



# Legal Services Corporation

## **BUDGET REQUEST FISCAL YEAR 2011**

# FY11



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## BACKGROUND

### Legal Services Corporation

LSC is the single largest funder of civil legal aid for the poor in the nation. Established by Congress, LSC operates as an independent 501(c)(3) non-profit corporation that promotes equal access to justice and provides grants for high-quality civil legal assistance to low-income Americans. LSC distributes more than 95 percent of its total funding to 136 independent nonprofit legal aid programs that provide legal assistance to low-income individuals and families in every congressional district.

LSC celebrated its 35<sup>th</sup> anniversary on July 25, 2009, and was honored with commemorative statements from Members of Congress and a presidential Proclamation.<sup>1</sup> The White House Proclamation said, "Every day the Legal Services Corporation (LSC) breathes life into the timeless ideal, 'equal justice under law.' It reaches those who cannot afford the assistance they need and those who would otherwise go without vital representation."

The people who come to LSC-funded programs for help are the most vulnerable among us: women seeking protection from abuse, mothers trying to obtain child support, families facing unlawful evictions or foreclosures that could leave them homeless, disaster victims trying to obtain federal emergency assistance or insurance payments to restart their lives.

LSC awards grants to legal services programs through a competitive grants process, promotes program quality, monitors compliance with statutory and regulatory requirements as well as funding restrictions, and provides training and technical assistance to program staff.

The Corporation encourages programs to leverage limited resources through partnerships with individual lawyers, the organized bar, state and local governments, Access to Justice Commissions, Interest on Lawyers' Trust Accounts (IOLTA) funders, private funders and concerned private parties.

### Nationwide Support

Most Americans support federally-funded legal aid to the poor, according to an April 2009 survey conducted by Harris Interactive on behalf of the American Bar Association.<sup>2</sup> Two-thirds of Americans favor federal funding to help those who need legal assistance, and 88 percent agree that it is essential that a nonprofit provider of legal services is available to help those who could not otherwise afford legal help, the survey found.

LSC receives broad bipartisan support in both houses of Congress. In a May 2009 letter, 53 senators supported an increase in LSC funding to at least \$435 million in Fiscal Year 2010 "as the next step toward closing the 'justice gap' and meeting the greater need that exists today because of the economic crisis, which has increased the number of foreclosures, the numbers of the unemployed, and the number of individuals and families who now qualify for federally funded legal aid."<sup>3</sup>

The National Conference of Bar Presidents, including presidents of state and territorial bar associations, urged increased funding for LSC in an April 21, 2009, letter signed by 61 bar leaders.<sup>4</sup> The Conference of Chief Justices and the Conference of State Court Administrators adopted a resolution in August 2009 calling for increased LSC funding to meet the growing demand for civil legal services.<sup>5</sup> The New York State Bar Association, the largest voluntary state bar association in the nation, also recently urged adequate resources for the Corporation.<sup>6</sup>

### LSC Leadership

The Corporation is headed by a bipartisan board of directors whose 11 members are appointed by the President and confirmed by the Senate. Board nominees selected by the Obama Administration are awaiting confirmation. LSC is currently led by Board Chairman Frank B. Strickland and Interim President Victor M. Fortuno, the Corporation's long-time general counsel.

## OVERVIEW

LSC requests a total of \$516,550,000 for FY 2011. Consistent with prior years, \$484,900,000—about 95 percent of the total request—is for basic field grants to legal aid programs that provide civil legal assistance to low-income Americans.

The chart below shows LSC's FY 2009 and FY 2010 appropriations and the funding request for FY 2011.

Budget Category	FY 2009 Appropriation	FY 2010 Appropriation	FY 2011 Request
<b>Basic Field Grants</b>	\$365,800,000	\$394,400,000	\$484,900,000
<b>Technology Initiative Grants Program</b>	\$3,000,000	\$3,400,000	\$6,800,000
<b>Loan Repayment Assistance Program</b>	\$1,000,000	\$1,000,000	\$1,000,000
<b>Management &amp; Grants Oversight</b>	\$16,000,000	\$17,000,000	\$19,500,000
<b>Office of Inspector General</b>	\$4,200,000	\$4,200,000	\$4,350,000
<b>TOTAL</b>	<b>\$390,000,000</b>	<b>\$420,000,000</b>	<b>\$516,550,000</b>

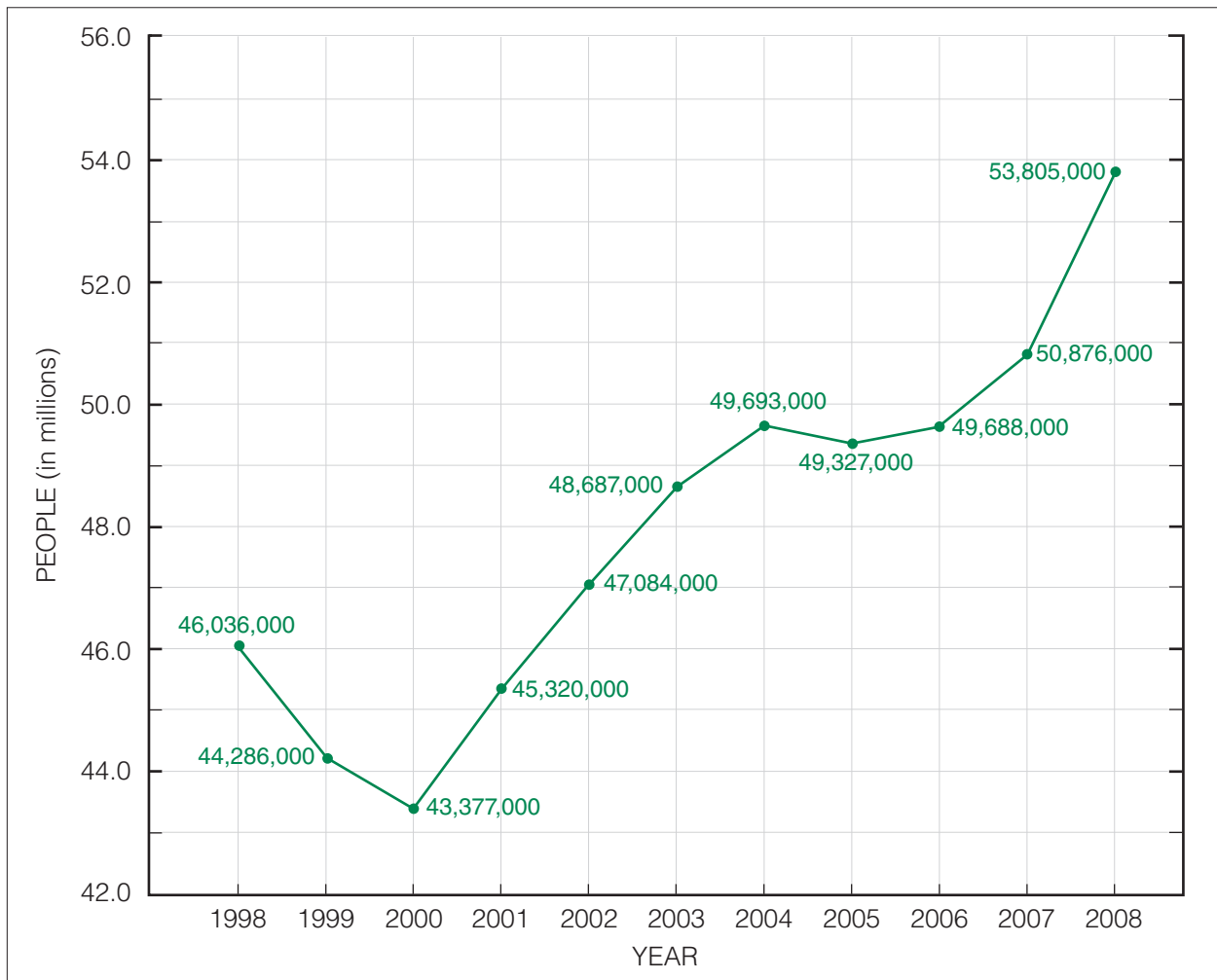
In adopting its FY 2011 budget resolution, the LSC Board of Directors recognized the impact of the weak economy, including high unemployment rates, the findings of the 2009 Justice Gap Report, and the difficult fiscal constraints facing the 111th Congress.<sup>7</sup> More specifically:

- **The “justice gap”:** As in a prior 2005 report, 2009 data continue to show that LSC-funded programs turn away one person for every person that is served. In one category—foreclosures—LSC-funded programs turned away two for every person served. Overall, this year, LSC-funded programs estimate that because of insufficient resources they will be unable to serve nearly 1 million low-income Americans who call or come to their offices.
- **The impact of the weak economy:** About 54 million Americans—including 18.5 million children—are eligible for LSC-funded services, according to the U.S. Census Bureau. That represents an increase of almost 3 million poor people from 2007 to 2008. The 2008 poverty figures reflect the initial effects of the recent recession and foreshadow even larger increases for 2009 because of high unemployment rates.
- **The decline in non-federal funding:** The weak economy has put an even greater strain on the resources that support legal aid. Interest on Lawyers’ Trust Accounts (IOLTA)

funds—the second largest source of non-LSC funding for programs—have declined significantly because of the drop in short-term interest rates.

- **The Board's goal:** In November 2008, the Board adopted a four-year plan for closing the justice gap.<sup>8</sup> The plan calls for a doubling of the FY 2008 basic field appropriation, which was then \$332,390,000, to \$664,780,000 over a four-year period that ends in FY 2013.

### Americans Eligible for LSC-Funded Legal Aid



Source: *People Below 125 Percent of Poverty Level and the Near Poor: 1959 to 2008*. U.S. Census Bureau.  
<http://www.census.gov/hhes/www/poverty/histpov/hstpov6.xls>

Congressional appropriations to LSC represent the largest, single source of funding for civil legal services and, according to the most recent data available, federal funds represented 40 percent of the total funding that LSC programs received in 2008.

Going forward, most programs will increasingly rely on their federal funding because of the dramatic decline in IOLTA funds, which provided 12.7 percent of program funds in 2008. To fight the 2008 recession, the Federal Reserve lowered the federal funds rate to nearly zero, driving down IOLTA revenue to unprecedented lows. The National Association of IOLTA Programs estimates that IOLTA revenue will be about \$93 million in 2009, a 67 percent decline from 2008, when nationwide IOLTA revenue was nearly \$284 million.

The impact of the IOLTA erosion varies by state, but numerous LSC programs project they will receive significantly less IOLTA funding in 2010 and some have started planning for layoffs and furloughs of attorneys, paralegals and support staff.

Many states will not be able to make up IOLTA losses, in part because of overall state and local budget shortfalls.<sup>9</sup> Charitable organizations also will be unlikely to contribute as much to legal aid as in the past because the weak economy has affected donors.<sup>10</sup>

This downturn in non-federal funding comes at a time when many LSC programs report increasing requests for help, including foreclosure actions. Legal representation of low-income Americans at risk of foreclosure requires time and resources, in large part because foreclosures involve lengthy negotiations with representatives of lenders and may involve complex state procedures or laws. Many LSC-funded programs also have seen a great increase in requests for legal services to resolve consumer and income problems. Requests for help with unemployment compensation claims are increasing, and programs cannot respond to all requests for help. Persons who have lost jobs request help to modify child-support orders because they cannot make their payments. Debt collections, whether legitimate or abusive, result in wage garnishments and bank attachments that keep low-income Americans from being able to meet their basic, day-to-day needs.

Congressional appropriations also make it possible for LSC to leverage federal dollars to reward and promote innovations that create positive impacts on low-income communities. LSC awards Technology Initiative Grants, for example, that are designed to improve the delivery of legal services and expand the capacity of programs to help clients. Appropriations to LSC help programs recruit and retain talented lawyers, who receive relatively low pay and often carry crushing educational debt. In addition, appropriations support grants management and oversight and permit LSC program and compliance officials to conduct oversight visits to programs.

