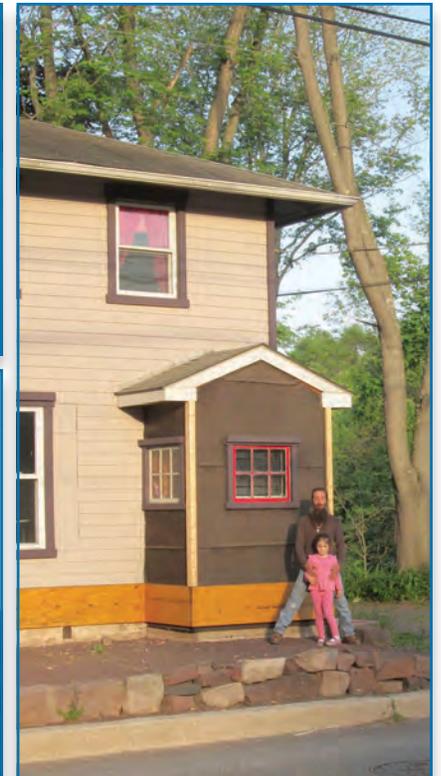
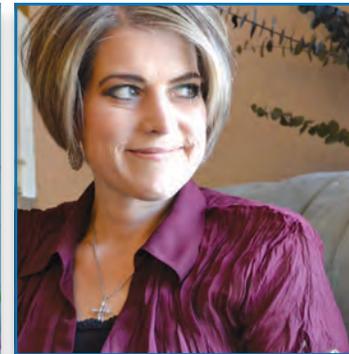
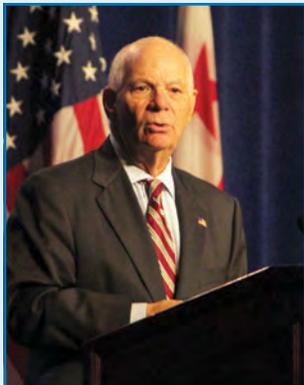
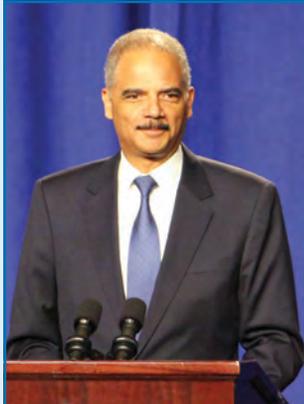


40TH
Anniversary
LSC

2014 ANNUAL REPORT



Legal Services Corporation
America's Partner For Equal Justice

LSC Board of Directors & Officers

Board of Directors

John G. Levi, *Chairman*
Martha Minow, *Vice Chair*
Robert J. Grey Jr.
Charles N.W. Keckler
Harry J.F. Korrell III
Victor B. Maddox
Laurie Mikva
The Rev. Pius Pietrzyk, O.P.
Julie A. Reiskin
Gloria Valencia-Weber

Officers

James J. Sandman, *President*
Ronald Flagg, *General Counsel, Corporate Secretary and Vice President of Legal Affairs*
Lynn A. Jennings, *Vice President for Grants Management*
David L. Richardson, *Treasurer and Comptroller*

Inspector General

Jeffrey E. Schanz, *Inspector General*

The Legal Services Corporation is the single largest funder of civil legal services in the country and plays a vital role in a public-private partnership focused on fulfilling America's pledge of equal justice for all. Since its founding four decades ago, LSC has been making a difference in the lives of low-income Americans by funding high-quality civil legal assistance to veterans, the elderly, victims of domestic abuse, tenants facing unlawful evictions, and others who cannot afford to pay for legal assistance.



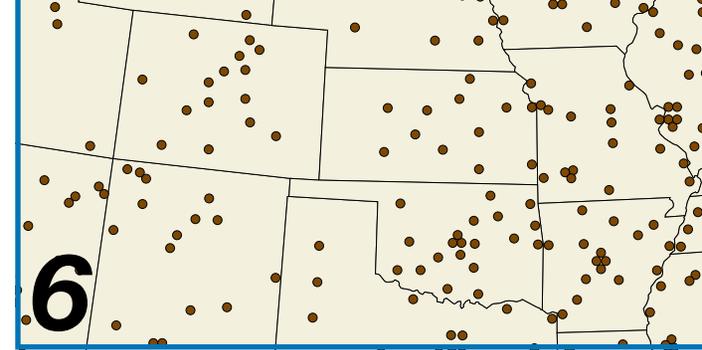
“The Congress finds and declares that—

- (1) there is a need to provide equal access to the system of justice in our Nation for individuals who seek redress of grievances;*
- (2) there is a need to provide high quality legal assistance to those who would be otherwise unable to afford adequate legal counsel and to continue the present vital legal services program;*
- (3) providing legal assistance to those who face an economic barrier to adequate legal counsel will serve best the ends of justice and assist in improving opportunities for low-income persons consistent with the purposes of this Act.”*

*—Excerpt from the Legal Services Corporation Act
Public Law 93-355, July 25, 1974*

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Message from the Chairman

Raising Public Awareness as We Marked Our 40th Anniversary



This was a particularly significant year for LSC, the 40th anniversary of our founding. Created in 1974 as one of the last acts of the Nixon administration, LSC has enjoyed four decades of bipartisan congressional support in its mission to help expand access to civil justice for low-income Americans.

We are grateful for that support, but facing enormous unmet need for legal services for the poor all across the country, we require more support—much more. Throughout the year, LSC has used this anniversary observance to help raise public awareness of this crisis in civil legal aid and LSC's important role in addressing it.

In September, LSC convened a three-day conference in Washington featuring Vice President Joe Biden, former Secretary of State and former LSC Board Chair Hillary Clinton, U.S. Supreme Court Justices Elena Kagan and Antonin Scalia, former Attorney General Eric Holder and ABA President William Hubbard. They joined more than 100 distinguished panelists and speakers from the legal community, government, and the private sector in wide ranging discussions of the status and future of civil legal aid in America.

A month later in New York City, LSC continued this commemoration with an event featuring Congressman Jerry Nadler (NY-10th), CBS Vice Chair Shari Redstone, and the deans of three distinguished New York law schools. Leaders from the city's legal, legal aid, and business communities also took part in discussions of ways to increase pro bono services and access to justice in their sectors.

In addition to raising public awareness through such events, LSC also launched the 40th Anniversary Campaign for Justice, a targeted, private fundraising effort to try to expand access to justice through technology, fellowships, leadership development, collaborations with public libraries and research, but in a broader sense, it will help LSC and its grantees better tell their story.

As we marked LSC's significant history and chartered news paths for the future, we also took stock of the many challenges that remain, some even more daunting than when LSC was formed.

In 1976, LSC's first year of full congressional funding when the percent of the population eligible for LSC-funded legal assistance stood at 12%, the fledgling LSC was allocated by Congress, in inflation-adjusted terms, more than \$468 million, rising three years later to its all-time high of what today would be more than \$880 million.

Despite our best efforts, the FY 2015 allocation of \$375 million is less than half of that. Even 10 years ago, LSC's actual funding was \$400 million.

Since then, as LSC funding has been reduced and remained low, the population eligible for LSC-funded assistance has grown to all-time highs. In 2013, the most recent

year for which U.S. Census Bureau data are available, 63.6 million people—one in five Americans—had annual incomes below the threshold for LSC-funded legal assistance of 125% of the federal poverty line. Another 32.4 million people had incomes below that level for at least two consecutive months during the year and thus were eligible for our assistance. In other words, nearly one in three Americans—96 million people—qualified for LSC-funded services at some time during 2013—a staggering figure.

