

**LEGAL SERVICES TRUST FUND PROGRAM  
2010-2011 GRANT YEAR**

**INSTRUCTIONS FOR COMPLETING PROPOSED IOLTA BUDGETS**

**QUALIFIED LEGAL SERVICES PROJECTS**

Rule 3.680(E)(3) of the Rules of the State Bar requires that within 30 days after notification of a proposed allocation of funds, applicants must submit a budget and budget narrative for the expenditure of that allocation.

The forms must give a clear description of how your organization will spend the grant. Trust Fund Commission members will use these forms, along with your application materials, to evaluate whether your proposed budget complies with the Trust Fund Program statute.

Please send us **two hard copies** with **original** signatures, and an electronic version of your proposed budget for the use of your tentative grant award during the 2010-11 grant year.

There are seven forms to complete:

- A. Summarize the impact of the tentative grant allocation on your organization. Describe the services and activities that will be funded with this grant.
- B. Describe a project or activity in which your organization has been working in coordination with other provider(s) of legal services for low-income people. Provide a narrative response that addresses each of the questions listed at 1(a) through 1(e). Also describe your organization's plans to participate in additional collaborative efforts, with special regard to outreach, policy and strategic planning.
- C. Describe the significant efforts you will make to use 20% of your program's allocation for services to members of especially underserved client groups. Such groups include, but are not limited to, the elderly, the disabled, juveniles and non-English-speaking persons [Business & Professions Code §6221]. If the majority of your clients are members of an underserved client group, describe efforts you will make to reach those who are **particularly underserved** within this group (e.g., if your clients are seniors, you might target services to homebound or institutionalized seniors).
  - List the total cost as well as the Trust Fund Program's share of each such effort and explain how these amounts were calculated. The figures on this form should correspond with allocations on Form E and explanations on Form F.
  - Identify methods your program has utilized to evaluate its efforts to make services available to especially underserved client groups.
  - Describe the results and/or outcomes of such evaluation efforts.
  - Describe any plans that were developed for improving services to underserved client groups as the result of your evaluation process.

- If no evaluation work has been done, describe how your program will evaluate its efforts to increase services to underserved client groups in the 2010-11 grant year.
- D. If your organization provides services other than free civil legal services to indigent persons as defined in the Trust Fund statute, describe the methods your program will utilize to ensure that your Trust Fund Program grant is not spent to support those other services. Be specific about the systems you will use to account separately for this money (Business & Professions Code §§ 6216 and 6223).
- E. Form E is for actual budget figures; use whole dollars (**no cents**). If you plan to set aside any of the grant funds in reserve, you may allocate up to 50% of your grant award on line 26. Programs receiving multi-county allocations are not required to apply the same percentage in each county. You can use the same percentage across all counties served; you can also use varying percentages throughout your budget provided that the total amount to be placed in reserve does not exceed 50% of your total grant award. **You must spend grant funds in the county for which they were allocated.**

Prepare a separate Form E for each county you serve (see Form E Instructions). If you serve more than one county, prepare an **additional Form E** that combines the total of all individual county allocations and type “**Summary**” on line 3.

**Be sure to answer questions 28, 29 and 30** at the bottom of the page. Ordinarily, the Commission expects you to budget 75% or more of the grant for personnel costs, and 75% or more for program costs. If your budget deviates from these standards, include an explanation on Form F and describe why the Commission should approve an exception in your case.

- F. Explain how you arrived at the amounts on each line of Form E. Explanations for all allocations should indicate whether the grant is being used to pay for specific items or is being allocated to line items on a percentage or formula basis. **If you serve more than one county, this form must explain figures on Summary Form E. Do not prepare a separate Form F for each county.**
  - If money is being allocated to fund particular positions, the explanation for each personnel allocation (lawyers, paralegals or other staff) should specifically identify each position and the full-time equivalent that this grant will fund. If your personnel allocations represent an across-the-board share of all personnel costs, provide a summary of total full-time equivalent positions to be funded in each category.
  - If you propose to allocate this grant to fund an across-the-board share of non-personnel expenses, provide the percentage and the basis for the percentage. If not, state specifically how you arrived at the amount on each line and what percent it represents of your total expenses for that category.
  - If you have included Reserved Funds on line 26, details regarding the future use of these funds are not required as part of this narrative.

- G. If you serve more than one county, this form must clearly describe how you will ensure that Trust Fund money will be spent providing services in the county to which it is allocated. For example, does your database allow timekeeping by county, do you allocate based on numbers of cases or clients served or do you use other methods? Be specific about all the methods you use.

## PROGRAM/ADMINISTRATION

Form E asks for an itemization of funds budgeted for “program” and “administration.” The general distinction between the two kinds of expenditures is as follows:

**Program expenses** include the cost of personnel, personnel-related and non-personnel items directly related to the provision of legal services, including any specialized services necessary for the disposition of legal matters.

**Administration expenses** are those portions of personnel, personnel-related and non-personnel costs supporting general office operations, rather than legal program expenses.

**Reminder:** Consistent with the kinds of services provided by your organization, the Commission prefers that 75% or more of the funds be allocated to program and personnel expenses. Use the figures at lines 9, 24 and 25 to calculate personnel/non-personnel and program/administration percentages.