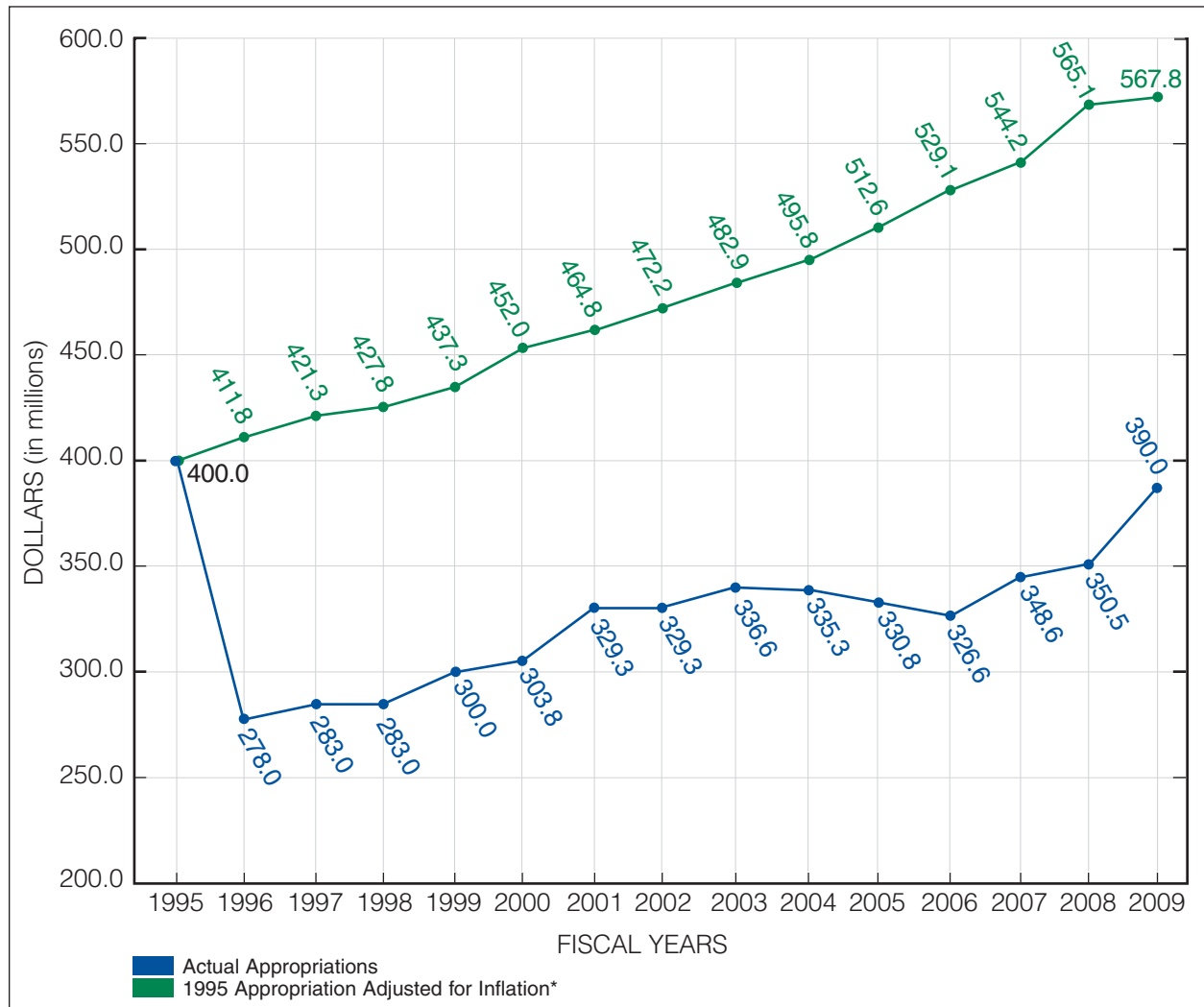
Under its FY 2010 appropriation, LSC received \$420 million, a \$30 million increase to the Corporation's funding. LSC funding, however, has not kept pace with inflation. The current FY 2010 funding would

“The low-income people and communities we serve are suffering more now than at any time since the Great Depression.”

—**Andrew Scherer**, *executive director and president, Legal Services NYC*

have to be more than \$500 million to equal in real dollars what the Corporation received in 1995, the previous high-water mark in funding. The chart below shows LSC's funding history from 1995 to 2009 compared with LSC's 1995 appropriation when adjusted for inflation.

**LSC's Appropriation Compared to Its 1995 Inflation-Adjusted Appropriation**



\*The inflation-adjusted figures in this chart were derived using the CPI Inflation Calculator on the Bureau of Labor Statistics website (<http://data.bls.gov/cgi-bin/cpicalc.pl>) on January 6, 2010.

Until the nation's economy fully recovers and unemployment rates come down, millions of Americans are at risk of falling deeper into poverty or slipping into poverty for the first time. Clients of LSC-funded programs live at or below 125 percent of the federal poverty guideline—an income of \$27,563 for a family of four in 2009. Clients come to civil legal aid programs when they need a lawyer to help them escape an abusive relationship, to gain access to health care, food, subsistence income and disability benefits, or to prevent foreclosure and eviction that may lead to homelessness.



LSC-funded programs save taxpayer dollars by averting more costly interventions by state and local social services and public assistance agencies. For low-income Americans, legal aid greatly improves their chances of keeping their home rather than moving into a shelter, holding a job rather than going onto public assistance, retaining custody and support of their children rather than losing them to foster care, receiving early medical care rather than costly hospitalization, and escaping an abusive relationship rather than suffering further injury or even death.

There are some things that only the government can do. Chief among them is administering justice under the law for all people and promoting equal access to justice. LSC requires a budget that continues to address the justice gap and invests for the future—in more effective oversight of programs and grants, in the people who deliver legal services to eligible clients, in technology, and in initiatives that leverage federal dollars to promote partnerships and collaborations.

In these troubled economic times, legal aid can facilitate solutions and help clients who have nowhere else to turn. Ensuring that the poor are adequately represented in the civil judicial system greatly improves their chances of keeping or securing basic necessities—the keys to stability and self-sufficiency. The work of LSC and its programs is more critical than ever before.

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### State-by-State Comparison of LSC's FY 2011 Budget Request to FY 2010 Appropriation

State	FY 2010 Appropriation Basic Field Funding (\$)	FY 2011 LSC Request Basic Field Funding (\$)	FY10 Appropriation vs. FY11 Request
Alabama	7,423,763	9,127,238	+ 1,703,475
Alaska	1,478,159	1,817,341	+ 339,182
American Samoa	369,488	454,272	+ 84,784
Arizona	11,170,782	13,734,057	+ 2,563,275
Arkansas	4,378,954	5,383,760	+ 1,004,806
California	51,064,257	62,781,588	+ 11,717,331
Colorado	4,246,876	5,221,374	+ 974,499
Connecticut	2,758,631	3,391,633	+ 633,002
Delaware	743,347	913,918	+ 170,570
District of Columbia	1,164,454	1,431,653	+ 267,199
Florida	20,764,815	25,529,561	+ 4,764,746
Georgia	10,993,650	13,516,280	+ 2,522,630
Guam	369,988	454,886	+ 84,898
Hawaii	1,863,735	2,291,392	+ 427,657
Idaho	1,656,513	2,036,620	+ 380,107
Illinois	13,739,051	16,891,647	+ 3,152,597
Indiana	5,949,713	7,314,949	+ 1,365,236
Iowa	2,743,731	3,373,314	+ 629,583
Kansas	2,741,827	3,370,974	+ 629,146
Kentucky	6,604,912	8,120,492	+ 1,515,580
Louisiana	9,050,979	11,127,839	+ 2,076,860
Maine	1,576,280	1,937,978	+ 361,697
Maryland	4,665,006	5,735,450	+ 1,070,444
Massachusetts	6,078,792	7,473,646	+ 1,394,855
Michigan	11,053,705	13,590,115	+ 2,536,411
Micronesia	1,896,274	2,331,398	+ 435,124
Minnesota	4,321,436	5,313,044	+ 991,607
Mississippi	5,924,205	7,283,588	+ 1,359,383
Missouri	6,783,515	8,340,077	+ 1,556,562
Montana	1,548,420	1,903,724	+ 355,304
Nebraska	1,753,066	2,155,328	+ 402,263
Nevada	2,340,521	2,877,583	+ 537,062
New Hampshire	823,679	1,012,682	+ 189,003
New Jersey	7,440,470	9,147,778	+ 1,707,309
New Mexico	4,059,485	4,990,984	+ 931,499
New York	28,629,646	35,199,075	+ 6,569,429
North Carolina	10,446,195	12,843,205	+ 2,397,010
North Dakota	1,091,524	1,341,987	+ 250,464
Ohio	12,449,537	15,306,239	+ 2,856,702
Oklahoma	6,167,315	7,582,482	+ 1,415,167
Oregon	4,346,663	5,344,059	+ 997,396
Pennsylvania	13,868,353	17,050,620	+ 3,182,267
Puerto Rico	19,340,437	23,778,342	+ 4,437,905
Rhode Island	1,279,911	1,573,602	+ 293,691
South Carolina	5,826,196	7,163,089	+ 1,336,893
South Dakota	2,095,608	2,576,471	+ 480,863
Tennessee	7,941,568	9,763,859	+ 1,822,292
Texas	33,189,605	40,805,374	+ 7,615,769
Utah	2,288,940	2,814,166	+ 525,226
Vermont	580,951	714,257	+ 133,306
Virgin Islands	371,466	456,704	+ 85,238
Virginia	6,982,908	8,585,223	+ 1,602,315
Washington	6,840,333	8,409,932	+ 1,569,600
West Virginia	3,358,244	4,128,835	+ 770,591
Wisconsin	4,980,511	6,123,351	+ 1,142,840
Wyoming	781,612	960,962	+ 179,351
<b>TOTAL</b>	<b>\$394,400,000</b>	<b>\$484,900,000</b>	<b>+ \$90,500,000</b>

## BASIC FIELD PROGRAMS

LSC requests \$484,900,000 for basic field grants for FY 2011. This represents approximately 95 percent of the overall budget request. The field grants are distributed to nonprofit organizations in every state to help address the civil legal problems of low-income Americans and their essential human needs, such as protection from abusive relationships, safe and habitable housing and access to benefits that help them lead independent lives.

### Impact of the Economic Downturn

The 2008 recession and the rise in unemployment during 2009 created new stresses for legal aid programs, which already confronted an overwhelming unmet need that is known as the “justice gap.” Requests for help with foreclosure, unemployment benefits and consumer issues are on the rise at many programs, leading them to revamp services or set new priorities. At the same time, resources are shrinking at many programs. Most states have experienced revenue shortfalls because of the 2008 recession and cannot be counted on to contribute as much as in the past. IOLTA funders estimate that many programs will lose income during the 2009 and 2010 grant cycles.

The challenges facing the **Legal Aid Society of Cleveland** illustrate the impacts caused by the weak economy on many LSC-funded programs. Cleveland became one of the epicenters of the foreclosure crisis and, like many cities, then confronted rising unemployment rates. In 2007, the program received more than 80,000 calls for help and was able to handle 8,000 cases; in 2008, the program received more than 90,000 calls and handled 9,000 cases; in 2009, the Legal Aid Society of Cleveland received more than 100,000 calls and handled almost 11,000 cases. For Cleveland, that represents three years of record growth, with expectations that 2010 will be another year of increased demand.

Based on program data collected from mid-March through mid-May 2009, LSC estimates that its programs last year, because of inadequate resources, turned away more than 21,000 low-income applicants seeking help with foreclosure issues. It is possible that this unable-to-serve estimate is understated; some LSC programs are now seeing an increase in homeowners with prime mortgages who are behind on their payments because of significant financial hardship, such as the loss of employment.

The rise in foreclosure work at **Legal Services NYC** shows the demand for LSC-funded services and the challenges in helping clients. In 2009, Legal Services NYC opened more than 1,600 foreclosure cases, or about 1,000 more such cases than in the previous year. The vast majority involved low-income, minority homeowners in the outer boroughs of New York City. Most of these homeowners were induced into risky, high-cost subprime loans that were unaffordable from the start. Almost 75 percent of those who sought assistance had adjustable rate mortgages, and many had costly features like

balloon payments and pre-payment penalties. The New York program continues to see dozens of senior citizens on fixed incomes who were induced into unaffordable adjustable rate mortgages.

