



**INTEREST ON LAWYER TRUST ACCOUNTS PROGRAM
FOR THE STATE OF DELAWARE**

Fiscal Year 2024

Grant Guidelines and Application

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I. THE DELAWARE IOLTA PROGRAM

The Delaware Interest on Lawyer Trust Accounts (“IOLTA”) Program was authorized by an Order of the Delaware Supreme Court on September 29, 1983. The fund is comprised of interest accruing on lawyers' aggregated escrow accounts that contain client deposits which are small in amount or held for a short period of time. The interest collected on participating accounts is transferred to the Delaware Bar Foundation (the "Foundation") and distributed to promote and improve legal services for the poor as well as for such other programs of public interest as may be identified by the Supreme Court of the State of Delaware. Worthy programs are identified first by the Foundation; the Foundation then submits its recommendations to the Delaware Supreme Court for approval.

II. DEADLINE AND TIMETABLE FOR GRANT

- A. Deadline for submission of application.....April 10, 2023
- B. Announcement of grant awards.....May 31, 2023

III. POLICY CONSIDERATIONS

The Foundation has adopted the following policies with respect to the IOLTA grant making program:

A. Grant Philosophy

The Board of Directors views the IOLTA program as a potential source of support for publicly and privately funded programs which provide legal services to the indigent and/or otherwise contribute to the improvement of the administration of justice and law-related education in Delaware. The Foundation recognizes that the priorities and applicable criteria for the program may shift, revenues and resources may grow, and needs may change. Resources permitting, the

Foundation will not only support traditional, pre-existing programs and approaches, but will encourage new projects reflecting innovative and collaborative responses to recognized needs in the area of legal services to the poor, law-related education and the administration of justice throughout Delaware.

B. Allocation Formula

Given the anticipated change in priorities and needs within and among the permissible areas for IOLTA funding, and the difficulty in predicting the level of future funding resources, the Foundation has chosen not to adopt a rigid distribution formula nor has it restricted the allocation of funds on a geographic basis. Subject to the approval of the Delaware Supreme Court, grants will be made based solely on the Foundation's perception of need in relation to the funds available.

C. Denial of Funding

Grants to qualified recipients are awarded on a one-time basis. The Foundation has the authority to determine that a prior recipient of IOLTA funding is not qualified to receive funding or is not among the most meritorious of competing applicants in any succeeding year. Thus, neither new applicants nor prior recipients can be assured that IOLTA will provide them with continuous funding or that a prior level of funding shall remain constant.

The Foundation also has the authority to terminate existing grants during the course of any grant term on the basis of a substantial failure to comply with the terms or conditions of the grant or of the enabling order, a substantial failure to use the grant to provide the services for which the grant was sought and approved, or due to lack of available funds.

IV. THRESHOLD CRITERIA/ELIGIBLE APPLICANT

A. General Eligibility -- All Applicants

All applicants for IOLTA funds must be not-for-profit entities, tax exempt under Section 501(a) of the Internal Revenue Code or any succeeding provision, AND

1. submit an electronic grant proposal pursuant to the Foundation's guidelines and within the established time schedule;
2. respond adequately to the recommended grant proposal format and any additional requests from the Foundation for information;
3. agree to carry out the purpose for which the funds are requested, to render timely reports on the progress and results of those programs in accordance with any terms and conditions attending the grant, and return any funds not utilized; and
4. cooperate with all data collection and evaluation requests, submit an audited financial statement by a certified public accountant and a report of the program on which IOLTA funds were expended.

B. Qualified Legal Services Providers

A Qualified Legal Services Provider is an entity which lawfully operates within Delaware and provides direct civil legal services without charge to the indigent within Delaware.

All civil Qualified Legal Services Providers operating within Delaware who employ a needs test consistent with IOLTA's income eligibility requirement of 125% of the official poverty threshold defined by the U.S. Office of Management and Budget are eligible to apply for IOLTA grant funds.

A person whose gross income exceeds 125% of the Federal Poverty Limit, but does not exceed 200% of the Federal Poverty Limit may be provided legal assistance using IOLTA funds

provided that the circumstances justifying eligibility be based on one or more of the following factors:

1. The applicant is seeking legal assistance to obtain governmental benefits for low income individuals and families; or
2. The applicant is seeking legal assistance to obtain or maintain governmental benefits for persons with disabilities;
3. Current and future income prospects, taking into account seasonal variations in income;
4. Unreimbursed medical expenses and medical insurance premiums;
5. Fixed debts and obligations;
6. Expenses such as dependent care, transportation, clothing and equipment expenses necessary for employment, job training, or educational activities in preparation for employment;
7. Non-medical expenses associated with age or disability;
8. Current taxes; or
9. Other significant factors that the recipient has determined affect the applicant's ability to afford legal assistance.

