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Executive Director

January 22, 2009

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Ms. Tillie Lacayo, Program Counsel
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Legal Services Corporation
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RE: Kentucky Legal Aid (KLA) Quality Visit
Recipient Number 618036

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Dear Tillie:

I want to thank you, Mike Genz, and Cheryl Nolan for the professionalism and courtesy extended toward KLA management, board members and staff. While preparation for and participation with an LSC visit is always somewhat disruptive of ongoing program activities, information from your team and from the Quality Report will be useful as we work to improve program services.

1700 Destiny Lane
Bowling Green
Kentucky
42104

Kentucky Legal Aid's management staff and Board Chairman have reviewed the draft report, and while we may take issue with a few of the impressions and findings expressed in the document, overall, we found it to be fair and accurate. We will certainly consider all recommendations, and we have already begun to address several suggestions made during the team's exit conference. Listed below are a few comments regarding actual inaccuracies.

email:
klaid@KLAid.org

1. **Surveys** - In the last paragraph of page 4, the report states, "KLA's evaluation process also includes dissemination of satisfaction surveys to clients and to applicants for services." KLA disseminates client surveys to all Title III Older Americans' Act clients and all pro bono clients, but not to all clients and applicants for service. While the statement in the report is not technically inaccurate, I wanted to be clear about our survey practices.
2. **PAI Plan** - On page 13, paragraph 2, the report states, "The program has a written PAI plan for 2008. The plan does not indicate whether it was circulated to local bar associations, nor whether the bar associations

on the web:
www.KLAid.org

provided input into the plan.” Section 9 of KLA’s 2008 PAI Plan states, “A copy of this 2008 Annual Plan will be mailed to all organized bar associations in the program’s service area. Any comments or feedback provided as a result will be summarized and made a part of this plan.” A copy of the 2008 PAI Plan is attached for your review. KLA’s PAI Director, Connie Rhea, indicates that we received no comments from bar associations regarding the 2008 plan. Please note that recommendation III.12.12. addresses this finding.

3. Offsite Data Storage - On page 16, paragraph 1, the report states that “the program is not currently storing its computer data in a remote location off site.” KLA currently, and at the time of the visit, backs up and stores data off-site on a daily basis. This data is stored at the Network Administrator’s residence.

The report correctly indicates that KLA is discussing collaboration with Legal Aid of the Bluegrass regarding a plan which would allow each program to provide data backup for one another using data lines. This plan has not yet been implemented because of confidentiality concerns.

4. Audit - On page 17, the report correctly states that KLA has used “the same external auditor for more than seven years.” Recommendation IV.16.16. states “since changing auditors periodically is considered a prudent practice to avert the risk factors associated with over-familiarity between the client and the external auditor, it is recommended that the program consider retaining a new Independent Public Auditor.” As this is a recommendation, it is not factually inaccurate, however, KLA’s Financial Administrator feels strongly that current accounting standards do not consider use of a single accounting firm as imprudent, so long as the same auditing partner does not continuously review the program’s audit. This Financial Administrator notes that not only does KLA’s independent auditor indicate that audit firm rotation is no longer encouraged, but that other audit firms, even those submitting competing bids for KLA’s audit, indicate that such rotation is not necessary or encouraged. Finally, she references Section 203 of the Sarbanes-Oxley Act which states as follows:” (j) AUDIT PARTNER ROTATION - It shall be unlawful for a registered public accounting firm to provide audit services to an issuer if the lead audit partner (having primary responsibility for the audit) or the audit partner responsible for reviewing the audit that is assigned to perform those audit services has performed audit services for that issuer in each of the 5 previous fiscal years of that issuer.”

We understand that this report only recommends that the program consider retaining a new independent public auditor, and in fact, KLA has requested bids from other audit firms. However, if LSC requirements differ from those of our Program or auditors, please note whom we need to contact to obtain LSC policy clarification.

Tillie Lacayo
September 22, 2009
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Again, thank you for the time and effort you and the quality team spent evaluating our program and assessing the quality of our services. KLA has a history and culture of embracing changes which enhance services to our client community, and we look forward to responding to the findings and recommendations contained in the Quality Report.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott K. Crocker". The signature is fluid and cursive, with a large initial "S" and "C".