Taking into account everyone who came to Legal Services NYC for help in 2009, the program was able to fully serve only 12 percent of those seeking assistance. The remainder were either turned away (51 percent), not served fully (13 percent) or received only brief services and advice (24 percent) although they actually needed representation.<sup>11</sup>

Other programs challenged by increased requests for help include:

- **Legal Services Alabama**, which reports dramatic increases in foreclosure work. The program experienced a 379 percent increase in the number of foreclosure cases opened from 2007 to 2008 and a 185 percent increase from 2008 to 2009.
- **Legal Aid Bureau of Maryland**, which has seen a nearly 10 percent increase in the number of open cases for clients seeking assistance with foreclosure and homeownership problems. Information and referrals for help elsewhere increased 29 percent in the last year for consumer and housing cases, a category that includes foreclosures.
- **Legal Services of Greater Miami**, which reports a 15 percent increase in demand for services because of high unemployment and mortgage foreclosure rates. The program is turning potential clients away; for example, it only assists families and seniors with foreclosure problems, and not individuals or couples with no children.
- **Bay Area Legal Aid** in Oakland, California, which has received nearly 13 percent more calls on its Legal Advice Line from persons with housing-related problems. Calls increased from homeowners in foreclosure and tenants being evicted after foreclosure, particularly in Alameda and Contra Costa counties.
- **Neighborhood Legal Services Association** in Pittsburgh, which reports increased cases involving unemployment compensation, evictions and utility shutoffs during the last year. The most recent data shows unemployment compensation cases handled by the program rose by 13.8 percent from FY 2007 to FY 2008.
- **Rhode Island Legal Services**, which has experienced a 56 percent increase from 2006 to 2009 in clients seeking assistance in claiming unemployment compensation.

Many programs are receiving requests for help from people who are called the “new poor.” A year ago, they would not have qualified for LSC-funded services, but are now financially eligible for legal aid because they have lost a job. Some are in danger of losing their homes, losing their health insurance or being sued for credit-card debt. Some need assistance to obtain unemployment compensation after being laid off, and some are mired in deep debt and seek help in filing for bankruptcy.

For example:

- **The Philadelphia Legal Assistance Center** partners with Philly VIP, the Philadelphia Bar Association's *pro bono* program, to help with family and housing law matters. The program is now seeing more two-parent households that qualify for services, in addition to single-parent families. The economic downturn has increased the number of clients requesting VIP's assistance by more than 60 percent, and foreclosures make up a quarter of the total caseload.
- Clients at the Columbus, Ohio, area offices of **Ohio State Legal Services** include former small business owners who for many years had as their sole source of income the revenue from their business. With the economic downturn, these small business owners lost customers, and they used personal savings and assets to keep their businesses going in hopes of a turnaround, as well as to pay day-to-day expenses. When they exhausted all personal resources, and were without employment or held a temporary, low-paying job, they found for the first time in their lives they needed the assistance that can be provided by social services programs—from food stamps to counseling. For the most part, they are unfamiliar with such services and more embarrassed by their need for public assistance.
- Maryland's **Legal Aid Bureau** has seen a dramatic jump in requests from low-income individuals and families seeking to qualify for food stamps. In the last year, the program has more than doubled its open cases for clients seeking assistance with food-stamp issues. Nationally, food-stamp use is at a record high.<sup>12</sup>

To supplement federal funds, LSC-funded programs constantly seek new grants, new fellowships and increases in state funding. But the economic downturn has put a great strain on the resources that support legal services, and almost all programs are concerned about their financial outlook for 2010 and 2011.

**Legal Aid of West Virginia**, for example, has seen a 43 percent decrease in IOLTA funding in the 2006-2009 period, from \$451,350 to \$256,000. The State Bar donated \$31,875 to the program in 2009, a drop of approximately 66 percent from the previous year. The program has received a smaller share of a federal grant that includes legal services for domestic violence victims. The legal aid portion for 2008-2010 is \$234,626, a 29 percent decrease from the 2006-2008 grant.

IOLTA funding varies by state and grant cycle, making it difficult for LSC to forecast how much support grantees will receive. But with short-term interest rates at unprecedented lows, most programs

“We took about a 20 percent cut in state support for the July 2009 to June 2010 fiscal year. The LSC increase in 2009 and a layoff of six staff members helped us deal with this funding loss and hang on until we get to the next state fiscal year.”

—Marilyn Harp, *executive director*,  
*Kansas Legal Services Inc.*

expect declines in 2010 and probably into 2011, in part because IOLTA funders will likely deplete their reserves. Over the 2008-2010 period:

- **The Legal Aid Foundation of Chicago** projects a 35 percent decline in IOLTA funds.
- **Legal Aid of North Carolina** predicts a 45 percent drop.
- **Neighborhood Legal Services of Los Angeles** forecasts a 32 percent drop.
- **MidPenn Legal Services** foresees an 83 percent decrease.

Other programs also are confronting IOLTA reductions:

- **The Legal Aid Foundation of Los Angeles** took a 10 percent IOLTA funding cut for the 2009-2010 grant year and expects a 25 percent to 35 percent reduction for 2010-2011.
- **Legal Aid of Nebraska** does not have a 2010 projection, but reports a 56 percent drop in IOLTA funding during the 2007-2009 period.
- **North Mississippi Rural Legal Services** saw its IOLTA funding drop by nearly 89 percent for the 2010 grant year.
- **Legal Aid Society of Eastern Virginia** (based in Norfolk) expects a reduction of 14 percent to 18 percent in the 2010-2011 funding year.
- **Legal Services of Greater Miami** does not expect IOLTA cuts in 2010, but projects a 50 percent reduction over the 2011-2012 period.

The nation's weak economy has created uncertainty at LSC programs about other sources of funding:

- **Alaska Legal Services Corporation** reports that non-federal funding has declined or been flat. Private bar donations have dropped slightly since 2007. The program's largest state grant declined by 51 percent from FY 2009 to FY 2010.
- **The Legal Aid Society of Columbus** has seen a reduction in bar foundation and several non-federal grants since 2008, including a 38 percent decline in United Way contributions.
- **The Legal Aid Bureau of Maryland** reports an erosion in charitable funding—foundations, individual donations and law firm contributions—in recent years. Law firm contributions, for example, have declined by 12 percent over the last three years.
- **The Legal Aid Society of Eastern Virginia** received 37 percent less from cities in the region in 2009 and expects further cutbacks in municipal aid in 2010.
- **Legal Action of Wisconsin** projects a falloff in United Way and other charitable giving in 2011. For instance, contributions through United Way and similar programs will decline by an estimated 10 percent by 2011.

## The Justice Gap

The challenge confronting LSC-funded programs is daunting. They serve only half of those seeking legal assistance and often must settle for providing many applicants with less than full representation.

In 2009, LSC released an updated and expanded report on the “justice gap”—the difference between the level of civil legal assistance available to low-income Americans and the level that is necessary to meet their needs. This 2009 report, “Documenting the Justice Gap in America: The Current Unmet Civil Legal Needs of Low-Income Americans,” updates the first Justice Gap Report released by the Corporation in 2005.

The program data collected in 2009 confirmed the conclusion of the 2005 Justice Gap Report: for every client served by an LSC-funded program, one person who sought help is turned down because of insufficient resources. In one category—foreclosures—LSC-funded programs are turning away two people for every client served. Programs also are meeting less than half of the requests for assistance with employment and family law matters.<sup>13</sup>

In addition, the 2009 report included new data indicating that lower state courts, particularly housing and family courts, are facing significantly increased numbers of unrepresented litigants. Studies show that the vast majority who appear without representation are unable to afford an attorney, and a large percentage of them are low-income people who qualify for legal aid. A growing body of research indicates that outcomes for unrepresented litigants are less favorable than those for represented litigants.

Despite increases in funding for civil legal assistance over the past four years by the Congress, by 25 states and the District of Columbia, the 2009 report concluded that the nation continues to confront a substantial justice gap. As an initial, critical goal, LSC urges Congress to provide enough funding to serve at least all those currently seeking help from LSC programs. The 2009 Justice Gap Report found that this would require a doubling of LSC funds and a doubling of the state, local and private funds that also support LSC programs.

In order to keep faith with our national commitment to equal access to justice, it is essential that the nation move toward the necessary funding levels and a renewed commitment to *pro bono* efforts by taking measured steps that close the justice gap as quickly as possible.

“We are under no illusions about this being a short-term storm. In the trenches, we note an increase in the number of unemployment compensation cases coming in our doors. We can expect state revenues to continue to drop until people get back to work.”

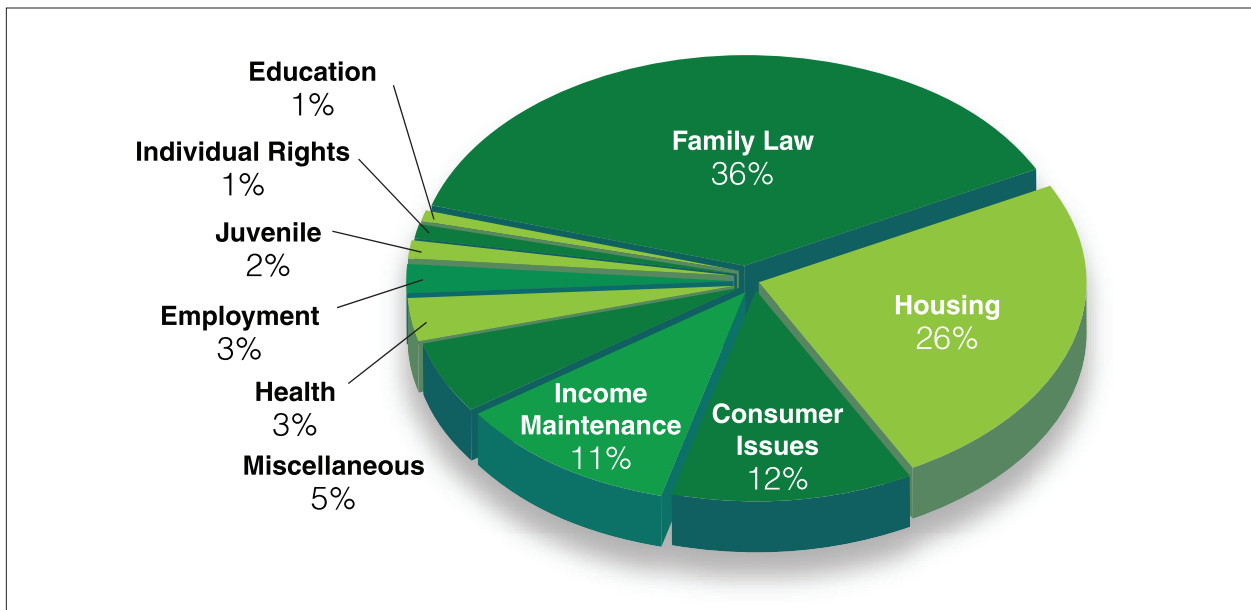
—Rhodia Thomas, *executive director,*  
*MidPenn Legal Services Inc., Harrisburg, Pa.*

### Use of Funds—Program Data

The client population served by LSC-funded programs is as diverse as our nation, encompassing all races, ethnic groups and ages, including the working poor, veterans, homeowners and renters facing foreclosures or evictions, families with children, farmers, people with disabilities, victims of domestic violence, the elderly and victims of natural disasters. Seventy-three percent of the people served are women, many of whom are struggling to keep their children safe and their families together.

In 2008, LSC-funded programs closed 889,155 cases. About 10 percent—93,174—of the cases closed in 2008 were through private attorney involvement, including *pro bono* services. Under LSC policy, programs spend at least 12.5 percent of their basic field grants to recruit and assist private attorneys to represent clients, usually on a *pro bono* basis.

#### 2008 Cases Closed (most recent data available)



LSC programs are committed to meeting the most basic civil legal needs of the poor. The most frequent cases involve:

- **Family Law:** About 35 percent of all cases closed by local programs are family law cases. LSC programs help victims of domestic violence by obtaining protective and restraining orders, helping parents obtain and keep custody of their children, helping family members obtain guardianship for children without parents, and other family law matters. Domestic violence is a serious and pervasive problem across the nation, especially in low-income communities. Studies show that domestic violence is more severe in disadvantaged neighborhoods and occurs more often in households facing economic distress.



- **Housing and Foreclosure:** Nearly 26 percent of cases involve helping to resolve landlord-tenant disputes, helping homeowners prevent foreclosures or renegotiate their loans, assisting renters with eviction notices when landlords are being foreclosed on, and helping people maintain federal housing subsidies when appropriate. Many LSC-funded programs have reported a rise in requests for help from low-income Americans facing foreclosure actions.
- **Consumer Issues:** About 12 percent of cases involve protecting the elderly and other vulnerable groups from being victimized by unscrupulous lenders, helping people file for bankruptcy when appropriate and helping people manage their debts.
- **Income Maintenance:** Approximately 11 percent of cases involve helping working Americans obtain promised compensation from private employers, or helping people obtain and retain government benefits, such as disability benefits.