Not surprisingly, our grantees and other providers cannot keep up with this demand and are being forced to turn away scores of low-income Americans who are fighting to avert unlawful foreclosure, escape domestic violence, secure veterans' benefits, or address many other legal challenges that go to the heart of their security and well-being.

LSC has been attempting to address this problem through innovative technology and pro bono programs to help stretch every dollar as far as it can possibly go. But as Justice Elena Kagan observed at LSC's conference in Washington, what civil legal aid really needs is "more money."

LSC funding is just a rounding error in the federal budget even though the values we are entrusted to uphold are anything but a fiscal afterthought.

As Justice Antonin Scalia powerfully observed at the September conference, there cannot be true justice without equal access.

"The American ideal is not for some justice, it is as the Pledge of Allegiance says, 'Liberty and justice for all,' or as the Supreme Court pediment has it, 'equal justice.' I've always thought that's somewhat redundant. Can there be justice if it is not equal? Can there be a just society when some do not have justice? Equality, equal treatment is perhaps the most fundamental element of justice."

The protection of this basic American ideal has been central to LSC's mission since its founding. And as we move to the conclusion of our recognition of this anniversary year, we will strive to keep faith with LSC's founding mission to help "provide equal access to the system of justice in our nation" and "to provide high quality legal assistance to those who would be otherwise unable to afford adequate legal counsel."



JOHN G. LEVI

A handwritten signature in black ink, which appears to read "John G. Levi". The signature is fluid and cursive.

John G. Levi
Chairman, LSC Board of Directors
July 16, 2015

LSC President's Message

LSC Launches New Pro Bono, Disaster Relief, and Technology Initiatives



LSC observed its 40th anniversary in 2014, and while we highlighted the significant accomplishments of our first four decades in a variety of ways, LSC and its grantees also took important steps to chart a course for the future.

LSC broadened its commitment to promoting pro bono support for civil legal aid with the inauguration of the Pro Bono Innovation Fund. LSC's Pro Bono Task Force recommended the creation of the fund in 2012, and Congress allocated \$2.5 million for it in its FY 2014 budget.

With these funds, LSC established a new competitive grant project modeled on our successful Technology Initiative Grants (TIG) program. LSC received 79 applications from 41 states, 58% of LSC's grantees submitted applications or were involved as partners in proposed projects, and the average request was \$196,000. LSC awarded 11 grants to support a variety of innovative projects, including using legal aid technology to reach rural populations and creating extensive pro bono partnerships with local law schools, community organizations, and corporate attorneys. At year's end, I was especially pleased that Congress increased the appropriation for the Pro Bono Innovation Fund by 60%, to \$4 million, in its FY 2015 budget.

LSC also established the Midwest Legal Disaster Coordination Fund to support the development of coordinated plans between disaster preparedness organizations and legal service providers in Midwestern states. Two legal aid providers received grants from the privately funded project:

- Iowa Legal Aid will use a \$367,700 grant to develop mobile technology to help disaster survivors better reach legal aid programs after a disaster occurs and to create a multi-component toolkit for use by other legal aid organizations across the country.
- Legal Aid of Nebraska will use a \$400,000 grant to create an interactive web portal and a statewide legal disaster response training program for attorneys and others to improve Nebraskans' access to free legal services when disaster strikes.



JAMES J. SANDMAN

In November, LSC launched yet another new initiative—the Technology Fellowship program, which allows employees of LSC grantees to apply for support to implement one of the five strategies from the LSC Technology Summit or new technology capacities for the grantee program.

Fellows receive a full scholarship to attend the annual TIG Conference, as well as a special pre-conference session for fellows; a mentor from within the legal aid community to assist with the implementation of the project; and at least three webinars sponsored by the Legal Services National Technology Assistance Project to support the fellows in their project implementation.

LSC also improved oversight and accountability by adding staff in the Office of Compliance and Enforcement and the Office of Program Performance and by increasing the number of grantee visits. Important recognition of LSC's improved management came during the year when the Government Accountability Office informed us that it had closed out the last of the 17 recommendations in its 2010 report on LSC.

In recognizing these new programs and accomplishments, I do not want to overlook our most important allies in pursuing our mission—the legal aid lawyers of the programs we fund.

The lowest paid attorneys in the profession, they labor day in and day out with crushing caseloads to breathe life into America's promise of justice and to serve the highest ideals of our profession and our nation.

Supporting the vital work of these lawyers continues to be a highlight of my career.

A handwritten signature in blue ink that reads 'Jim Sandman'.

James J. Sandman
LSC President
July 16, 2015

Board of Directors



LSC is headed by an 11-member Board of Directors appointed by the President and confirmed by the Senate.



John G. Levi, Chairman

Partner in the Chicago office of Sidley Austin LLP.

Martha Minow, Vice Chair

Morgan and Helen Chu Dean and Professor at the Harvard Law School.

Sharon L. Browne*

Former principal attorney in the Pacific Legal Foundation's Individual Rights Practice group and member of the Foundation's senior management.

Robert J. Grey Jr.

Partner in the Richmond and Washington offices of Hunton & Williams LLP.

Charles N.W. Keckler

Presidential Scholar, George Mason University School of Policy, Government, and International Affairs.

Harry J.F. Korrell III

Partner in the Seattle office of Davis Wright Tremaine LLP.

Victor B. Maddox

Partner in the Louisville, Ky. firm of Fultz Maddox Dickens PLC.

Laurie Mikva

Assistant Clinical Professor at Northwestern Law School Bluhm Legal Clinic, and Commissioner on the Illinois Court of Claims.

The Rev. Pius Pietrzyk, O.P.

Priest of the Order of Preachers (Dominicans), Province of St. Joseph.

Julie A. Reiskin

Executive Director of the Colorado Cross-Disability Coalition.

Gloria Valencia-Weber

Professor at the University of New Mexico School of Law.



AUDIT

Maddox, Chair; Korrell; Valencia-Weber; David Hoffman*; Paul Snyder*

FINANCE

Grey, Chair; Browne; Mikva; Minow; Fr. Pius; Robert E. Henley Jr.*; Allan Tanenbaum*

GOVERNANCE AND PERFORMANCE REVIEW

Minow, Chair; Browne; Keckler; Reiskin

INSTITUTIONAL ADVANCEMENT

Levi, Chair; Minow; Grey; Keckler; Fr. Pius; Herbert S. Garten*; Thomas Smegal*; Frank B. Strickland*

OPERATIONS AND REGULATIONS

Keckler, Chair; Grey; Korrell; Mikva

DELIVERY OF LEGAL SERVICES

Fr. Pius, Co-Chair; Valencia-Weber, Co-Chair; Browne; Maddox; Reiskin

(*Non-director member)



Sharon Browne Resigns from Legal Services Corporation Board

The former Pacific Legal Foundation principal attorney served on the LSC Board for nearly five years.

California lawyer Sharon L. Browne resigned from LSC's Board of Directors at the end of the year.

The former principal attorney in the Pacific Legal Foundation's Individual Rights practice group cited health concerns as the reason for her departure.

"It has been an honor to serve as a member of the Board of Directors and I hope that my participation on the Board has made the Legal Services Corporation stronger," she wrote in her resignation letter to President Obama.

Browne's nomination to the Board was confirmed by the Senate on March 19, 2010.

She is a graduate of the University of the Pacific's McGeorge School of Law and has served as a senior trial attorney with the public issues law firm of Zumbrun, Best & Findley as well as an adjunct professor at McGeorge School of Law.

