

## LSC-FUNDED PROGRAMS IN PUERTO RICO

STAFFING								
ANTICIPATED 2012 NET STAFF REDUCTIONS								
Attorneys		Paralegals		Other		Loss of Staff from 12/31/11 to 12/31/12		% Loss from 12/31/10 to 12/31/12
5	3.5%	0	0.0%	15	8.2%	20	6.0%	8.3%

FUNDING		
2012 LSC BF Funding	Projected 2012 Non-LSC Funding	Projected 2012 Total Funding (BF + Non-LSC)
\$15,845,685	\$5,370,416	\$21,216,101

Change in LSC Funding (2011 to 2012)	Projected Change in Non-LSC Funding (2011 to 2012)	Projected Change in Total Funding (2011 to 2012)
(\$2,721,978)	\$1,109,640	(\$1,612,338)

Projected 2012 Deficit	Will Use Financial Reserves?	Projected Office Closures in 2012
\$45,581	Yes	0

CHANGES IN CLIENT SERVICES
Serve fewer clients; Accept fewer cases; Restrict types of cases accepted; Reduction in funding of our judicare program will result in fewer cases served by private collaborating attorneys.

COMMENTS
PRLS suffered a \$2,666,000 reduction in LSC funding in 2012. In December 2011 and January 2012, our Board of Directors adopted a series of measures including reductions in personnel through lay-offs of 13 employees (primarily support staff) and attrition, significant reductions in employee benefits, cuts in litigation funds and other measures. We are primarily reducing reductions in staffing (both attorneys and support staff) through attrition. We are also considering incentives to encourage early retirements, although this is difficult due to the cost of such incentives.