V. FUNDING PRIORITIES

In addition to evaluating all of the information provided by a grant applicant, the following specific funding priorities will be applied.

A. Level of Professional Standards and Efficiency and Quality of Services: The Foundation may seek and consider resumes and/or current or past evaluations performed by other grantors in order to determine the level of professional standards and quality of services of an applicant.

B. Ineligible Funding Categories: The Foundation will not award IOLTA funds for any of the following purposes: grants to individuals, political campaigns, religious organizations, lobbying organizations, or lawyers in private practice.

C. Merits of the Applications: If two or more qualified applicants seek IOLTA funding for the same or a similar purpose, the Foundation shall evaluate such applications, in the discretion of its governing Board of Directors, on the merits of each and the impact that distribution will have on ensuring the delivery of stable, economical and high quality civil legal services for the proposed purpose.

D. Substantial Sources of Income: Because the funds available to the Foundation are variable and limited, the Foundation expects that all applicants will have substantial sources of income dedicated to the provision of legal services to the poor beyond the funds requested. Absent special circumstances, priority will be given to requests from applicants who have substantial sources of such income.

E. Expansion and Improvement of Existing Recipients: The Foundation will give priority to the expansion and improvement of existing qualified recipients over requests to establish new qualified recipients. The Foundation recognizes, however, that the nature of need is dynamic, and that new programs may on occasion be necessary to serve an emergent need. Accordingly, grants will not necessarily be limited to existing qualified applicants.

F. Pro Bono Development: The Foundation encourages applications for IOLTA funding that will result in the development and strengthening of *pro bono* programs which generate substantial voluntary legal services to the poor.

VI. APPLICATION REVIEW PROCEDURES

All grant applications submitted to the Foundation will be screened initially by the Foundation's staff to consider:

1. whether the applicant is eligible to receive IOLTA funds (see Section IV above);
2. whether the application is complete and includes the documentation required by the Foundation; and
3. a ranking of the proposed projects for which funds are sought according to the priorities set out in Section V of this report.

Applications meeting the Foundation's eligibility requirements will be reviewed by the Board of Directors, who may seek assistance from outside reviewers. Outside reviewers will be selected for their expertise in the subject matter of the application. The Board of Directors of the Foundation will make all final decisions on grant awards, subject to the approval of the Delaware Supreme Court.

VII. GRANT APPLICATION REQUIREMENTS

Each prospective grantee must submit an electronic copy of the application consisting of the following items **in the order and itemized as set forth below**:

- A. Executive Summary This section should be used to provide a **brief description** of how your request this fiscal year **is different from those submitted in prior years** including the amount sought, significant changes in staffing, ongoing programming, and changes in funding.

B.

B. Description of the Applicant

This should be **limited to 3000 words** and include descriptions of the following in the order listed:

1. Your mission and the community you serve including demographic data;
2. Major services and projects and how they align with your mission;
3. Qualifications of key individuals responsible for major projects or specialty units to be covered by any IOLTA grant;
4. Your organization's most significant accomplishment this year and how IOLTA supported that work.

C. Narrative Proposal

The application should provide a description of the program for which IOLTA funding is sought. This section should be limited to **4000** words and include in the order listed:

1. The amount of funds requested;
2. A description of the purposes for which the funds are requested;
3. A **brief** description of the methods by which the objectives are to be accomplished and facts supporting the choice of methodology;
4. The plans for evaluating the success of the project in meeting stated objectives;
5. The period of time expected to complete the project (if applicable);
6. A narrative that best describes your program's impact, such as a client story from the last grant year; and
7. If not a new applicant, such **new and additional** information as the applicant believes relevant and desirable.

D. Financial Information

The applicant must provide:

1. A program budget which sets forth the proposed use of the requested IOLTA funds.
2. The total program budget and the IOLTA component of the total budget must be submitted in accordance with IOLTA's forms and instructions, attached as Appendix I hereto.

E. Required Documentation

The documentation to be provided by the applicants shall include:

1. proof of tax-exempt status;
2. most recent audited financial statements;
3. equal opportunity, diversity, equity and inclusion policy;
4. proof of current professional liability coverage;
5. approval of the proposal by the applicant's board of directors;
6. complete Appendices I, II, III and IV; and
7. any other information requested by the Foundation.