California Lawyer magazine named her a California Lawyer of the Year in 2004.

"I know that I speak for everyone on the Board in congratulating and thanking Sharon for her wonderful service to our Board," said LSC Board Chairman John G. Levi. "We could always count on Sharon's diligence and dedication. It won't be the same without her."

2014—By The Numbers



63,4 Million

The number of Americans eligible for LSC-funded legal assistance continued at an all-time high.

Cases closed:
757,983

including

80,953

with the involvement of pro bono attorneys.

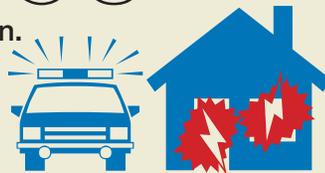
120,182

clients were at least 60 years old.

516,960

were women.

110,127



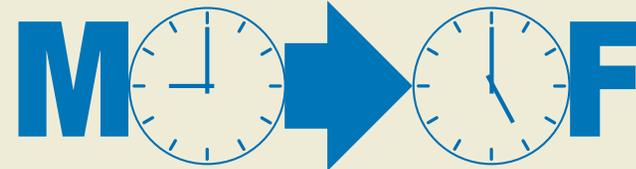
of the cases involved domestic violence.

LSC's

134

grantees employed

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8,713

full-time staff at



811
offices throughout
the United States and
its territories.

4,318

were attorneys,

1,504

were paralegals.

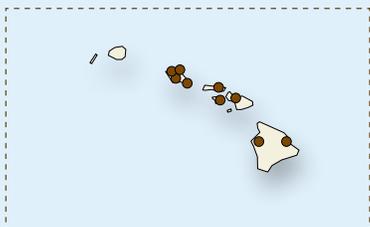
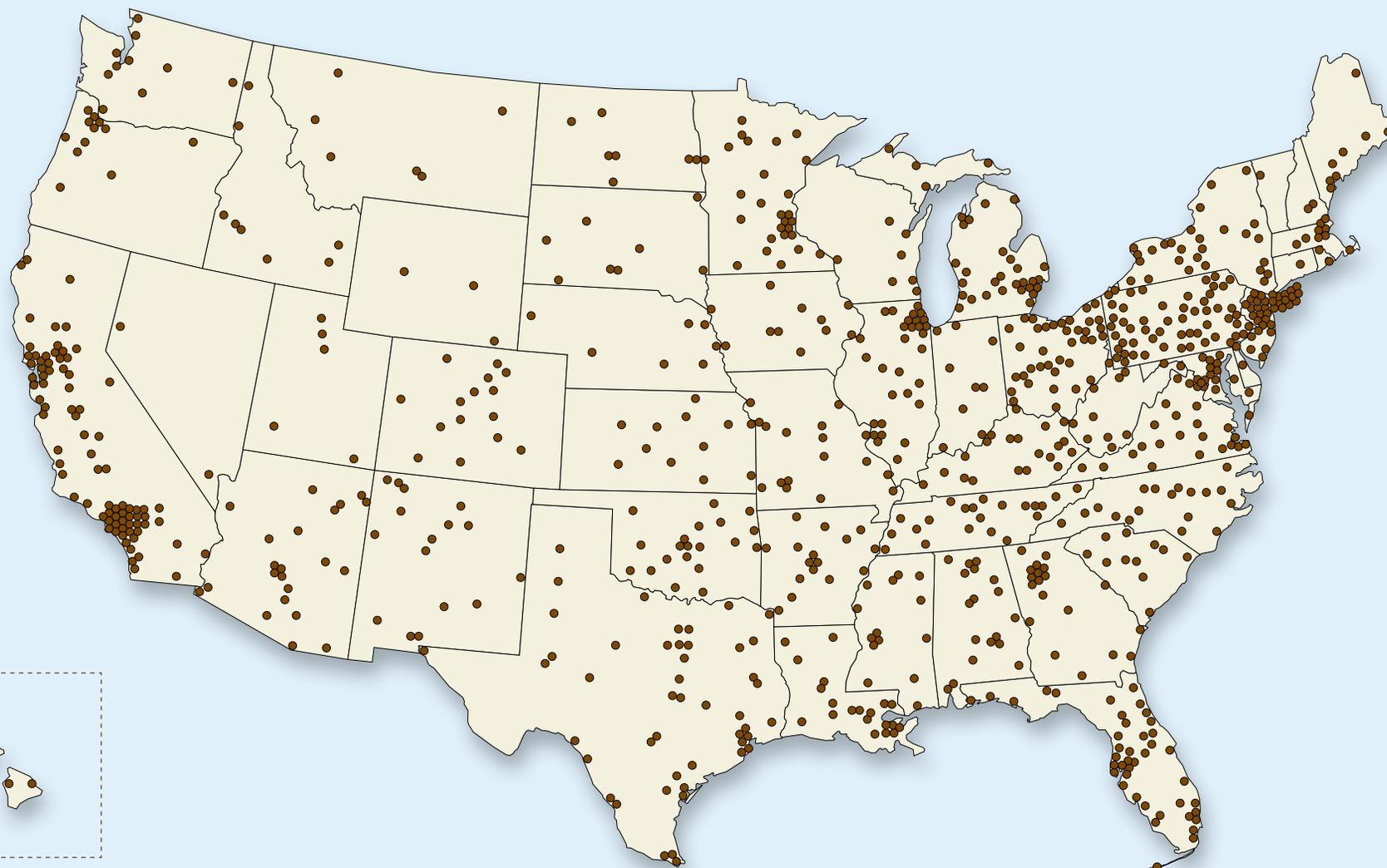
1,895,361



Total number of people in all households served.

LSC GRANTEES

In 2014, the Legal Services Corporation provided grants to 134 independent, nonprofit organizations that provide free civil legal services to low-income Americans from 811 offices located in every state, the District of Columbia and the territories of the United States of America.



ALABAMA

Legal Services Alabama

ALASKA

Alaska Legal Services Corporation

ARIZONA

Community Legal Services
DNA-Peoples Legal Services
Southern Arizona Legal Aid

ARKANSAS

Center for Arkansas Legal Services
Legal Aid of Arkansas

CALIFORNIA

Bay Area Legal Aid
California Indian Legal Services
California Rural Legal Assistance
Central California Legal Services
Greater Bakersfield Legal Assistance
Inland Counties Legal Services
Legal Aid Foundation of Los Angeles
Legal Aid Society of Orange County
Legal Aid Society of San Diego
Legal Services of Northern California
Neighborhood Legal Services of Los Angeles County

COLORADO

Colorado Legal Services

CONNECTICUT

Statewide Legal Services of Connecticut

DELAWARE

Legal Services Corporation of Delaware

DISTRICT OF COLUMBIA

Neighborhood Legal Services Program of the District of Columbia

FLORIDA

Bay Area Legal Services
Coast to Coast Legal Aid of South Florida
Community Legal Services of Mid-Florida
Florida Rural Legal Services
Legal Services of Greater Miami
Legal Services of North Florida
Three Rivers Legal Services

GEORGIA

Atlanta Legal Aid Society
Georgia Legal Services Program

HAWAII

Legal Aid Society of Hawaii

IDAHO

Idaho Legal Aid Services

ILLINOIS

Land of Lincoln Legal Assistance Foundation
Legal Assistance Foundation of Metropolitan Chicago
Prairie State Legal Services

INDIANA

Indiana Legal Services

IOWA

Iowa Legal Aid

KANSAS

Kansas Legal Services

KENTUCKY

Appalachian Research and Defense Fund of Kentucky
Kentucky Legal Aid
Legal Aid of the Blue Grass
Legal Aid Society