## EXPENSE CATEGORIES

Expenses to be included on each line of Form E are described as follows:

1. Program Name.
2. Preparer. Name, telephone number, extension, fax number, and e-mail address of the person preparing the budget.
3. County. Indicate the county and grant allocation for each county in which your organization has been found eligible. If you serve more than one county, complete a “Summary” Form E, insert “Summary” on the “County” line and show your total allocation.
4. Lawyers. Salaries and wages paid to staff attorney(s), whether full-time, part-time or temporary.
5. Paralegals. Salaries and wages paid to staff paralegal(s) (including law graduates, legal assistants and law students), whether full-time, part-time or temporary. Paralegals are persons working under the supervision and control of an attorney, whose duties consist primarily of such activities as intake interviewing, case investigations, checking court records, legal research, client representation at administrative hearings and outreach and community work.

6. Other Staff. Salaries and wages paid to all other staff, including administrative and support staff, whether full-time, part-time or temporary.
7. Subtotal Personnel. Add amounts on lines 4, 5 and 6.
8. Employee Benefits. Fringe benefits and payroll taxes paid on behalf of employees, such as retirement, FICA, health and life insurance, workers' compensation, unemployment insurance and other payroll-related costs.
9. Total Personnel. Add lines 7 and 8.
10. Space. Rent, mortgage payments, utility payments, and maintenance/janitorial expenses.
11. Equipment Rental and Maintenance. Lease or rental expenses for office furniture, fixtures and equipment (except telephone), maintenance costs for that equipment whether pursuant to a service contract or an estimate of anticipated repair bills.
12. Supplies, Printing and Postage. Basic office accessories and supplies, including materials used in copiers. Equipment purchases that will not be depreciated may be included here. Outside printing and postage should also be included in this category.
13. Telecommunications. Local, long distance, cell phone or Internet service expenses. Similar and related expenses for voice mail, conference calls, videoconferencing or other telecommunications services should be included as well. Telephone equipment lease/rental and telecommunications equipment purchases that will not be depreciated may be included here.
14. Travel. Expenses for travel, whether directly related to the provision of legal services or administration of the organization.
15. Training. Non-personnel costs associated with training or continuing education for **staff members or volunteers** who provide services through your organization. You may include the cost of travel to and from training events, per diem, conference registration fees or tuition, purchase or production of training materials, rent for facilities used in a staff training event, consultant fees paid to trainers, etc. Do not include expenses associated with training you provide to the public or to other organizations.
16. Library. Expenses for the maintenance and normal expansion of office libraries, including subscriptions to periodicals, books and update services or electronic research services. Capital additions to library holdings should be included on line 20.
17. Insurance. Professional liability insurance, fidelity insurance, property insurance (fire and theft) and liability insurance for property and automobiles.
18. Audit. Expenses for preparation of the annual financial audit or review. Do not include costs for bookkeeping or ongoing accounting services here.
19. Litigation. Court costs, witness fees, expert witness expenses, sheriff's fees, courthouse copying fees, and other expenses incurred in litigation on behalf of eligible clients.

20. Capital Additions. Equipment and library purchases over \$1,000 per item and any proposed expenditures related to real property acquisition. Provide a separate description for each such proposed purchase. Purchases of tangible personal property with Trust Fund monies are governed by the “Guidelines for Acquisition of Tangible Personal Property.” The purchase of real property with your Trust Fund grant is governed by the “Guidelines for Purchases of Real Property.” Contact Trust Fund Program staff if you propose to allocate grant funds towards the purchase of real property.
21. Contract Service to Clients. Payments to private attorneys, consultants or organizations who provide legal services to clients. **Itemize individual contract amounts on Form F.** Identify the proposed contractor(s) and the general nature of duties to be performed.
22. Contract Services to Organization. Payments to third parties for services supporting operations of the organization, such as legal counsel, bookkeeping or other accounting services, technology, development consultant fees, etc. **Itemize individual contract amounts on Form F.** Identify the proposed contractor(s) and the general nature of duties to be performed.
23. Other. Expenses not included above. **Itemize expenses under this category on Form F.**
24. Total Non-Personnel. Add lines 10 through 23.
25. SUBTOTAL. Add lines 9 and 24.
26. RESERVED FUNDS. Up to 50% of your grant award may be held in reserve for 2011-12 operations. Details regarding the use of these funds are not required in the budget narrative.
27. GRAND TOTAL. Add lines 25 and 26.
28. % Personnel/Non-Personnel. Indicate the percentage of your grant award that will be used for personnel expenses (line 9) and for non-personnel expenses (line 24). The Commission ordinarily expects you to budget 75% of the grant or more for personnel expenses. If your proposed budget allocates less than 75% to personnel, explain this deviation from recommended percentages on Form F.
29. % Program/Administration. Indicate the percentage of your grant award that will be used for program expenses and for administration expenses. The Commission ordinarily expects you to budget 75% of the grant or more for program expenses. If your proposed budget allocates less than 75% for program expenses, explain this deviation from recommended percentages on Form F.
30. Identify, by percentage, this grant's share of your total organizational budget for the period July 1, 2010 through June 30, 2011.