Scott K. Crocker
Executive Director

cc: Hon. Murry Raines

KENTUCKY LEGAL AID
LSC Recipient # 618036

2008 PRIVATE ATTORNEY INVOLVEMENT PLAN

In compliance with 45 CFR 1614.4, Kentucky Legal Aid (KLA) prepared the following Private Attorney Involvement Plan. The program solicited input from major stakeholders including the client community, the judiciary, program volunteers, Kentucky Legal Aid's intake department, KLA's Board of Directors, and members of local bar associations within the program's service area in developing this plan. All interested groups agreed that maximizing services to low-income individuals within the framework of the program's priorities should be the goal of this plan. Although differences exist as to the most efficient manner of providing legal services to low-income people, there is agreement that the plan should encompass several methods of involving private attorneys in the delivery of legal services to low-income populations. There is also a consensus that program priorities should reflect the additional resources of pro bono representation to allow the program to refer cases which have traditionally not been accepted by Kentucky Legal Aid's legal assistance program. The methods which KLA plans to utilize to involve private attorneys in the delivery of services to low-income people and its 2008 program initiatives are discussed below.

PROGRAM OVERVIEW

Direct case referral to program volunteers continues to be the primary component of KLA's PAI plan. KLA administers pro bono services throughout its thirty-five county service area through the Lawyers Care Volunteer Attorney Program. Lawyers Care staff includes three pro bono coordinators who are responsible for the placement of cases with area volunteers and followup monitoring of those cases. The pro bono director oversees operation of the program and provides management and supervision of cases referred through the program. All staff positions are involved in planning and conducting continuing education events, volunteer recruitment and recognition events, and other efforts necessary to promote the pro bono program throughout the service area.

KLA's pro bono program continually monitors cases referred through the program. Once a volunteer is secured, cases are reviewed on a regular schedule for continual progress. A case progress report is sent to volunteers on a quarterly or more frequent basis as the case type dictates. Once cases are completed, the program obtains closing information indicating the outcome and level of services provided by the volunteer as well as the amount of time the volunteer devoted to the case. A client satisfaction survey is sent in all cases. The results of that survey are used by the program to monitor the quality of services provided. Volunteer attorneys are informed of the feedback received through the survey. The program also captures information regarding the amount of recovery and avoidance established in each case.

Pro bono volunteers agree to accept up to three cases or provide up to thirty hours of volunteer service for low-income individuals each year. KLA provides secondary malpractice insurance for volunteer attorneys on cases accepted through the program. Volunteers are reimbursed for reasonable out-of-pocket expenses. KLA also offers technical assistance to pro bono attorneys on poverty issues through staff attorney assistance, referral to state and national

support centers, and provision of sample forms directly related to indigent client representation.

In addition to providing direct representation through pro bono referrals, KLA involves private attorneys in the development of community education and pro se materials. Pro bono staff worked directly with Warren County Family Court and pro bono volunteers to develop and distribute pro se materials to low-income individuals who would not otherwise be able to access the court system. This pro se project specifically targeted areas of law where clients often were not able to secure representation

2008 PROGRAM INITIATIVES

Kentucky Legal Aid will work to achieve the following initiatives during 2008:

1. Improved Relations with Local Bar Associations:

Kentucky Legal Aid recently partnered with the Daviess County Bar Association to provide more effective pro bono representation in that county. Daviess County Bar had previously operated a separate pro bono referral program that was unsuccessful. Through funding from the Kentucky Bar Association's IOLTA program, Kentucky Legal Aid has taken over pro bono efforts of the Daviess County Bar. A basic program structure has been developed and a pro bono coordinator is working to recruit volunteers and process case referrals in Daviess County.

KLA has also recently received funding from the KBA to provide enhanced pro bono services in McCracken County. The McCracken County Bar and Kentucky Legal Aid obtained IOLTA funding to enhance awareness of the need of pro bono services and to increase pro bono assistance in that county. Support staff is in place to improve relations with the McCracken County Bar Association. By having a local pro bono staff presence in that county, the program hopes to increase awareness of the need for pro bono assistance and increase the number of referrals made in McCracken County.

During the plan year, Kentucky Legal Aid will continue to work with the private bar and judiciary to educate the public on legal issues affecting low-income members of our community as well as to provide valuable tools that will allow those individuals to come before the courts.

2. Recruitment/Retention Efforts:

The Kentucky Volunteer Attorney Program serves as a statewide support organization for local legal services pro bono programs. Kentucky Legal Aid is partnering with the statewide support program to conduct recruitment and retention events. These events will result in more program volunteers and will give enhanced recognition for pro bono services provided on a local level.

As part of these efforts, Kentucky Legal Aid will sponsor recognition and recruitment luncheons at each of the three Kentucky Law Update events that occur within KLA's service area.

The Kentucky Law Updates are CLE events sponsored by the Kentucky Bar Association. KLA will provide a luncheon and speaker for all current volunteer and KBA members wishing to become volunteers. State Supreme Court Justices or other dignitaries will speak at these events and encourage recruitment efforts with local KBA members.