LOUISIANA

Acadiana Legal Service Corporation
Legal Services of North Louisiana
Southeast Louisiana Legal Services Corporation

MAINE

Pine Tree Legal Assistance

MARYLAND

Legal Aid Bureau

MASSACHUSETTS

Community Legal Aid
Merrimack Valley Legal Services
South Coastal Counties Legal Services
Volunteer Lawyers Project of the Boston Bar Association

MICHIGAN

Legal Aid and Defender Association
Legal Aid of Western Michigan
Legal Services of Eastern Michigan
Legal Services of Northern Michigan
Legal Services of South Central Michigan
Michigan Indian Legal Services

MINNESOTA

Anishinabe Legal Services
Central Minnesota Legal Services
Legal Aid Service of Northeastern Minnesota
Legal Services of Northwest Minnesota Corporation
Southern Minnesota Regional Legal Services

MISSISSIPPI

Mississippi Center for Legal Services
North Mississippi Rural Legal Services

MISSOURI

Legal Aid of Western Missouri
Legal Services of Eastern Missouri
Legal Services of Southern Missouri
Mid-Missouri Legal Services Corporation

MONTANA

Montana Legal Services Association

NEBRASKA

Legal Aid of Nebraska

NEVADA

Nevada Legal Services

NEW HAMPSHIRE

Legal Advice & Referral Center

NEW JERSEY

Central Jersey Legal Services
Essex-Newark Legal Services Project
Legal Services of Northwest Jersey
Northeast New Jersey Legal Services Corporation
Ocean-Monmouth Legal Services
South Jersey Legal Services

NEW MEXICO

New Mexico Legal Aid

NEW YORK

Legal Aid Society of Mid-New York
Legal Aid Society of Northeastern New York
Legal Assistance of Western New York
Legal Services NYC
Legal Services of the Hudson Valley
Nassau/Suffolk Law Services Committee
Neighborhood Legal Services

NORTH CAROLINA

Legal Aid of North Carolina

NORTH DAKOTA

Legal Services of North Dakota

OHIO

Community Legal Aid Services
Legal Aid of Western Ohio
Legal Aid Society of Greater Cincinnati
Ohio State Legal Services
The Legal Aid Society of Cleveland

OKLAHOMA

Legal Aid Services of Oklahoma
Oklahoma Indian Legal Services

OREGON

Legal Aid Services of Oregon

PENNSYLVANIA

Laurel Legal Services
Legal Aid of Southeastern Pennsylvania
MidPenn Legal Services
Neighborhood Legal Services Association
Northwestern Legal Services
North Penn Legal Services
Philadelphia Legal Assistance Center
Southwestern Pennsylvania Legal Services

RHODE ISLAND

Rhode Island Legal Services

SOUTH CAROLINA

South Carolina Legal Services

SOUTH DAKOTA

Dakota Plains Legal Services
East River Legal Services

TENNESSEE

Legal Aid of East Tennessee
Legal Aid Society of Middle Tennessee and the Cumberland
Memphis Area Legal Services
West Tennessee Legal Services

TEXAS

Legal Aid of NorthWest Texas
Lone Star Legal Aid
Texas RioGrande Legal Aid

UTAH

Utah Legal Services

VERMONT

Legal Services Law Line of Vermont

VIRGINIA

Blue Ridge Legal Services
Central Virginia Legal Aid Society
Legal Aid Society of Eastern Virginia
Legal Services of Northern Virginia
Southwest Virginia Legal Aid Society
Virginia Legal Aid Society

WASHINGTON

Northwest Justice Project

WEST VIRGINIA

Legal Aid of West Virginia

WISCONSIN

Legal Action of Wisconsin
Wisconsin Judicare

WYOMING

Legal Aid of Wyoming

U.S. Territories

AMERICAN SAMOA

American Samoa Legal Aid

GUAM

Guam Legal Services Corporation

MICRONESIA

Micronesian Legal Services

PUERTO RICO

Community Law Office
Puerto Rico Legal Services

VIRGIN ISLANDS

Legal Services of the Virgin Islands

LSC Marks 40th Anniversary with Public Events, Fundraising Campaign

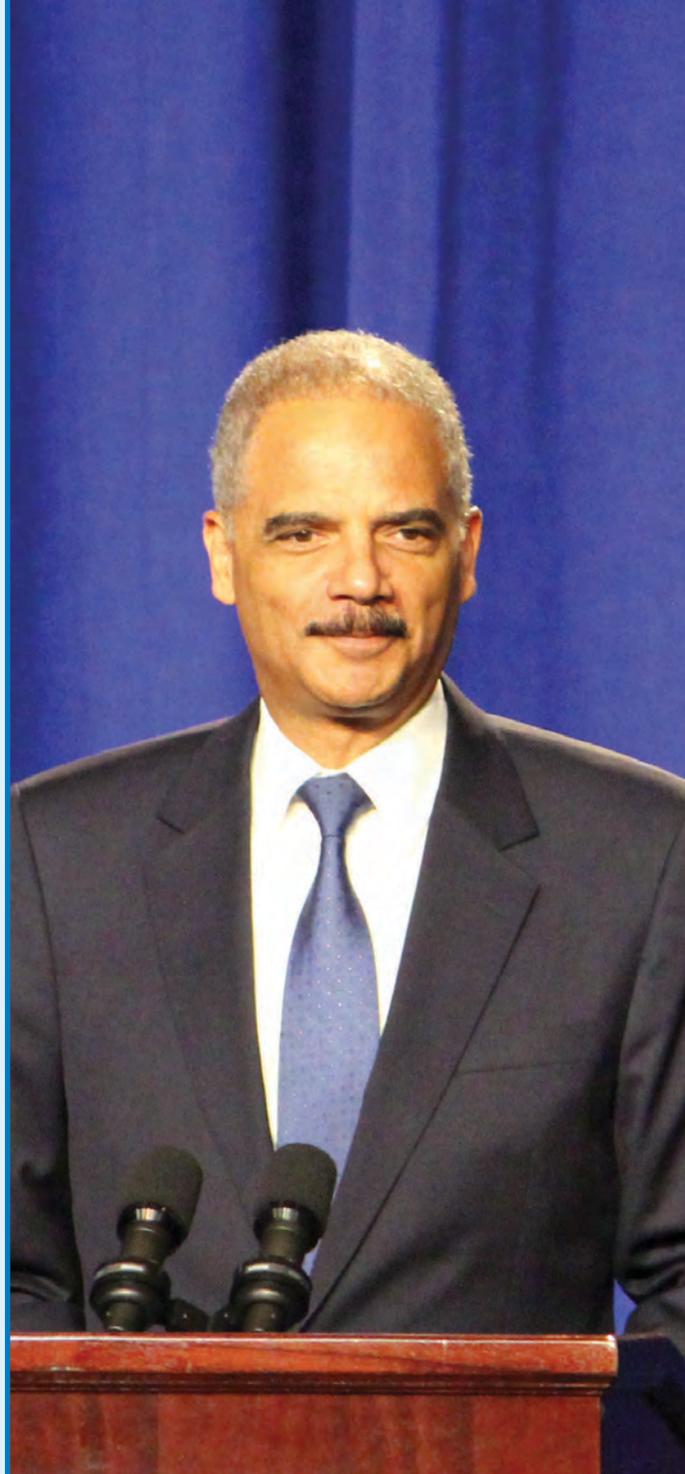
40TH
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America's Partner For Equal Justice



Vice President Joe Biden



Left to right: U.S. Supreme Court Justice Elena Kagan; former U.S. Attorney General Eric Holder; U.S. Supreme Court Justice Antonin Scalia





The Legal Services Corporation observed an important milestone in 2014, the 40th anniversary of its founding. LSC marked this occasion with special events throughout the year to raise public awareness of civil legal aid and by launching a ground-breaking campaign to fund new initiatives that will extend and amplify the work of civil legal aid providers around the country.