### **Expanding Ways of Providing Legal Assistance**

The cases handled by LSC-funded programs, while a primary focus, are not the only services provided to low-income Americans. Technology permits people to help themselves and better navigate through the judicial system.

LSC encourages programs to establish statewide websites to provide information and to direct low-income individuals to programs that provide assistance. The websites have become a major means of accessing information, as demonstrated by the increase in page views recorded on the websites.

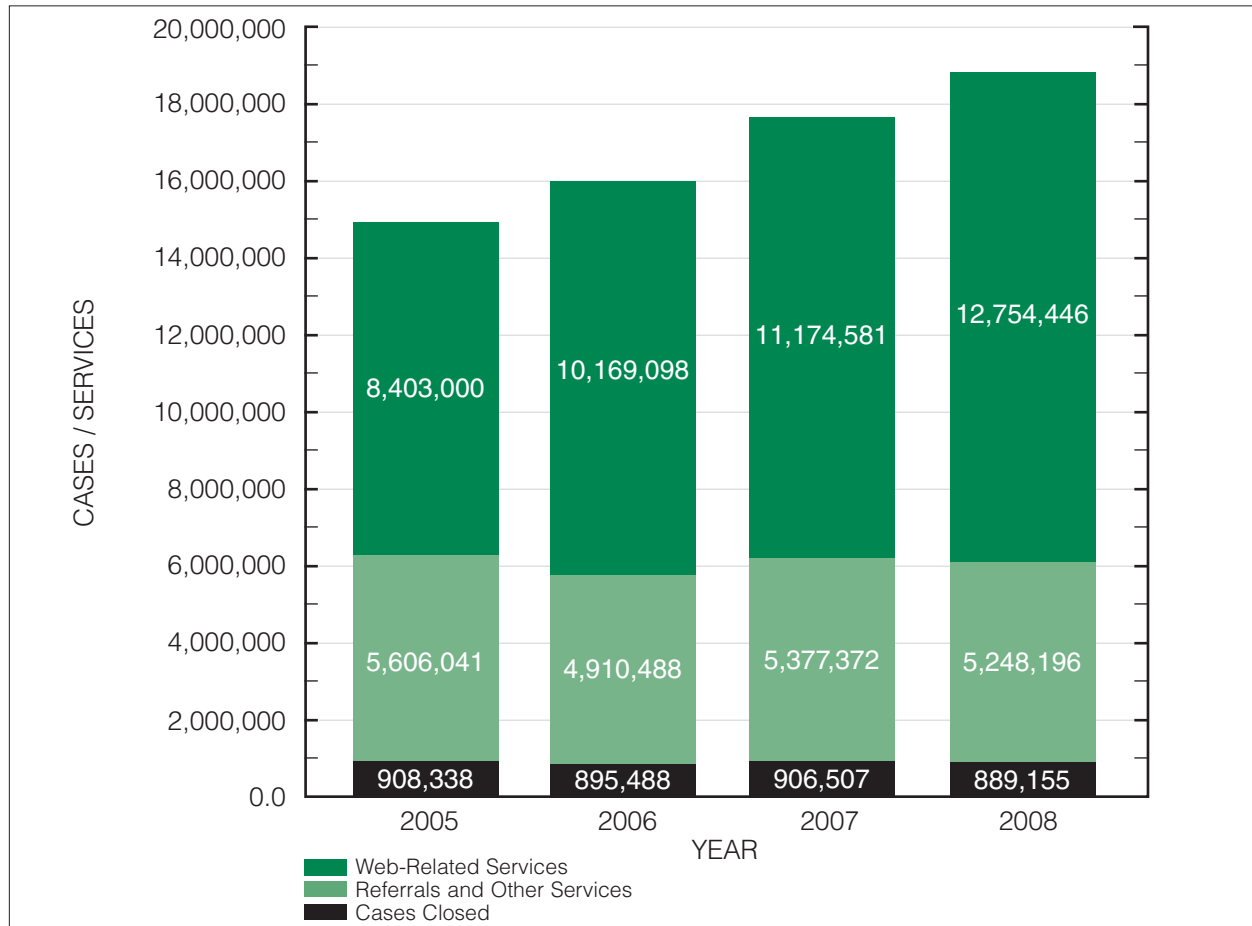
While the number of cases closed by programs has remained about the same in recent years, programs were able to expand the provision of services short of legal representation.

A number of court officials, such as John T. Broderick Jr., the chief justice of New Hampshire, and Ronald M. George, the chief justice of California, have called on the legal profession to adopt innovative solutions, such as self-help websites, online assistance programs and self-help centers, to help address the ever-growing number of litigants.<sup>14</sup>

In addition to expanding information and services, LSC and its programs have responded to new demands caused by natural disasters and the fallout from foreclosures following the housing market collapse and the 2008 recession.

To help programs respond to natural disasters, LSC, in partnership with other organizations, established a disaster website ([www.disasterlegalaid.org](http://www.disasterlegalaid.org)) to provide information to people affected. In response to the foreclosure crisis, LSC invited other national organizations and LSC programs to participate in conference calls and placed material on LSC's website to provide information that assists programs in meeting new and unexpected demands for foreclosure assistance.

**Cases Closed and Other Client Services**



To expand the reach of their services, many LSC-funded programs participate in and foster partnerships. Programs have joined with local and state groups to address the foreclosure crisis and related housing issues, including partnering with lenders and banks to explore workouts that keep families in their homes and help others write down loans. In an effort to improve overall health outcomes for low-income children and families, more than 35 LSC-funded programs are participating in medical-legal partnerships, where legal aid attorneys and *pro bono* attorneys are trained to work as part of health-care teams to enforce the laws and regulations in place to protect health.

**Championing Pro Bono to Help Close the Justice Gap**

*Pro bono* services and private attorney involvement (PAI) are important elements in LSC's efforts to close the justice gap. Since the 2005 Justice Gap Report, LSC has undertaken a major initiative to increase the involvement of private attorneys in LSC-funded programs. The LSC Board of Directors adopted a PAI action plan, "Help Close the Justice Gap, Unleash the Power of *Pro Bono*," which included a call to programs to adopt resolutions that recognize and celebrate the involvement of private attorneys in the delivery of civil legal services, and 109 programs have done so to date.

In 2007, LSC also provided guidance to programs on resources and innovative approaches available to more effectively integrate private attorneys into the delivery of civil legal aid. LSC has urged programs to develop long-term relationships with large law firms, corporate and government attorneys, and offer support to small law firms, solo practitioners and judicare attorneys so that they may more effectively assist low-income clients.<sup>15</sup> Just as importantly, the American Bar Association and various state and local bar associations have sought to encourage and support *pro bono* contributions by private lawyers.<sup>16</sup>

Across the nation, the creation of state Access to Justice Commissions has energized efforts to increase state funding and *pro bono* support for civil legal aid. Justices of state Supreme Courts and the heads of state bar associations are leaders in these efforts, and LSC has encouraged the creation of commissions, highlighted the importance of integrated statewide delivery systems, and urged the involvement of local legal aid programs in setting goals for the commissions. Twenty-four states and the District of Columbia now have such commissions, an increase of 16 since 2005.

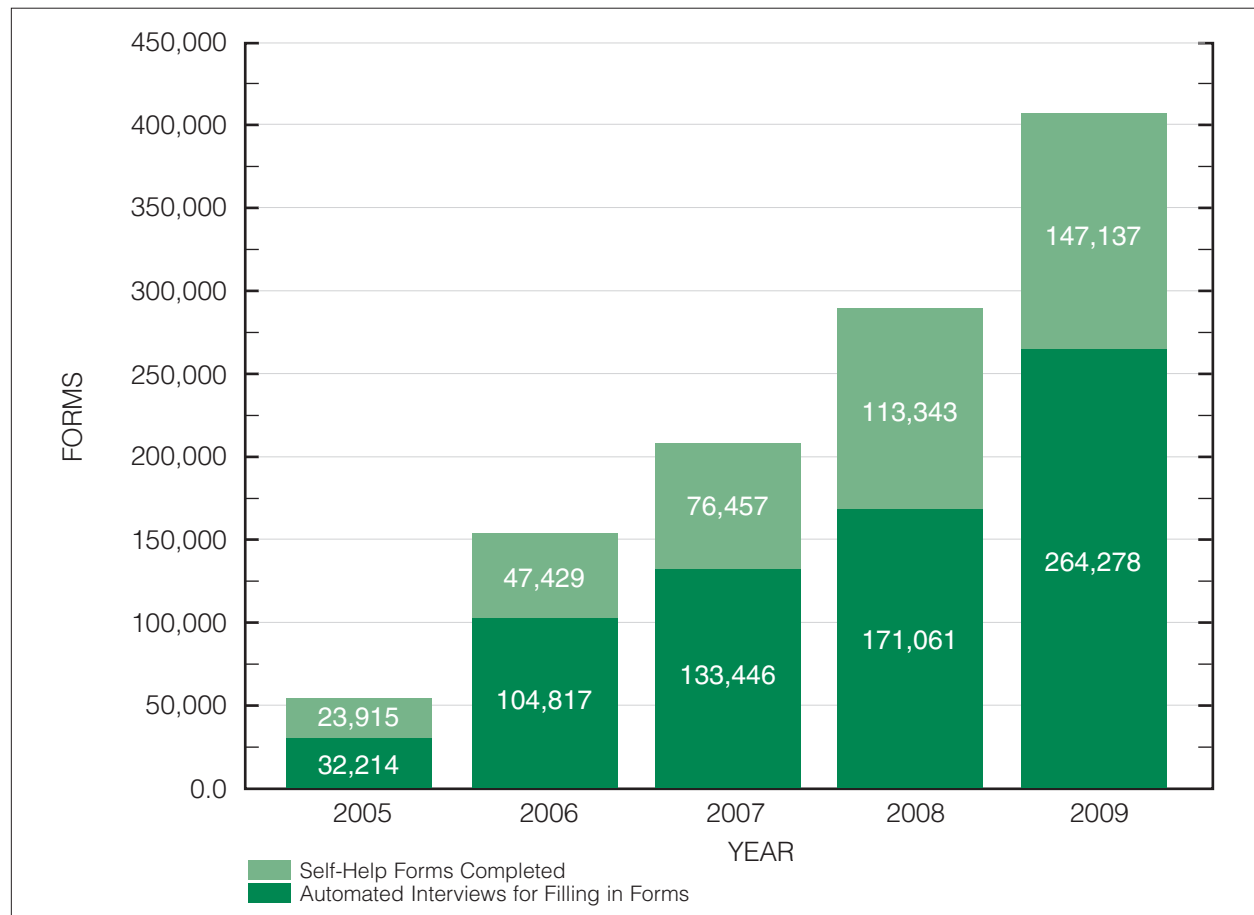
Closing the justice gap and securing necessary access to civil legal assistance requires a multifaceted approach built around increased federal, state and local government funding and an array of public-private partnerships that include individual lawyers, the organized bar, foundations, charitable donors and other concerned private parties.

## TECHNOLOGY INITIATIVE GRANTS

LSC requests \$6,800,000 for the Technology Initiative Grants (TIG) program for FY 2011. Since its inception in 2000, TIG has awarded more than \$32.5 million in grants to support innovative technology projects that improve services to clients, enhance efficiency at LSC-funded programs and increase access to legal information.

At the core of this effort are the tools built by TIG to deliver online legal forms to low-income Americans involved in legal cases without the help of a lawyer. To support the special technology needed to deliver the forms, TIG helps support a single, national automated forms server available to all LSC programs for free. To design the forms, LSC has worked with various partners to secure free document software for all LSC-funded programs. The following chart shows the number of automated interviews conducted and the number of *pro se* (self-represented) forms assembled over the past five years.

**Use of TIG-Funded *Pro Se* Forms**



These forms are much more than an electronic version of a paper form. The TIG-sponsored system guides low-income Americans through the steps required to fill out the forms, using a software TIG has developed with the State Justice Institute (SJI), known as A2J Author. One screen at a time, users are prompted to enter the information needed. Unfamiliar terms are explained by simply clicking on them; users see definitions and even receive audio or video assistance.

A2J Author also has expanded beyond the mere collection of information for legal forms. The software helps low-income Americans assess their legal problems and points them to the best resources for assistance. Intake systems at LSC-funded programs also may rely on A2J Author to permit low-income Americans to apply online for legal services.