Kentucky Legal Aid's pro bono program will publish articles in the state's Bench and Bar magazine that promote pro bono services in our service area. KLA will also publish articles in the BarTab, a local bar publication of the Bowling Green Bar Association.

Additionally, Kentucky Legal Aid recognizes the accomplishments of area bar members by awarding the pro bono publico award. This award is presented to members of area bar associations that have provided a significant service to the pro bono program.

Despite ongoing efforts, several of the program's more rural counties continue to be under served due to a lack of attorney volunteers in those counties. Several of the program's thirty-five counties do not have organized bar associations. During 2008, KLA intends to continue its work with local attorneys and bar associations, and also to obtain assistance from the Kentucky statewide pro bono support program to increase its volunteer base as well as the number of volunteers who accept referrals.

3. Staff Development and Training:

Pro bono program staff will continue to be active in statewide pro bono activities. KLA's pro bono staff are members of the Kentucky Bar Association's Donated Legal Services Committee. Program staff are actively involved with the Kentucky's statewide pro bono support program and regularly attend meetings sponsored by this organization. Pro bono staff are encouraged to attend training to develop expertise in substantive case matters as well as pro bono specific training.

KLA conducts regular pro bono staff meetings to insure cohesive program operation and case referral methods. During 2008, program management will develop a comprehensive pro bono operations manual to insure coordination of program operations and set out program policies and procedures.

4. PAI Fellows:

As indicated in our 2006-2007 PAI plan, KLA was successful in obtaining funding for two IOLTA fellows. These fellows allow increased services to people living in the Kentucky Delta area and in the under served counties of Muhlenberg and Crittenden. The level of services in both regions has been dramatically improved by the addition of these two fellows positions.

LSC INFORMATIONAL REQUEST

KLA makes the following assurances in regard to its private attorney involvement plan:

1. KLA provides no direct payment to any attorney who has been a staff attorney for any portion of the previous two years. Former staff attorneys are permitted to serve under pro bono programs on the same terms and conditions as all other attorneys.

2. KLA does not plan to use a revolving litigation fund to provide payment of attorneys' fees to private attorneys.

3. During this period, KLA plans to expend \$225,514 on private attorney involvement. KLA does not anticipate any PAI carry-over during 2008. A PAI budget will be developed and included as part of this plan.

4. As required in CFR 1614.1c, KLA will conduct an annual review to "attempt to assure that the market value of PAI activities substantially exceeds the direct and indirect costs being allocated to meet the requirement of this Part."

5. KLA will not be involved in a joint venture for the expenditure of PAI funds with any other LSC program.

6. The Board of Directors of KLA sets program policy regarding expenditure of PAI funds. The Board discusses pro bono and other PAI initiatives and instructs the Executive Director on basic policy. The Board also reviews and approves all PAI budgets.

7. KLA applies its program priorities to cases referred through its pro bono program as well as cases handled in-house by staff. Because the pro bono program has volunteer attorneys with expertise in specialized areas, certain cases which did not formerly receive high program priority are now referred through the pro bono program. LSC eligible clients receive effective and efficient delivery of legal assistance both through pro bono referral and pro se assistance. Pro bono personnel attempt to refer eligible clients to volunteer attorneys with whom they will feel comfortable. Linguistic and cultural barriers have a limited effect on legal advocacy in KLA's service area. KLA and the Lawyers Care Volunteer Attorney Program apply the provisions of KLA's Language Assistance Plan in meeting the needs of non-English or limited English proficient clients. Potential conflicts of interest between participating attorneys and individual clients are avoided by informing the attorney of the adverse party prior to case referral. Volunteer attorneys indicate areas of law in which they have particular expertise, skills or interest. Pro bono staff uses this information to refer clients to the most suitable volunteer.

8. KLA accounts for funds used in private attorney involvement by requiring that all staff engage in detailed, contemporaneous timekeeping. Direct payment or PAI expenses are listed separately and accounted for. The program's PAI accounting procedures are audited on an annual basis. No fees are paid to private attorneys other than for out-of-pocket expenses directly associated with cases referred to them through the pro bono program.

9. A copy of this 2008 Annual Plan will be mailed to all organized Bar Associations in the program's service area. Any comments or feedback provided as a result will be summarized and made a part of this plan.

SUMMARY

Kentucky Legal Aid will provide efficient and effective private attorney involvement to qualified clients through direct representation by volunteer attorneys through its organized pro bono program. KLA will also utilize the services of the private bar in the development of pro se and other community education materials pertinent to low-income members of its service area. KLA will encourage volunteer participation in its private attorney involvement efforts by providing continuing legal education and recognition events to its volunteers. Pro bono and program staff will foster relationships in the community that are beneficial to its client population.