In September, LSC kicked off this commemoration with a three-day conference in Washington. Vice President Joe Biden, former Secretary of State and former LSC Board Chair Hillary Clinton, U.S. Supreme Court Justices Elena Kagan and Antonin Scalia, and then-U.S. Attorney General Eric Holder joined more than 100 leaders of the legal community, government, and the private sector at the event.

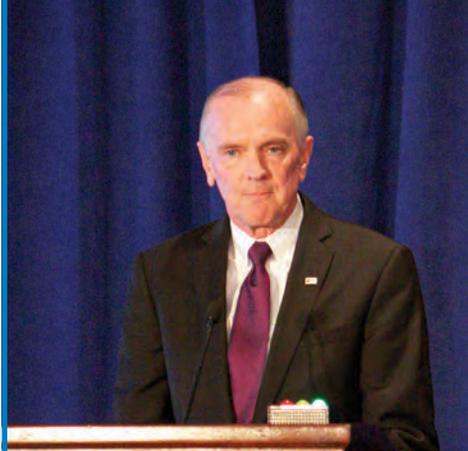
In addition to speeches, the legal aid conference featured a dozen panel discussions on a wide variety of topics, including “Expanding and Diversifying Sources of Funding,” “Stimulating Innovation to Increase Access to Justice,” “The Impact of Pro Bono Lawyers on the Justice Gap,” and “The Importance of Access to Justice and the Rule of Law to American Business.”

“The Legal Services Corporation is using this milestone anniversary to focus attention on the gravity of the challenges facing civil legal aid in America, to better educate ourselves about what is occurring and what is at stake, and to consider the best ways forward,” said LSC Board Chairman John G. Levi. “By convening leaders from government, business, and philanthropy as well as the legal community, LSC hopes to forge broad strategies for sustaining and improving the funding and delivery of civil legal services.”

Hillary Clinton, former Secretary of State and former LSC Board Chair

40th Anniversary

40TH Anniversary LSC



(TOP ROW) Left to right: John Levi, LSC Board Chairman; Jim Sandman, LSC President; Charles Keckler, LSC Board member
(MIDDLE ROW) Panel: "The Creation of LSC." Left to right: Thomas Ehrlich, first President of LSC, Visiting Professor Stanford Graduate School of Education; Justice Earl Johnson (retired), 2nd Director of Office of Equal Opportunity Legal Services Program and historian, Visiting Scholar USC School of Law; Alexander Forger (Moderator), former president of LSC;

Terry Lenzner, former Director of the Legal Services Program of the Office of Economic Opportunity; Judge David Tatel, former General Counsel of LSC, U.S. Court of Appeals D.C. Circuit
(BOTTOM ROW) Left to right: Dean Martha Minow, Harvard Law School and LSC Board Vice Chair; U.S. Supreme Court Justice Elena Kagan; members of the audience, including LSC Board Vice Chair and Harvard Law School Dean Martha Minow and U.S. Supreme Court Justice Elena Kagan

40th Anniversary



(TOP ROW) Left to right: Victor Maddox, LSC Board member; Tony West, former Associate U.S. Attorney General
(MIDDLE ROW) Left to right: Tony West, former Associate U.S. Attorney General; Mark Filip, former U.S. Deputy Attorney General; Lisa Madigan, Illinois Attorney General; Greg Zoeller, Indiana Attorney General; The Rev. Pius Pietrzyk, LSC Board member; Victor Maddox, LSC Board member
(BOTTOM ROW) Mark Filip, former U.S. Deputy Attorney General

Although speakers and panels explored a variety of topics, there was general agreement across the board and the political spectrum that equal access to justice is a core American value that must be preserved. As Hillary Clinton, LSC's second Board Chair, observed:

"Guaranteeing legal services for all Americans makes us a better country and a fairer country. It helps by empowering people to solve those problems and it helps to level the playing field. It is not just a fair shot at the justice system, but it is a fair shot at the American dream."

Justice Antonin Scalia echoed that theme in his remarks:

"The American ideal is not for some justice, it is as the Pledge of Allegiance says, 'Liberty and justice for all,' or as the Supreme Court pediment has it, 'equal justice.' I've always thought that's somewhat redundant. Can there be justice if it is not equal? Can there be a just society when some do not have justice? Equality, equal treatment is perhaps the most fundamental element of justice."

The event was intended in part to raise public awareness of the justice gap and ways to narrow it, which Texas Supreme Court Chief Justice Nathan Hecht said was crucial:

40th Anniversary



“We hope that justice has few enemies. Most of what we struggle with, I don’t think is opposition to justice, but ignorance of what is going on. It is important for us in our communications with legislators, who provide public support, and others to put a face on the problem. To say, as specifically as we can, this is what we are doing, these are the lives who were changed, this is why a difference is being made.”

Speakers from both sides of the aisle noted that the creation of LSC was a bipartisan effort. “When LSC was created and started, it was never a partisan division,” said Maryland Senator Ben Cardin. “It wasn’t even a philosophical division in our country over the basic core value of America, our rule of law and justice.”

President George W. Bush’s former White House Counsel and Locke Lord partner Harriet Miers said LSC deserves bipartisan support now:

“We’ve seen a dramatic turnaround—I hope you have—in the views of some who used to be opposed to legal services, but now because they have heard from and been approached by people that they trust, that they respect and admire, their views have changed. Legal Services, as we know, deserves non-partisan and bipartisan support because it has proven itself, and LSC is consistent with the principles upon which this country was founded.”

The participation of CEOs such as David Rubenstein of the Carlyle Group, Ken Frazier of Merck, and Arne Sorenson of Marriott International



(TOP ROW) Gloria Valencia-Weber, LSC Board member
(MIDDLE ROW) Panel: “Current Congressional Climate.” Left to right: Carol Bergman (Moderator), Director of Government Relations and Public Affairs, LSC; Tom Culligan, former Legislative Director, Rep. Frank Wolf (R-VA); Norberto Salinas, Minority Counsel, House Judiciary Committee; Shannon Hines,

Minority Clerk, Senate Appropriations Commerce, Science, and Justice Subcommittee; Stacy Cline Amin, Minority Counsel, Senate Committee on Health, Education, Labor, & Pensions
(BOTTOM ROW) Left to right: Tom Culligan, former Legislative Director, Rep. Frank Wolf (R-VA); Norberto Salinas, Minority Counsel, House Judiciary Committee

40th Anniversary

pushed the discussion into the world of business, but even here, the importance of equal access to American society was noted:

“Alexander Hamilton said the first duty of society is justice,” said Frazier. “And when we begin to lose the values that have quintessentially defined us as Americans, and if we have to resort simply to economic arguments as to why our fellow citizens deserve justice, I think we’re going to have given up something very important.”