In recent years, online forms have been increasingly used by individuals, putting them steps closer to achieving access to justice. More than 3,300 forms have been developed for use in 27 states, the District of Columbia and the Virgin Islands. More than a half-million automated interviews have been conducted since 2005 using self-help software, and more than 300,000 forms have been completed.

Although LSC-funded programs have worked diligently to expand the number of assessments and forms available to low-income users of legal aid websites, they have been hindered by the lack of statewide court forms in most jurisdictions.

The \$6.8 million requested for TIG in FY 2011 would expand the use of:

- **Statewide court forms.** Often, because of the lack of uniform, statewide legal forms, *pro se* litigants must fill out forms unique to a court or certain courts. Not only can this be confusing for *pro se* litigants, but it makes it very difficult to create automated forms to assist them. It also is inefficient to create variations of forms for each county in a state. The use of automated, standard court forms would increase access to justice and make it easier for courts to move to e-filing. TIG funding to LSC programs to create these forms has served as an incentive to get courts in several states to adopt uniform statewide forms. Increased funding for these efforts should entice more states to follow this path and greatly improve access to justice.
- **Online intake systems.** Low-income persons seeking civil legal assistance would be given the option of requesting help through online systems that would speed assessments of their legal problems. Currently, persons seeking legal aid wait in lobbies to be interviewed or use the telephone to answer prompts that direct them to a lawyer or paralegal. Pilot projects show that online systems permit applicants to enter information on their own and reduce the time spent by programs on the intake process by 16 minutes to 18 minutes per client. That allows programs to help more individuals and to spend more time with others, especially those who are less proficient in English or have trouble understanding intake requirements.

- **Legal problem assessment and self-help systems.** Using resources already funded by TIG—such as A2J Author and the statewide websites—programs can create systems that assist website users to assess their legal problems and then take them to the appropriate resources on the website to find solutions to these problems. Users who have legal problems that lend themselves to *pro se* representation would be directed to information about their problem with the forms needed to represent themselves. Users whose legal problems are particularly difficult for *pro se* representation would be guided to information on how to request assistance from the legal aid program serving their area, perhaps through online intake. If the legal problem is not appropriate for legal aid, the user would be provided with automated referrals to the appropriate resource.
- **Teleconferences.** Video technology would permit programs to match clients with the best staff attorney for their problem, regardless of office location. Teleconferences would improve program efficiency, saving travel time and costs for clients and attorneys. It would make the in-depth skills and knowledge of any program staff member available to a client, regardless of geography.

Technology plays an increasingly vital role in the delivery of legal services. Existing technologies are constantly improving and new technologies are always evolving. LSC will continue to explore ways to use them as tools to expand access to justice.

### **Providing Web Services to Military Families and Others**

In 2009, LSC awarded 38 technology grants to 25 programs in 19 states. The total amount awarded—\$3,505,761—included \$330,000 from SJI to support TIG projects that emphasize *pro se* assistance and coordination with state courts.

To help military personnel and their families, especially armed forces personnel returning from Iraq and Afghanistan, LSC selected four programs to create centralized resources to provide civil legal materials and assistance. These grants will be used to develop and implement a national website that will provide information and online tools designed to address specific civil legal needs of veterans, military personnel, individuals with a military connection, such as family members, and the people who provide legal assistance. The websites also will offer specialized training for legal aid attorneys, private attorneys who volunteer their services and others who help veterans and military personnel.

With millions of Americans slipping into poverty because of the weak economy and high unemployment, LSC also awarded technology grants to create consumer law materials, including self-help guides and videos, and resources to simplify the creation of legal documents for low-income individuals and families representing themselves in court.

## LOAN REPAYMENT ASSISTANCE PROGRAM

LSC requests \$1,000,000 for the Herbert S. Garten Loan Repayment Assistance Program (LRAP), the same amount requested in previous years.

Over the last two decades, legal aid salaries have failed to keep pace with other public service salaries in the legal community. The LRAP initiative helps LSC-funded programs recruit and retain highly qualified attorneys and provides relief for educational debt as a way to make public interest law an even more attractive career path.

In 2009, LSC provided student loan repayment assistance to 105 attorneys. The FY 2011 request would permit LSC to assist another 80 attorneys with loan repayment.

Legal aid attorneys continue to be among the lowest-paid public service attorneys. In 2008, the most recent data available, the average salary for a staff attorney in an LSC-funded program was about \$44,000. A 2008 study by the National Association for Law Placement found that the median entry-level salary for legal service attorneys was \$40,000, compared to \$47,000 for public defenders and \$50,000 for state prosecuting attorneys.

LSC evaluations of the LRAP as a pilot program demonstrated that it helped LSC-funded programs recruit and retain high-quality attorneys who carried substantial law school debt burdens. Newly hired attorneys participating in LRAP as a pilot project had an average law school debt burden of \$84,150.

Reports and surveys underscore the high cost of going to law school. The 2009 edition of the “Equal Justice Works Guide to Law Schools” provides data on 153 law schools across the nation and includes information on the debt of graduates. For example, at the West Virginia University College of Law, the average graduate debt was \$46,326; at the University of Alabama School of Law, average graduate debt was \$52,265, at the University of Maryland School of Law, average debt was \$84,458, and at the Penn State Dickinson School of Law, it was \$98,442. In the 2009 “Law School Survey of Student Engagement,” 29 percent of the law student surveyed said they expected to owe more than \$120,000 at graduation, up from 23 percent in 2008.

Many executive directors at LSC-funded programs believe low salaries and high educational debt are the key factors in decisions made by staff attorneys to leave their programs.

**The program focuses on legal aid lawyers with three or fewer years of experience.**

- Each LRAP participant receives up to \$5,600 per year for three years—for a maximum of \$16,800.

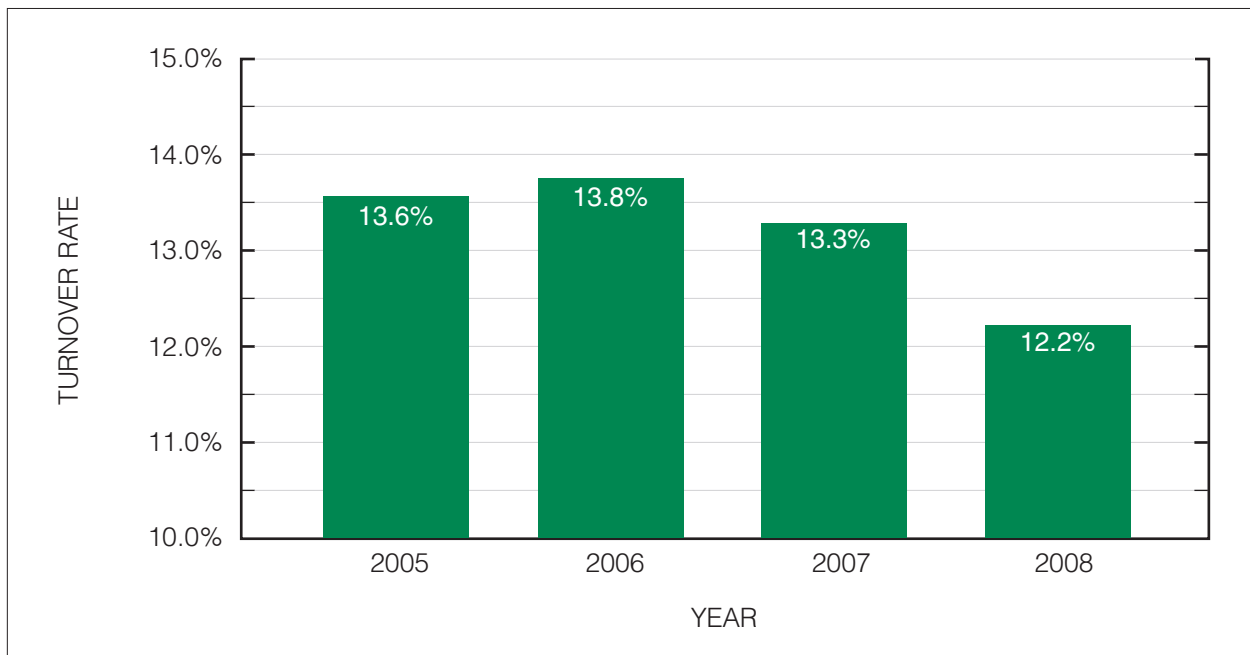
- Participants must make a three-year commitment to an LSC-funded program or repay LSC.

Results of surveys in 2007-2008, the most recent, show LRAP pilot met its goals.

- 100 percent of attorneys receiving loan repayment assistance in 2008 reported the aid increased their willingness to remain with their LSC program.
- Experienced attorneys without LSC loan repayment assistance were 54 percent more likely to leave their programs than those receiving loan repayment assistance.
- More than 90 percent of the participating attorneys in 2007 said financial pressure was a “significant” or “very significant” reason they would leave their jobs as legal aid lawyers.
- The vast majority—80 percent—of program executive directors who offer LRAPs said it significantly enhances their ability to recruit and retain staff.

The retention of experienced attorneys at LSC-funded programs also can be an indicator of program quality. According to program data, the turnover rate for attorneys has declined in recent years.

**Attorney Turnover Rate at LSC-Funded Programs**



Congress has now authorized a broader program for legal aid attorneys with the potential for assisting many more people. LSC is maintaining its commitment to LRAP and will reevaluate the need for an LSC program after the broader program is implemented.



## MANAGEMENT AND GRANTS OVERSIGHT

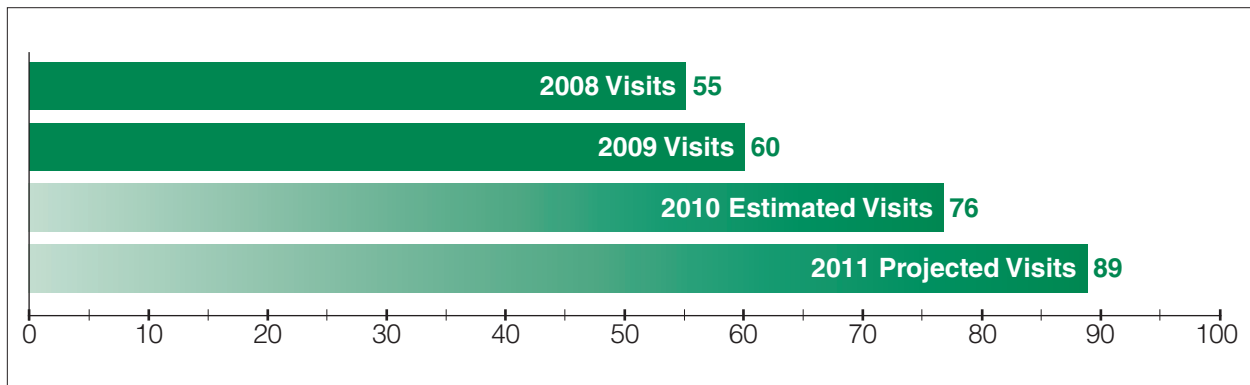
LSC requests \$19,500,000 for Management and Grants Oversight (MGO) for FY 2011. Funding for the Corporation's grants oversight operations represents more than half of this amount. It also represents an administrative cost of less than 4 percent when compared to the total request, in line with the 4 percent average for the past five years.

The increase is necessary to continue an expansion of LSC's oversight of program compliance with regulations and congressional restrictions, to expand training, and to help enhance the quality of civil legal services provided to clients.

The LSC Board authorized the Corporation to establish 15 new positions in FY 2009 based on an increase in funding from Congress for MGO and recommendations for improved grants oversight by the Government Accountability Office (GAO). Ten of the new positions are in grant compliance and enforcement. Filling all of the 15 positions is part of a two-year staffing plan, which is underway. The requested funding includes the annualized cost of these positions, new positions to support increased training for grantee staff and board members, and projected increases in operating expenses.

In addition, the requested funding will permit LSC to increase the number of program visits, from an estimated 76 in 2010 to a projected 89 in 2011.

### Oversight Program Visits (Calendar Year)



In 2009, OCE/OPP conducted oversight visits at 60 programs in Arkansas, Arizona, California, Colorado, the District of Columbia, Florida, Georgia, Guam, Hawaii, Idaho, Indiana, Kentucky, Louisiana, Massachusetts, Michigan, Micronesia, Minnesota, Mississippi, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, Oklahoma, Ohio, Pennsylvania, Puerto Rico, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia, Wisconsin and Wyoming.

