, IOLA staff updated the proposed spending plan and additionally prepared two other spending plan options for the Board's consideration, for a total of three spending plan options for the Board's consideration.

Ms. Nyiendo advised the Board on IOLA's revenue projections for the period FY2017-FY2028. Ms. Fehringer discussed each of the three spending plan options and the differences between them, noting that any revenue projections likely would be even higher than indicated due to the Federal Reserve's most recent rate increase.

The Board engaged in discussion of the three proposed spending plan options, and discussed the possibility of increasing grantmaking even further than that contemplated by the three spending plan options, in light of IOLA's anticipated high fund balance. The Board determined that it would put the matter over to the next Board meeting in December to allow for further consideration.

10. Adjournment

Chair Cheng de Castro advised that the next meeting of the IOLA Fund Board of Trustees will be held on Wednesday, December 16, 2026 at 1pm in IOLA's offices. The Chair asked for a motion to adjourn the meeting. Trustee Davis so moved. Trustee Hinds-Radix seconded. The motion passed unanimously. The meeting was adjourned.

The meeting was adjourned at 3:15 pm.

Respectfully submitted,

Licha Nyiendo
General Counsel