(TOP ROW) Panel: “Stimulating Innovation to Increase Access to Justice.” Left to right: David Stern (Moderator), Executive Director, Equal Justice Works; Martha Bergmark, Executive Director, Voices for Civil Justice; Alex Gulotta, Executive Director, Bay Area Legal Aid; Bonnie Rose Hough, Managing Attorney, The Judicial Council of California; Alison Paul, Executive Director, Montana Legal Services Association; Ed Marks, Executive Director, New Mexico Legal Aid
(SECOND ROW) Left to right: David Stern (Moderator), Executive Director, Equal Justice Works; Martha Bergmark, Executive Director, Voices for Civil Justice
(THIRD ROW) Panel: “Expanding and Diversifying Sources of Funding.” Left to right: Jim Sandman (Moderator), LSC President; Michael Brown, Co-founder and CEO, City Year; Steve Gottlieb, Executive Director, Atlanta Legal Aid Society; Mary McClymont, President, Public Welfare Foundation; Karen Lash, Senior Counsel, U.S. Department of Justice Access to Justice Initiative/Legal Aid Interagency Roundtable; Betty Torres, Executive Director, Texas Access to Justice Foundation
(BOTTOM ROW) Left to right: Michael Brown, Co-founder and CEO, City Year; Karen Lash, Senior Counsel, Department of Justice Access to Justice Initiative/Legal Aid Interagency Roundtable



Putting this core American value and LSC's mission to advance it in perspective was a panel of clients from around the country who spoke to the importance of civil legal aid in their lives:

"I would like to thank Legal Services Corporation and Cleveland Legal Aid Society for all of their work, because, really, without either one of those organizations I wouldn't have had all the opportunities I've had in the last few years," said Ilah Adkins, a former client who became a lawyer and board president of the Legal Aid Society of Cleveland. "Time stopped, everything stopped. And in that moment, I knew, somehow, for the first time, everything was gonna be alright. That's the magic of these programs, folks. You guys deliver that moment of clarity for people like me when we've never had it, we don't know what it is until it happens in your office. That moment of clarity is powerful. And your ability to deliver that to people every day should not be forgotten."

Panel: "Non-Profit Leadership in Challenging Times."

(TOP ROW) Left to right: Julie Reiskin, LSC Board member; Rhodia Thomas, Executive Director, MidPenn Legal Services
(MIDDLE ROW) Left to right: The Rev. Pius Pietrzyk (Moderator), LSC Board member; Lindsey Buss, Senior Officer for Community Outreach, World Bank, former President and CEO, Martha's Table; Julie Reiskin, LSC Board Member; Rhodia Thomas, Executive Director, MidPenn Legal Services
(BOTTOM ROW) Left to right: The Rev. Pius Pietrzyk (Moderator), LSC Board member; Lindsey Buss, Senior Officer for Community Outreach, World Bank, former President and CEO, Martha's Table



40th Anniversary

New York Event Marks Anniversary

A month later in New York City LSC continued the commemoration of the 40th Anniversary with an event featuring Congressman Jerry Nadler (NY-10th), CBS Vice Chair Shari Redstone, New York University School of Law Dean Trevor Morrison, then-Cardozo Law School Dean Matthew Diller, and CUNY School of Law Dean Michelle Anderson.

They joined leaders from legal aid organizations, law firms, and corporations to discuss ways to increase pro bono services and access to justice in their communities.

LSC Board Chair Levi provided welcoming remarks at the event at Debevoise & Plimpton. American Bar Association immediate Past President James Silkenat and Deputy Chief Administrative Judge for New York City Courts Justice Fern Fisher also spoke.

LSC President Jim Sandman moderated a panel on pro bono partnerships in New York City, including:

- Lillian Moy, Executive Director of the Legal Aid Society of Northeastern New York and Dan Hurteau of Nixon Peabody LLP, on partnering with lawyers at General Electric's Research Center to provide full representation to low-income clients;
- Raun Rasmussen, Executive Director of Legal Services NYC and Rossalyn Quaye of Consolidated Edison Company of New York (Con Edison), on working together to pair low-income veterans who are unable to repay their student loans with pro bono attorneys at Con Edison who help secure debt relief; and



(TOP ROW) Panel: "Pro Bono Partnerships in New York." Left to right: LSC President Jim Sandman (Moderator); Raun Rasmussen, Executive Director, Legal Services NYC; Rossalyn Quaye, Consolidated Edison Company of New York; John McEntee, Farrell Fritz; Jeff Seigel, Nassau/Suffolk Law Services Committee; Dan Hurteau, Nixon Peabody LLP; Lillian Moy, Executive Director, Legal Aid Society of Northeastern New York

(BOTTOM ROW, LEFT) U.S. Congressman Jerry Nadler (NY), Ranking Member of the House Judiciary Subcommittee on Courts, Intellectual Property, and the Internet
(BOTTOM ROW, RIGHT): Panel: "Importance of Access to Justice to American Businesses." Left to right: Dean Martha Minow, Harvard Law School, and LSC Board Vice Chair (Moderator); Shari Redstone, CBS Vice Chair; Randal S. Milch, Executive Vice President and General Counsel, Verizon

- Jeff Seigel, Executive Director of Nassau/Suffolk Law Services Committee and John McEntee of Farrell Fritz, on collaboratively staffing the Volunteer Lawyers Project and Attorney of the Day bi-weekly programs, which provide representation to approximately 1000 clients per year.

Following the discussion, Congressman Nadler, Ranking Member of the House Judiciary Subcommittee on Courts, Intellectual Property, and the Internet, provided remarks.

LSC Board Vice Chair Martha Minow moderated a dialogue on the Importance of Access to Justice to

American Businesses, featuring Redstone and Randal S. Milch, Executive Vice President and General Counsel for Verizon.

As Redstone put it, access to justice and the rule of law are essential to business:

"Why does business care about the rule of law? We care because it matters to society. This is something that is so critical if we're going to have an effectively functioning world. Because if we don't have equal access [to justice], we don't have justice.... If there's not the perception of justice (whether it exists or not), there is chaos. How can businesses thrive in the midst of chaos?"

40th Anniversary



40TH Anniversary LSC

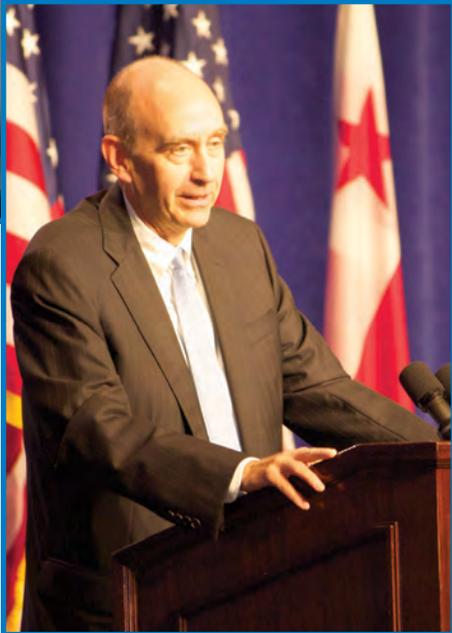
The 40th Anniversary Campaign for Justice

In addition to public events, LSC marked this milestone year by launching a 40th anniversary campaign to fund projects and programs that extend the work of civil legal aid providers across the country. The campaign focused on expanding access to justice through technology, fellowships, leadership development, research, and public engagement.

Technology: The 40th Anniversary Campaign for Justice is raising funds to build on and expand the technological innovations that LSC has fostered over the last 20 years to improve access to civil legal assistance through integrated service delivery platforms, expanding LSC's technology innovation funds, and innovation replication.

Fellowships: LSC plans to launch and support three fellowship programs: a year-long program for 25 law school graduates to work in a civil legal aid program; a rural legal summer corps for law students to expand legal services in remote areas; and an emeritus fellows program that will support the growth of pro bono engagement in civil legal aid.