## 2011 Training Initiative

Training is a vital component of oversight and LSC proposes to expand training with an initiative projected to cost \$500,000 in FY 2011. It will focus on creating a capacity within the Corporation to produce and deliver training on compliance, grant conditions, and program quality.

Starting in FY 2010 and continuing into FY 2011, this LSC initiative will develop training that enhances:

- Local board governance and oversight of their programs.
- Grantees' ability to correctly and consistently apply the range of LSC rules and requirements.
- The engagement of private attorneys in providing legal services.
- The use of technology to deliver services to those who seek self-help options.

In 2011, if the MGO request is approved, LSC would:

- Hire two staff to create the core of a training unit within LSC. The positions would have the responsibility to set up training curricula for web-based and in-person training and to offer technical assistance to support increased levels of training.
- Expand training provided to local board members, with a goal of establishing a regular schedule for web-based sessions and in-person training for a specific number of programs (to be determined).
- Expand the dissemination of best practices on board governance and oversight, and provide a full library of available resources online.
- Expand staff training at programs on fiscal oversight, management best practices and LSC regulatory compliance requirements, primarily through a web-based curriculum.
- Renew a leadership mentoring pilot project, and provide technical assistance to embed leadership development best practices in programs.

Just as importantly, LSC would take a leadership role in promoting regional and national discussions on training needs and the importance of expanding the training capacity available throughout the civil legal aid community to LSC programs. One goal would be to ensure efficient use of limited resources, with LSC providing much of the curricula so that programs do not have to spend time and money developing their own training programs.

This proposal is consistent with the LSC Act and LSC's Strategic Directions. The effort also supports the goals of the LSC Quality Initiative launched in 2004 and reinforces the importance of training, technical assistance and the use of best practices to increase the efficiency and effectiveness of the delivery of high-quality civil legal services to low-income Americans.

### **Improving Accountability**

Oversight and emphasis on proper financial management practices and provisions of law and regulation are priorities of the LSC Board of Directors, management and staff. In particular, for FY 2010 and FY 2011, the Board and LSC management are focusing on the oversight responsibilities of the boards of the local nonprofit organizations that receive LSC funding. Local boards are the linchpins in ensuring that LSC-funded programs provide high-quality civil legal assistance to clients, and training is an essential component to help ensure the ability of local boards to perform their duties.

During the last two years, LSC has moved aggressively to adopt and implement recommendations by the Government Accountability Office. In testimony to the House Subcommittee on Commercial and Administrative Law, the GAO Director for Financial Management and Assurance has estimated it takes four years to implement recommendations, and LSC has implemented about two dozen major changes since receiving its first recommendations from GAO, putting the Corporation ahead of schedule in addressing issues raised by GAO.

In that testimony, GAO said, "The improvements that LSC has made in its governance and accountability provide a good foundation for completing implementation of the elements needed for a strong program of governance and internal controls."

LSC is committed to implementing GAO's recommendations and to holding itself and its 136 grantees accountable to the highest standards.

## OFFICE OF INSPECTOR GENERAL

In FY 2011, the Office of Inspector General (OIG) is requesting \$4,350,000 (or a 3.6 percent increase in funding). This amount represents less than one percent of LSC's total budget request. This budget level is necessary for the statutorily independent OIG to adequately perform the core mission required by the Inspector General Act (as amended), remain fully responsive to requests from the Congress, and help to ensure responsibility, accountability and transparency in all LSC and grant recipient operations funded in FY 2011.

This request will enable the OIG to continue vigorous audit and investigative reviews of LSC programs and operations. The request will sustain and help improve LSC's grantee oversight by expanding the number and scope of OIG reviews of grantee operations. (Grantee oversight was identified as an area of concern in a December 2007 Government Accountability Office (GAO) report.) This, in turn, will provide better information for management decision-making in the grant-making process. The current request will enable the OIG to provide relevant, timely and professional reporting to LSC and the Congress on core management and oversight issues, as well as provide more investigative support in prosecuting perpetrators of fraud against LSC and its grantees, and audit support to assure proper financial stewardship and compliance with statutory and regulatory requirements, thereby increasing public confidence in the expenditure of scarce LSC funds.

The request includes amounts for training and the requisite cost-of-living, locality, and periodic pay increases for salaries and benefits for 30 full-time positions, which includes one additional attorney and one evaluator to increase our independent oversight activity. The requested funding, in addition to supporting continued OIG internal review work at LSC headquarters, will provide a robust OIG presence in the field auditing the functions and operations of the 136 federally-funded grantees, an important deterrent to fraud, waste and abuse. The request will also fund needed improvements in the OIG's information management systems.

As required by the Inspector General Reform Act of 2008, section 8, this request includes a request to support OIG training of \$60,000. I, Jeffrey E. Schanz, certify as the Inspector General of the Legal Services Corporation that the amount requested for training satisfies foreseeable OIG training needs for fiscal year 2011. The request also includes \$10,100, which is the LSC OIG's pro rata share, needed to support the Council of Inspectors General on Integrity and Efficiency. I am pleased to note that the LSC Board adopted the OIG FY 2011 requested amount without amendment.

### **OIG Mission**

The OIG contributes to the Corporation's success in fulfilling the LSC mission by providing objective information to promote good management, inform sound decision-making, and increase responsibility, accountability and transparency in LSC operations. The OIG operates independently from LSC

Management, and is funded by Congress through a separate budget line to ensure its independence and effectiveness. The OIG's principal mission, like all other federal OIGs, is to assist in identifying ways to promote economy, efficiency and effectiveness in the Corporation's programs and operations; to prevent and detect fraud, waste and abuse; to keep the Board of Directors and the Congress fully informed about significant issues; and to serve as LSC's accountability expert and act as an agent of positive change. As set out in the LSC Appropriations Act (Act), the OIG monitors grantee compliance with congressional restrictions through its oversight of the annual financial and compliance audits of LSC grantees performed by independent public accountants (IPAs). The Act also specifies the OIG's authority to conduct its own reviews of grantee operations and regulatory compliance. The OIG also investigates allegations of criminal and civil fraud and other wrongful acts against LSC and LSC-funded programs and, as necessary, performs on-site reviews of LSC grantee operations for those purposes. OIG investigators provide continuing assistance to Department of Justice and U.S. Attorney Office prosecutors in the conduct of grand jury proceedings, trial preparation and trial, as well as sentencing, requiring additional expenditure of OIG resources.

### **FY 2011 Plan**

In FY 2011, by implementing the OIG Strategic Plan for 2007-2011, the OIG will conduct a risk assessment at the beginning of the fiscal year to help guide the assignment of OIG resources. Since much of the OIG work responds to current issues and program priorities, as well as requests from Congress, the Board of Directors and the public, the OIG must maintain the flexibility to redirect resources—when and where needed—to be a truly timely, relevant, and effective fact-finding resource and accountability expert. As much as practical, the OIG will set the highest priority to the following areas of work: effectiveness of LSC grants administration and oversight; governance and accountability issues; grantee operations, with special focus on internal controls; fraud detection and prevention; and regulatory compliance issues.

The OIG's work includes oversight of the annual audit of LSC's financial statements, operation of the LSC audit program, management of a national fraud, waste and abuse Hotline, performing investigations of potential crimes and referral of evidence for prosecution, conducting fraud prevention training and reviews, issuing fraud alerts, and the review of existing and proposed legislation and regulations. The OIG reviews the audit reports on all LSC grant recipients produced by the IPAs annually. Each report reviews the grantee's financial condition, internal controls and compliance with mandated restrictions and prohibitions. The OIG refers significant audit findings to LSC management for resolution, and tracks the progress of corrective actions.

As resources dictate, additional work will include reviews of LSC's grant administration and oversight as well as its internal administrative functions. Because the review of grant recipients' fiscal condition and compliance with law is critical to the success of LSC, the OIG's work in FY 2011 will include a strong presence in field locations. The OIG will continue reviews of the internal controls of grant recipients and will ensure adequate review of all IPAs work on a multiyear cycle. Separately, the OIG will

continue to conduct investigations of criminal and civil fraud against LSC and LSC grant recipients, as well as administrative inquires. The OIG will also evaluate processes and identify best practices to improve effectiveness and efficiency in the delivery and administration of LSC-funded legal services to low-income persons. Finally, the OIG will issue advisories to the Board and LSC regarding compliance and regulatory issues as warranted and will provide comments, suggestions, and proposals on significant legislative, regulatory, and policy initiatives affecting LSC.

The OIG serves a diverse stakeholder base and will continue to welcome requests for OIG services from all stakeholders.

### **2009 Activities**

In fiscal year 2009, the OIG performed a variety of significant audits, investigations and other reviews. Externally focused OIG projects included: audits of selected internal control weaknesses at LSC grant recipients identified in the GAO Report entitled, "Legal Services Corporation—Improved Internal Controls Needed in Grants Management and Oversight" (December 2007); other grantee audits; expanded annual reviews of all grantee IPA audit reports and referral of significant findings to LSC management for resolution; quality reviews of the IPAs' annual compliance audits of LSC grantees; investigations into allegations related to fraud, theft, or embezzlement of grantee funds; regulatory compliance investigations and reviews; fraud vulnerability assessments and special alerts, briefings, and reviews to proactively identify any related weaknesses in grantees' internal controls and operations; and operation of a nationwide hotline for reporting suspected fraud, waste or abuse in recipient programs. Also, the OIG continued involvement in significant litigation efforts seeking subpoena enforcement in a review of the legal practices of a grant recipient and commented on proposed legislation affecting LSC and the OIG. The OIG participates as a full member of the Council of Inspectors General for Integrity and Efficiency, serving as a member of the Council's audit committee and as such conducted a peer review of Amtrak's OIG audit function.

Internally focused projects included reviews of selected LSC management operations and activities, including timely fact-finding in response to several Congressional inquiries; an audit of LSC's consultant contracts; oversight of the annual LSC corporate audit; issuing advisories to the Board and LSC regarding compliance and regulatory issues; and providing comments, suggestions, and proposals on significant legislative, regulatory, and policy initiatives affecting LSC. The OIG also developed an online OIG Reference Library as an information resource for both current and future LSC Board members. The activities of the OIG are presented in detail in the OIG's Semiannual Reports to Congress found on [www.oig.lsc.gov](http://www.oig.lsc.gov).

## ENDNOTES

<sup>1</sup> Statements of Sen. Tom Harkin (D-Iowa) and Rep. Steve Cohen (D-Tenn.) commemorating the 35th anniversary of LSC in the July 23, 2009 Congressional Record; "35th Anniversary of the Legal Services Corporation, 2009," a Proclamation by the President of the United States, July 23, 2009.

<sup>2</sup> "Majority of Americans Hard-Hit by Recession, Stand Firm Behind Federal Funding for Legal Assistance," American Bar Association, April 20, 2009.

<sup>3</sup> Letter to Sens. Barbara Mikulski (D-Md.) and Richard Shelby (R-Ala.) on May 12, 2009 from Sen. Edward M. Kennedy (D-Mass.) et al. In the House, Rep. Steve Cohen (D-Tenn.) and 18 other Democrats wrote a letter on April 3, 2009 to Reps. Alan Mollohan (D-W.Va.) and Frank Wolf (R-Va.) requesting a "significant increase" in LSC funding for FY 2010.

<sup>4</sup> Letter to the House of Representatives and the Senate, April 21, 2009.

<sup>5</sup> Resolution 11, "In Support of Increased Federal Funding for the Legal Services Corporation," August 2009.

<sup>6</sup> "New York State Bar Association Unveils 2010 State and Federal Legislative Priorities," news release, December 29, 2009.

<sup>7</sup> LSC Board of Directors Resolution No. 2009-008, "Budget Request for Fiscal Year 2011," adopted October 30, 2009.

<sup>8</sup> LSC Board Resolution No. 2008-015, "Budget Request for Fiscal Year 2010," adopted November 1, 2008.

<sup>9</sup> "States braced to tighten 2010 belts amid \$14.8B in shortfalls," by Judy Keen, USA Today, January 5, 2010. The first three quarters of 2009 marked the largest decline in state tax collections since 1963, the Nelson A. Rockefeller Institute of Government, Albany, N.Y., reported January 7, 2010.

<sup>10</sup> "Most Charities Fare Poorly in Crucial End-of-Year Giving Season," by Holly Hall, The Chronicle of Philanthropy, December 23, 2009.

<sup>11</sup> Testimony of Legal Services NYC before the New York State Senate Committee on the Judiciary, December 9, 2009.