VIII. PAYMENT PROCEDURES

Except under unusual circumstances, all grants and contracts will be paid out to approved recipients in quarterly installments.

IX. EVALUATION AND MONITORING OF GRANTS

Each recipient of IOLTA funds may be required to submit a self-assessment report at the conclusion of each grant period. The Foundation will expect the assessment to include, at a minimum, any reporting requirements imposed by the Foundation as well as additional data

sufficient for it to evaluate the recipient's performance over the grant period. The Foundation may also require interim reports to be submitted during the grant period. The circumstances prompting a request for interim reporting may include, but are not limited to, experimental programs, demonstration projects or pilot projects, qualified recipients who do not have other substantial sources of funds, or newly qualified recipients.



APPENDIX I – IOLTA Program Budget Proposal For Fiscal Year 2024

Name of Program/Agency _____

1. INCOME

Please attach a sheet specifying all sources and amounts of income for the fiscal year.

2. EXPENDITURES

COST CATEGORY	IOLTA FUNDS REQUESTED	TOTAL BUDGET (<i>Excluding IOLTA Funds Requested</i>)
A. Personnel:		
Attorney Staff (No. _____)	(No. _____)	
Paralegal Staff (No. _____)	(No. _____)	
Interns		
Administrative Staff		
Management		
Others – please describe (No. _____)	(No. _____)	
Salary Subtotal		
Benefits and Taxes		
Total Personnel Costs		
B. Non-personnel Costs		
Supplies		
Equipment Rental		
Telephone & Internet		
Rent/ Mortgage		
Travel		
Training		
Library/ Law Subscriptions		
Insurance		
Audit/ Accounting Services		
Litigation Expenses		
Capital Additions		
Contracted Services		

Board/ Staff Development		
Maintenance		
Business Taxes		
Courier Service		
Depreciation		
Dues, Licenses & Professional Fees		
Loan Expense/ Interest		
Bank Fees		
Lobbying		
Parking		
Postage		
Printing		
Storage		
Subscriptions		
Technology		
Utilities		
Other – Please describe		
Total Non-personnel Costs		
Grand Total		

APPENDIX II – IOLTA Program FY2023 Data

Name of Organization	
Total Number of current staff	
Of the total current staff, the number of lawyers, salary, years of practice and years with agency for each lawyer (names need not be identified)	
Of the total current staff, the number of support staff	
No. of people served in FY2021	
No. of people served in FY2022	
No. of people served in first three quarters of current fiscal year/ grant cycle	
No. of cases opened during the first three quarters of the current fiscal year/grant cycle:	
No. of cases closed during the first three quarters of the current fiscal year/grant cycle:	
Of the cases closed, how many were cases opened prior to start of current fiscal year/grant cycle:	
No. of cases closed during the first three quarters of the current fiscal year/grant cycle due to advice and referral:	
No. of cases turned away due to lack of resources:	

APPENDIX III – FY2023 Funding Data

I. FED. FUNDING SOURCES	AMOUNT	AMT. OF INCREASE/DECREASE FROM LAST F.Y.
II. STATE FUNDING SOURCES		
III. LOCAL GOVERNMENT		
IV. PRIVATE FOUNDATIONS		
V. OTHER – PLEASE DESCRIBE		
VI. RESERVES		

APPENDIX IV
Organizational & Governance Information

Current Officers and Board Members: Please attach a list of the Board including name, address, occupation, indicate officers, title and terms of office. Please note any eligible clients who serve on the board.

Board Recruitment and Orientation: What do you prioritize when recruiting Board members? How does the Board reflect the diversity of the community you serve?

Board Orientation: How do new board members receive orientation information about the work of the Organization? What kinds of training and materials are provided about governance principles?

Board Activities: How often does the board meet? Please explain any committee structures. Describe how the board receives information from staff about programs and the process for evaluating the executive director.

Evaluation: Describe the process employed to ensure and evaluate the quality, effectiveness and outcomes of your programs. Provide at least one example of a change that was instituted that benefitted your clients as a result of this evaluation process.

Strategic Planning: Does your organization undertake formal strategic planning? If so how often? What are the primary objectives of most recent strategic plan? If not, what is your planning process in lieu of a formal strategic plan?

Succession Planning: Does your board have succession planning for your executive director position? If yes please describe. If not, why not?

Budget Setting: Describe the process for setting your annual budget. How is your budget connected to your overall program plan?

If updated since last application or a first—time applicant, please include Current Articles of Incorporation and By-laws.