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(TOP ROW) Left to right: Laurie Mikva, LSC Board member; Harriett Miers, former White House Counsel
(MIDDLE ROW) Left to right: W. Neil Eggleston, White House Counsel; Harriett Miers, former White House Counsel; Bob Bauer, former White House Counsel
(BOTTOM ROW) Left to right: W. Neil Eggleston, White House Counsel; Bob Bauer, former White House Counsel

LSC is grateful for all of our private funders who support new initiatives that extend and amplify the work of civil legal aid providers around the country, helping them keep America's promise of "Justice for All."



BARTLIT BECK HERMAN PALENCHAR & SCOTT LLP

KIRKLAND & ELLIS



Anonymous (2)
Apex Cooling & Heating LLC
Arnold & Porter Foundation
IV Ashton
Richard Austin
Barnes & Thornburg LLP
Helaine M. Barnett
Bartlit Beck Herman
Palenchar & Scott LLP
LaVeeda Battle
Donald Birnbaum
Scott J. Braden
Sharon L. Browne
Miriam Buhl
Estela Casas
Li-Sung Chang
The CIMA Companies, Inc.
Douglas J. Clark
Robert Cohen
Thomas Coogan
Cooley LLP
Covington & Burling LLP
Debevoise & Plimpton LLP

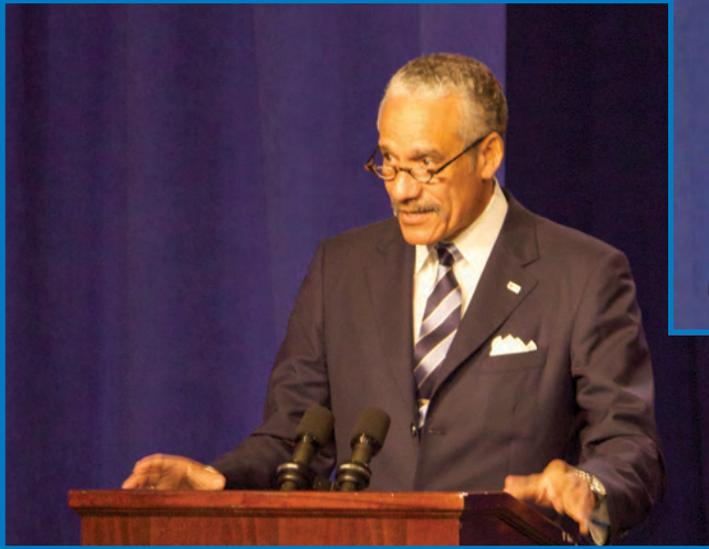
DirectLaw, Inc.
DLA Piper LLP (US)
Dorsey & Whitney LLP
Peter B. Edelman
John Eidleman
Fenwick & West LLP
Michael Figgins
Ronald and Patricia Flagg
Friends of the Legal Services
Corporation
Herbert Garten
Nancy J. Glickman
Charles Greenfield
Teresa Grosch and
Thomas Roberts
Reginald Haley
Robert Henley
George Hettrick
Traci L. Higgins
Hogan Lovells US LLP
Thomas J. Holgate
The Home Depot, Inc.

The Horner Family
Foundation
Hunton & Williams LLP
Eileen Husselbaugh
Jenner & Block LLP
Earl Johnson
Marian Johnston
Jones Day Foundation
Nalani Kaina
Lori Kaufman
Kaye Scholer LLP
Charles Keckler
Christopher Kennedy
Priscilla Kersten
Kirkland & Ellis Foundation
Linda Klein
Andrea Kott
Carl Kustell
Janet LaBella
Christine Larson
Latham & Watkins LLP
Max Laun

The Laurence H. Tribe
Charitable Foundation, Inc.
Legal Files Software, Inc.
John Levi
Stephanie Lin
Lowenstein Sandler LLP
Victor Maddox
Alicia Magnifico
Peter Malloy
William Marple
Craig Martin
Virginia Martin
Douglas R. Marvin
Shila Mashhadishafe
Mayer Brown LLP
McDonald's
Joyce A. and Christopher
M. McGee
James and Frances
G. McGlothlin Foundation
Microsoft
Laura Mikva

Martha Minow
Andrew Nason
David B. Neumeyer and
Mary V. Barney
Mytrang Nguyen
Robert Oakley
Michael O'Connor
Benjamin Patterson
Perkins Coie LLP
Father Pius Pietrzyk
Atitaya C. Pratoomtong
PS Technologies, Inc.
Robert V. and Karen
S. Racunas
Lora M. Rath
Mark Recktenwald
Joan Reiskin
Julie Reiskin
Rebecca Reyhani
Jane Ribadeneyra
James Sandman
Donald Saunders

Sidley Austin LLP
Skadden, Arps, Slate,
Meagher & Flom LLP
Leo Stanger
The Steptoe Foundation
The Elaine and Allan
Tanenbaum Family
Philanthropic Fund
Thomas J. Murray &
Associates
Tyler Technologies, Inc.
Gloria Valencia-Weber
Monika Varma
Venable Foundation, Inc.
Rebecca Weir
Joseph Wheeler
Williams & Connolly LLP
Wilmer Cutler Pickering Hale
and Dorr LLP
Wilson Sonsini Goodrich &
Rosati Foundation
YUM! Brands, Inc.



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Leadership Development: Eighty percent of the executive directors of LSC-funded civil legal aid programs have more than 30 years experience, and many will retire in the coming years. LSC is offering training and leadership development opportunities for new and emerging leaders in nonprofit management, compliance, fiscal management, and grants management.

Research and Public Engagement: The Campaign for Justice capitalizes on LSC's role as a national convener by raising awareness of the crisis in civil legal aid with new audiences and partners through national and regional meetings and conferences. In addition, as the largest network of civil legal aid providers in the country, LSC is championing research into the justice gap, technology, and evaluation to expand access and to make investments that are strategic and data-driven.



Presentations: "Rethinking Legal Aid."
(TOP ROW) Left to right: Robert Grey Jr. (Moderator), LSC Board member; Professor Ronald Staudt, IIT Chicago-Kent College of Law; Lisa Colpoys, CEO, Illinois Legal Aid Online
(MIDDLE ROW) Left to right: Lisa Colpoys, CEO, Illinois Legal Aid Online; Professor Ronald Staudt, IIT Chicago-Kent College of Law; Professor Scott Cummings, UCLA Law; Professor Deborah Rhode, Stanford Law School
(BOTTOM ROW) Left to right: Professor David Wilkins, Harvard Law School; Professor Scott Cummings, UCLA Law; Professor Deborah Rhode, Stanford Law School



Disaster Response Grants

The Campaign for Justice also addressed other needs, and through LSC's Midwest Legal Disaster Coordination Fund awarded Iowa Legal Aid and Legal Aid of Nebraska grants to support projects that develop coordinated plans between disaster preparedness organizations and legal service providers in the Midwest.

These grants, funded by a private donor, are intended to help the legal aid organizations address the need for civil legal aid in the aftermath of natural and manmade disasters and integrate a legal component for low-income individuals into statewide disaster preparedness plans.

Panel: "Importance of Access to Justice to American Businesses."