<sup>12</sup> "Food Stamp Use Soars, and Stigma Fades," New York Times, November 29, 2009; "Living on Nothing but Food Stamps," New York Times, January 3, 2010; both articles by Jason DeParle and Robert M. Gebeloff. "About one in 50 Americans now lives in a household with a reported income that consists of nothing but a food-stamp card," the January 3 article reports.

<sup>13</sup> The Justice Gap Report used three different methodologies to examine the extent of unmet civil legal needs. First, LSC asked programs to document the number of people actually seeking assistance from the program who could not be served due to insufficient program resources. Programs collected the data from March to May 2009, the same time period used in 2005 for data collection. Second, LSC analyzed civil legal needs studies from seven states that were conducted since the 2005 report. Those findings were compared to nine state studies conducted during 2000-2005 that were discussed in the 2005 report. In addition, the report took into account the Comprehensive Legal Needs Study funded by the American Bar Association and released in 1994. In the third methodology, the report counted the number of legal aid attorneys (working in LSC and in non-LSC programs) available to low-income Americans and compared that to the total number of private attorneys providing personal legal services to the general population of the nation. The first methodology documented again for 2009 that 50 percent of the potential clients requesting assistance from LSC-funded programs were

turned away for lack of adequate resources. The new state legal needs studies found only a small fraction of the legal problems experienced by low-income people (less than one in five) are addressed with the assistance of either a private attorney or a legal aid lawyer. The report's analysis of the most recent available figures on numbers of attorneys shows that nationally, on average, only one legal aid attorney is available for every 6,415 low-income people. By comparison, there is one private attorney providing personal legal services for every 429 persons in the general population who are above the LSC poverty threshold.

<sup>14</sup> "A Nation of Do-It-Yourself Lawyers," by John T. Broderick Jr. and Ronald M. George, *The New York Times*, January 2, 2010. "Equal Justice Issues Merit Attention," by Jonathan Smith, *The National Law Journal*, July 13, 2009.

<sup>15</sup> Law firms make significant contributions to reducing the justice gap, through financial support of legal aid programs and through volunteer work. The weak economy, however, has forced law firms to lay off staff and many students who were scheduled to begin work in the fall of 2009 had their job offers postponed or rescinded. It is unclear what the final impact of the economic downturn will be. Many law firms developed initiatives to find temporary placements in legal aid programs of laid-off attorneys and deferred associates coming out of law school. Legal aid programs can benefit from these efforts at a time when they face staff cuts and funding challenges. But some lawyers and deferred associates have little experience in working with the poor and within offices with specialized missions, such as family, housing, consumer, veterans and federal benefits laws. In addition to training deferred associates, LSC-funded programs must provide office space, equipment and supervision. How long these attorneys will be available is an open question. The Legal Aid Foundation of Los Angeles reports that because law firm staffing is uncertain, most firms are wary of committing to long-term complex litigation; still, the program has unemployed private attorneys and some firms volunteering for short-term projects. Despite these challenges, legal aid programs are eager to use the skills of these attorneys to better serve the poor and reduce the justice gap.

<sup>16</sup> The chief judge of the Maryland Court of Appeals has urged that state's lawyers to donate time and money to legal aid programs. "Need is up, but funding plummets for legal aid," by Mary Pat Flaherty, *The Washington Post*, December 7, 2009; "The shortfall in legal aid demands help from area lawyers," *The Washington Post*, editorial, December 28, 2009.



## Appendix—FY 2011 Budget Request Tables

### BUDGET REQUEST — FISCAL YEAR 2011

(dollars in thousands)

	(1)	(2)	(3)
	FY 2010 Request	FY 2010 Appropriation	<b>FY 2011 Request</b>
I. DELIVERY OF LEGAL ASSISTANCE	463,400	397,800	<b>491,700</b>
A. PROGRAM SERVICES TO CLIENTS	460,000	394,400	<b>484,900</b>
B. TECHNOLOGY INITIATIVES	3,400	3,400	<b>6,800</b>
II. MANAGEMENT & GRANTS OVERSIGHT	17,200	17,000	<b>19,500</b>
III. LOAN REPAYMENT ASSISTANCE PROGRAM	1,000	1,000	<b>1,000</b>
IV. OFFICE OF INSPECTOR GENERAL	3,500	4,200	<b>4,350</b>
<b>TOTAL</b>	<b>485,100</b>	<b>420,000</b>	<b>516,550</b>

**BUDGET IN BRIEF — FISCAL YEAR 2011**

(dollars in thousands)

	2009 Budget		2010 Budget		2011 Estimate		Change from 2010 to 2011	
	Amount	Perm Posn's	Amount	Perm Posn's	Amount	Perm Posn's	Amount	Perm Posn's
<b>I. CLIENT SERVICES</b>	373,198	-	401,561	-	491,700	-	90,139	-
Appropriation	368,800	-	397,800	-	491,700	-	93,900	-
Funds Carried Forward from Previous Year	2,364	-	1,941	-	-	-	(1,941)	-
US Court of Veterans Appeals Funds	1,700	-	1,820	-	-	-	(1,820)	-
Funds Carried Forward from Previous Year	4	-	-	-	-	-	-	-
State Justice Project	330	-	-	-	-	-	-	-
Other Funds Available	-	-	-	-	-	-	-	-
<b>A. PROGRAM SERVICES TO CLIENTS</b>	369,485	-	398,153	-	484,900	-	86,747	-
Appropriation	365,800	-	394,400	-	484,900	-	90,500	-
Funds Carried Forward from Previous Year	1,981	-	1,933	-	-	-	(1,933)	-
US Court of Veterans Appeals Funds	1,700	-	1,820	-	-	-	(1,820)	-
Funds Carried Forward from Previous Year	4	-	-	-	-	-	-	-
Other Funds Available	-	-	-	-	-	-	-	-
<b>B. TECHNOLOGY INITIATIVES</b>	3,713	-	3,408	-	6,800	-	3,392	-
Appropriation	3,000	-	3,400	-	6,800	-	3,400	-
State Justice Project	330	-	-	-	-	-	-	-
Funds Carried Forward from Previous Year	383	-	8	-	-	-	(8)	-
1. Technology Initiatives	3,383	-	3,408	-	6,800	-	3,392	-
Appropriation	3,000	-	3,400	-	6,800	-	3,400	-
Funds Carried Forward from Previous Year	383	-	8	-	-	-	(8)	-
2. State Justice Project	330	-	-	-	-	-	-	-
Appropriation	330	-	-	-	-	-	-	-
Funds Carried Forward from Previous Year	-	-	-	-	-	-	-	-
<b>II. MANAGEMENT &amp; GRANTS OVERSIGHT</b>	17,247	85	20,503	102	20,500	104	(3)	2
Appropriation	16,000	85	17,000	102	19,500	104	2,500	2
Funds Carried Forward from Previous Year	1,147	-	3,503	-	950	-	(2,553)	-
Other Funds Available	100	-	-	-	50	-	50	-
<b>III. LOAN REPAYMENT ASSISTANCE PROGRAM</b>	1,971	-	2,691	-	3,122	-	431	-
Appropriation	1,000	-	1,000	-	1,000	-	-	-
Funds Carried Forward from Previous Year	971	-	1,691	-	2,122	-	431	-
<b>IV. OFFICE OF INSPECTOR GENERAL</b>	5,038	23	5,934	26	5,550	30	(384)	4
Appropriation	4,200	23	4,200	26	4,350	30	150	4
Funds Carried Forward from Previous Year	838	-	1,734	-	1,200	-	(534)	-
<b>TOTAL - REQUIREMENTS</b>	397,454	108	430,689	128	520,872	134	90,183	6
Appropriation	390,000	108	420,000	128	516,550	134	96,550	6
Funds Carried Forward from Previous Year	5,320	-	8,869	-	4,272	-	(4,597)	-
US Court of Veterans Appeals Funds	1,700	-	1,820	-	-	-	(1,820)	-
Funds Carried Forward from Previous Year	4	-	-	-	-	-	-	-
State Justice Project	330	-	-	-	-	-	-	-
Other Funds Available	100	-	-	-	50	-	50	-

**BUDGET SUMMARY — FISCAL YEARS 2009, 2010 & 2011**

(dollars in thousands)

	2009 Budget		2010 Budget		2011 Estimate		Change from 2010 to 2011	
	Amount	Perm Posn's	Amount	Perm Posn's	Amount	Perm Posn's	Amount	Perm Posn's
<b>I. CLIENT SERVICES</b>	373,198	-	401,561	-	491,700	-	90,139	-
Appropriation	368,800	-	397,800	-	491,700	-	93,900	-
Funds Carried Forward from Previous Year	2,364	-	1,941	-	-	-	(1,941)	-
US Court of Veterans Appeals Funds	1,700	-	1,820	-	-	-	(1,820)	-
Funds Carried Forward from Previous Year	4	-	-	-	-	-	-	-
State Justice Project	330	-	-	-	-	-	-	-
Other Funds Available	-	-	-	-	-	-	-	-
<b>II. MANAGEMENT &amp; GRANTS OVERSIGHT</b>	17,247	85	20,503	102	20,500	104	(3)	2
Appropriation	16,000	85	17,000	102	19,500	104	2,500	2
Funds Carried Forward from Previous Year	1,147	-	3,503	-	950	-	(2,553)	-
Other Funds Available	100	-	-	-	50	-	50	-
<b>III. LOAN REPAYMENT ASSISTANCE PROGRAM</b>	1,971	-	2,691	-	3,122	-	431	-
Appropriation	1,000	-	1,000	-	1,000	-	-	-
Funds Carried Forward from Previous Year	971	-	1,691	-	2,122	-	431	-
<b>IV. OFFICE OF INSPECTOR GENERAL</b>	5,038	23	5,934	26	5,550	30	(384)	4
Appropriation	4,200	23	4,200	26	4,350	30	150	4
Funds Carried Forward from Previous Year	838	-	1,734	-	1,200	-	(534)	-
<b>TOTAL - REQUIREMENTS</b>	397,454	108	430,689	128	520,872	134	90,183	6
Appropriation	390,000	108	420,000	128	516,550	134	96,550	6
Funds Carried Forward from Previous Year	5,320	-	8,869	-	4,272	-	(4,597)	-
US Court of Veterans Appeals Funds	1,700	-	1,820	-	-	-	(1,820)	-
Funds Carried Forward from Previous Year	4	-	-	-	-	-	-	-
State Justice Project	330	-	-	-	-	-	-	-
Other Funds Available	100	-	-	-	50	-	50	-

**APPROPRIATION REQUEST IN RELATION TO FUNDS AVAILABLE**

(dollars in thousands)

	Positions	Amount
<b>1. Total Funds Available in Fiscal Year 2010</b>		
Appropriation, FY 2010	128	420,000
Funds Carried Forward from Previous Year		8,869
US Court of Veterans Appeals Funds		1,820
Total available in FY 2010	128	430,689
<b>2. Request for Fiscal Year 2011 – Summary of Changes</b>		
Appropriation, FY 2010	128	420,000
Adjustment to Base	6	96,550
Appropriation, FY 2011	134	516,550
<b>3. Total Funds Available in Fiscal Year 2011</b>		
Requested Appropriation	134	516,550
Funds Carried Forward from Previous Year		4,272
Other Funds Available		50
Total available in FY 2011	134	520,872

**PROGRAM AND FINANCING FOR FEDERAL APPROPRIATIONS — FISCAL YEARS 2009, 2010, & 2011**

(dollars in thousands)

	2009 Actual	2010 Budget	2011 Estimate
<b>I. CLIENT SERVICES</b>			
A. Program Services to Clients	369,485	398,153	484,900
B. Technology Initiatives	3,713	3,408	6,800
<b>II. MANAGEMENT &amp; GRANTS OVERSIGHT</b>			
	17,247	20,503	20,500
<b>III. LOAN REPAYMENT ASSISTANCE PROGRAM</b>			
	1,971	2,691	3,122
<b>IV. OFFICE OF INSPECTOR GENERAL</b>			
	5,038	5,934	5,550
Total program costs, funded	397,454	430,689	520,872
Change in Selected Resources:			
Funds Carried Forward from Previous Year	(5,320)	(8,869)	(4,272)
US Court of Veterans Appeals Funds	(1,700)	(1,820)	-
Funds Carried Forward from Previous Year	(4)	-	-
State Justice Project	(330)	-	-
Other Funds Available	(100)	-	(50)
Total obligations (object class 41)	390,000	420,000	516,550
Financing:			
Budget Authority (appropriation)	390,000	420,000	516,550
Relation of obligations to outlays:			
Obligations incurred, net	390,000	420,000	516,550
Obligated balance, start of year	67,450	94,407	79,678
Obligated balance, end of year	(94,407)	(79,678)	(89,767)
Outlays	363,043	434,729	506,461

## ACTIVITIES IN BRIEF

(dollars in thousands)

	2010 Budget		2011 Base		2011 Estimate		Inc. (+) or Dec. (-) 2011 Base to 2011 Est.	
	Amount	Perm Posn's	Amount	Perm Posn's	Amount	Perm Posn's	Amount	Perm Posn's
<b>I. CLIENT SERVICES</b>								
Total	401,561		397,800		491,700		93,900	
Appropriation	397,800		397,800		491,700		93,900	
Funds Carried Forward from Previous Year	1,941		-		-		-	
US Court of Veterans Appeals Funds	1,820		-		-		-	
Funds Carried Forward from Previous Year	-		-		-		-	
Other Funds Available	-		-		-		-	
<b>A. PROGRAM SERVICES TO CLIENTS</b>								
Total	398,153		394,400		484,900		90,500	
Appropriation	394,400		394,400		484,900		90,500	
Funds Carried Forward from Previous Year	1,933		-		-		-	
US Court of Veterans Appeals Funds	1,820		-		-		-	
Funds Carried Forward from Previous Year	-		-		-		-	
<b>1. Basic Field Programs</b>								
Total	395,501		394,400		484,900		90,500	
Appropriation	394,400		394,400		484,900		90,500	
Funds Carried Forward from Previous Year	1,101		-		-		-	
<b>2. Grants from Other Funds Available</b>								
Total	832		-		-		-	
Appropriation	-		-		-		-	
Funds Carried Forward from Previous Year	832		-		-		-	
<b>3. US Court of Veterans Appeals Funds</b>								
Total	1,820		-		-		-	
Appropriation	-		-		-		-	
US Court of Veterans Appeals Funds	1,820		-		-		-	
Funds Carried Forward from Previous Year	-		-		-		-	

## ACTIVITIES IN BRIEF

(dollars in thousands)

	2010 Budget		2011 Base		2011 Estimate		Inc. (+) or Dec. (-) 2011 Base to 2011 Est.	
	Amount	Perm Posn's	Amount	Perm Posn's	Amount	Perm Posn's	Amount	Perm Posn's
<b>B. TECHNOLOGY INITIATIVES</b>								
Total	3,408		3,400		6,800		3,400	
Appropriation	3,400		3,400		6,800		3,400	
Funds Carried Forward from Previous Year	8		-		-		-	
<b>II. MANAGEMENT &amp; GRANTS OVERSIGHT</b>								
Total	20,503	102	18,000	102	20,500	104	2,500	2
Appropriation	17,000	102	17,000	102	19,500	104	2,500	2
Funds Carried Forward from Previous Year	3,503		950		950		-	
Other Funds Available	-		50		50		-	
<b>III. LOAN REPAYMENT ASSISTANCE PROGRAM</b>								
Total	2,691		3,122		3,122		-	-
Appropriation	1,000		1,000		1,000		-	-
Funds Carried Forward from Previous Year	1,691		2,122		2,122		-	
<b>IV. OFFICE OF INSPECTOR GENERAL</b>								
Total	5,934	26	5,400	26	5,550	30	150	4
Appropriation	4,200	26	4,200	26	4,350	30	150	4
Funds Carried Forward from Previous Year	1,734		1,200		1,200		-	
<b>TOTAL</b>	<b>430,689</b>	<b>128</b>	<b>424,322</b>	<b>128</b>	<b>520,872</b>	<b>134</b>	<b>96,550</b>	<b>6</b>
Appropriation	420,000	128	420,000	128	516,550	134	96,550	6
Funds Carried Forward from Previous Year	8,869		4,272		4,272		-	
US Court of Veterans Appeals Funds	1,820		-		-		-	
Funds Carried Forward from Previous Year	-		-		-		-	
Other Funds Available	-		50		50		-	

**APPROPRIATION BUDGET BY ACTIVITY — FISCAL YEARS 2010 & 2011**

(dollars in thousands)

	2009 Funds Carried Forward to 2010		2010 Budget		2011 Base		2011 Request	
	Amount	Perm Posn's	Amount	Perm Posn's	Amount	Perm Posn's	Amount	Perm Posn's
Management &								
Grants Oversight	3,503		17,000	102	17,000	102	19,500	104
Funds Carried Forward from FY 2010 to FY 2011	-		-		-		950	
Other Funds Available	-		-		-		50	
Loan Repayment Asst Program	1,691		1,000		1,000		1,000	
Funds Carried Forward from FY 2010 to FY 2011	-		-		-		2,412	
Office of Inspector General	1,734		4,200	26	4,200	26	4,350	30
Funds Carried Forward from FY 2010 to FY 2011	-		-		-		1,200	
<b>SUBTOTAL</b>	<b>6,928</b>		<b>22,200</b>	<b>128</b>	<b>22,200</b>	<b>128</b>	<b>29,462</b>	<b>134</b>
Program Activities	1,941		397,800		397,800		491,700	
Funds Carried Forward from FY 2010 to FY 2011	-		-		-		-	
Veterans Appeals Funds	-		1,820		-		-	
<b>TOTAL</b>	<b>8,869</b>		<b>421,820</b>	<b>128</b>	<b>420,000</b>	<b>128</b>	<b>521,162</b>	<b>134</b>



**MANAGEMENT & GRANTS OVERSIGHT, & INSPECTOR GENERAL TOTAL SUMMARY — FISCAL YEARS 2010 & 2011**

(dollars in thousands)

SUMMARY TOTALS	Mgt. & Grants Oversight, & Inspector General		Program Authorities		Totals		CHANGE
	2010	2011	2010	2011	2010	2011	
Management & Grants Oversight	20,503	20,500	-	-	20,503	20,500	(3)
Office of Inspector General	5,934	5,550	-	-	5,934	5,550	(384)
Grants and Contracts	-	-	401,561	491,700	401,561	491,700	90,139
Loan Repayment Asst. Prgm.	-	-	2,691	3,122	2,691	3,122	431
Total Expenses	26,437	26,050	404,252	494,822	430,689	520,872	90,183

Sources of Funds for the Delivery of Legal Assistance

Appropriation	397,800	491,700
Funds Carried Forward from Previous Year	1,941	-
US Court of Veterans Appeals Funds	1,820	-
Funds Carried Forward from Previous Year	-	-
Total	401,561	491,700

Sources of Funds for the Loan Repayment Assistance Program

Appropriation	1,000	1,000
Funds Carried Forward from Previous Year	1,691	2,122
Total	2,691	3,122

Total Sources of Funds

Appropriation	420,000	516,550
Funds Carried Forward from Previous Year	8,869	4,272
US Court of Veterans Appeals Funds	1,820	-
Funds Carried Forward from Previous Year	-	-
Other Funds Available	-	50
Total	430,689	520,872

**MANAGEMENT & GRANTS OVERSIGHT BUDGET BY OBJECT CLASS — FISCAL YEARS 2010 & 2011**

(dollars in thousands)

OBJECT CLASS	Management & Grants Oversight		Program Authorities		Totals		CHANGE
	2010	2011	2010	2011	2010	2011	
Personnel Compensation	10,902	10,788	-	-	10,902	10,788	(114)
Employee Benefits	3,498	4,060	-	-	3,498	4,060	562
Other Personnel Services	131	285	-	-	131	285	154
Consulting	1,311	833	-	-	1,311	833	(478)
Travel and Transportation	1,055	1,227	-	-	1,055	1,227	172
Communications	178	180	-	-	178	180	2
Occupancy Costs	1,717	1,760	-	-	1,717	1,760	43
Printing and Reproduction	92	119	-	-	92	119	27
Other Operating Expenses	1,127	926	-	-	1,127	926	(201)
Capital Expenditures	492	322	-	-	492	322	(170)
<b>Total for Management &amp; Grants Oversight</b>	<b>20,503</b>	<b>20,500</b>	<b>-</b>	<b>-</b>	<b>20,503</b>	<b>20,500</b>	<b>(3)</b>

Sources of Funds for Management & Grants Oversight

Appropriation	17,000	19,500
Funds Carried Forward from Previous Year	3,503	950
Other Funds Available	-	50
<b>Total</b>	<b>20,503</b>	<b>20,500</b>

**INSPECTOR GENERAL BUDGET BY OBJECT CLASS — FISCAL YEARS 2010 & 2011**

(dollars in thousands)

OBJECT CLASS	Office of Inspector General		Program Authorities		Totals		CHANGE
	2010	2011	2010	2011	2010	2011	
Personnel Compensation	2,871	3,068	-	-	2,871	3,068	197
Employee Benefits	909	925	-	-	909	925	16
Other Personnel Services	25	50	-	-	25	50	25
Consulting	467	670	-	-	467	670	203
Travel and Transportation	266	433	-	-	266	433	167
Communications	38	52	-	-	38	52	14
Occupancy Costs	1	1	-	-	1	1	-
Printing and Reproduction	4	5	-	-	4	5	1
Other Operating Expenses	1,273	296	-	-	1,273	296	(977)
Capital Expenditures	80	50	-	-	80	50	(30)
<b>Total for Inspector General</b>	<b>5,934</b>	<b>5,550</b>	<b>-</b>	<b>-</b>	<b>5,934</b>	<b>5,550</b>	<b>(384)</b>

Sources of Funds for Inspector General

Appropriation	4,200	4,350
Funds Carried Forward from Previous Year	1,734	1,200
<b>Total</b>	<b>5,934</b>	<b>5,550</b>

**STAFF POSITIONS — FISCAL YEARS 2009, 2010, & 2011**

	2009 Budget	2010 Budget		2011 Estimate	
	Number of Positions*	Change From 2009	Number of Positions*	Change From 2010	Number of Positions*
<b>OFFICE</b>					
Executive Office	5	0	5	0	5
Legal Affairs	6	1	7	1	8
Government Relations / Public Affairs	6	0	6	0	6
Human Resources	5	0	5	0	5
Financial & Administrative Services	9	1	10	0	10
Information Technology	8	0	8	1	9
Program Performance	24	5	29	0	29
Information Management	6	0	6	0	6
Compliance & Enforcement	16	10	26	0	26
	85	17	102	2	104
Inspector General	23	3	26	4	30
<b>TOTAL</b>	<b>108</b>	<b>20</b>	<b>128</b>	<b>6</b>	<b>134</b>

\* Full-time equivalents

**STAFF SALARIES — FISCAL YEARS 2009, 2010, & 2011**

MANAGEMENT & GRANTS OVERSIGHT  SALARY RANGES	2009 Budget	2010 Budget		2011 Budget	
	Number of Positions*	Change From 2009	Number of Positions*	Change From 2010	Number of Positions*
LSC BAND I \$30,525 - \$56,675	5	0	5	0	5
LSC BAND II \$50,855 - \$90,695	25	3	28	0	28
LSC BAND III \$80,685 - \$131,415	43	13	56	2	58
LSC BAND IV \$114,700 - \$154,605	7	1	8	0	8
LSC BAND V \$134,435 - \$163,005	4	0	4	0	4
Unclassified Positions	1	0	1	0	1
<b>TOTAL</b>	<b>85</b>	<b>17</b>	<b>102</b>	<b>2</b>	<b>104</b>

\* Full-time equivalents

**STAFF SALARIES — FISCAL YEARS 2009, 2010, AND 2011**

OFFICE OF INSPECTOR GENERAL

SALARY RANGES	2009 Budget	2010 Budget		2011 Budget	
	Number of Positions*	Change From 2009	Number of Positions*	Change From 2010	Number of Positions*
LSC BAND I \$30,525 - \$56,675	0	0	0	0	0
LSC BAND II \$50,855 - \$90,695	4	2	6	1	7
LSC BAND III \$80,685 - \$131,415	13	1	14	3	17
LSC BAND IV \$114,700 - \$154,605	5	0	5	0	5
LSC BAND V \$134,435 - \$163,005	1	0	1	0	1
Unclassified Positions	0	0	0	0	0
<b>TOTAL</b>	<b>23</b>	<b>3</b>	<b>26</b>	<b>4</b>	<b>30</b>

\* Full-time equivalents



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