(TOP ROW) Left to right: Martha Minow (Moderator), LSC Board Vice Chair; Maria Contreras-Sweet, Administrator, US Small Business Administration; Kenneth Frazier, CEO, Merck; David Rubenstein, CEO, The Carlyle Group; Arne Sorenson, CEO, Marriott International

(BOTTOM ROW) Left to right: David Rubenstein, CEO, The Carlyle Group; Kenneth Frazier, CEO, Merck

40th Anniversary

“Disaster survivors can face years of legal repercussions. They may need help replacing legal identification papers, applying for disaster benefits, and dealing with insurance claim issues,” said LSC President Jim Sandman. “In addition, survivors often face a variety of legal issues involving their housing – from preventing unlawful evictions and foreclosures to combating contractor scams.”



The 2014 Midwest Legal/Disaster Coordination Fund grants supported the following projects:

Iowa Legal Aid - \$367,700 (20 months)

Using its extensive experience in disaster recovery, Iowa Legal Aid will develop mobile technology to help disaster survivors better reach legal aid programs after a disaster occurs. Iowa Legal Aid will partner with Pro Bono Net to adapt its mobile template for an application that provides disaster-related resources to clients and attorneys. In addition, Iowa Legal Aid will create a multi-component toolkit for use by other

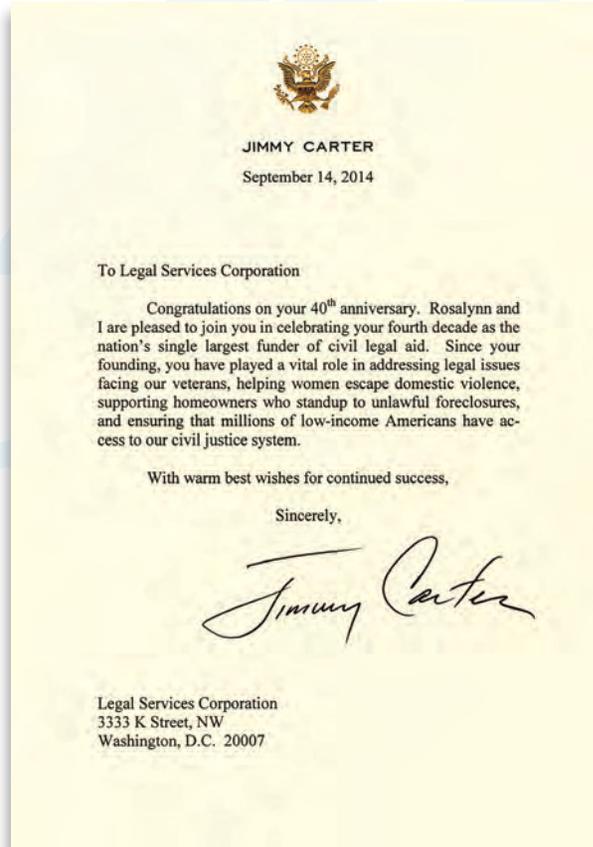
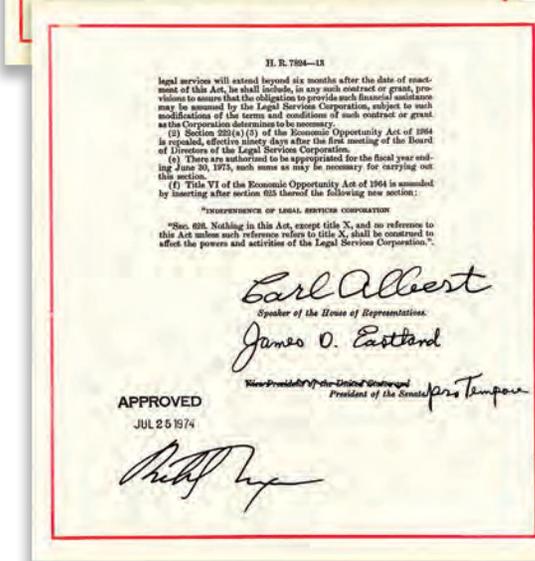
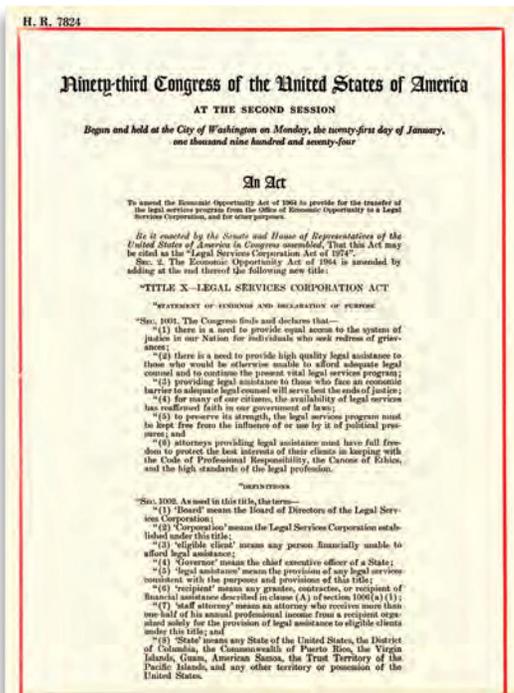
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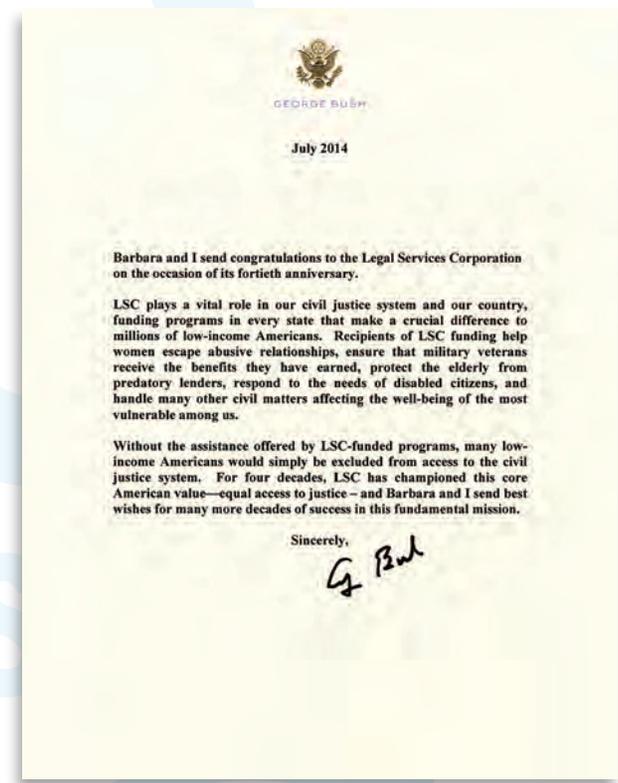
Panel: “The Role of Corporate Counsel in Expanding Access to Justice.”

(TOP ROW) Left to right: Lucy Lee Helm, Executive Vice President, General Counsel, and Secretary, Starbucks; Ivan Fong, Senior Vice President and General Counsel, 3M
(MIDDLE ROW) Left to right: Ronald Flagg (Moderator), Vice President Legal Affairs, General Counsel, Corporate Secretary, LSC; Darryl Bradford, Senior Vice President and General Counsel, Exelon; Mark Chandler, Senior Vice President, General Counsel, Secretary, and Chief Compliance Officer, Cisco; Brackett Denniston, Senior Vice President and General Counsel, General Electric; Lucy Lee Helm, Executive Vice President, General Counsel, and Secretary, Starbucks; Max Laun, Vice President and General Counsel, Alcoa; Ivan Fong, Senior Vice President and General Counsel, 3M
(BOTTOM ROW) Mark Chandler, Senior Vice President, General Counsel, Secretary, and Chief Compliance Officer, Cisco

40th Anniversary: Presidential Letters of Commendation

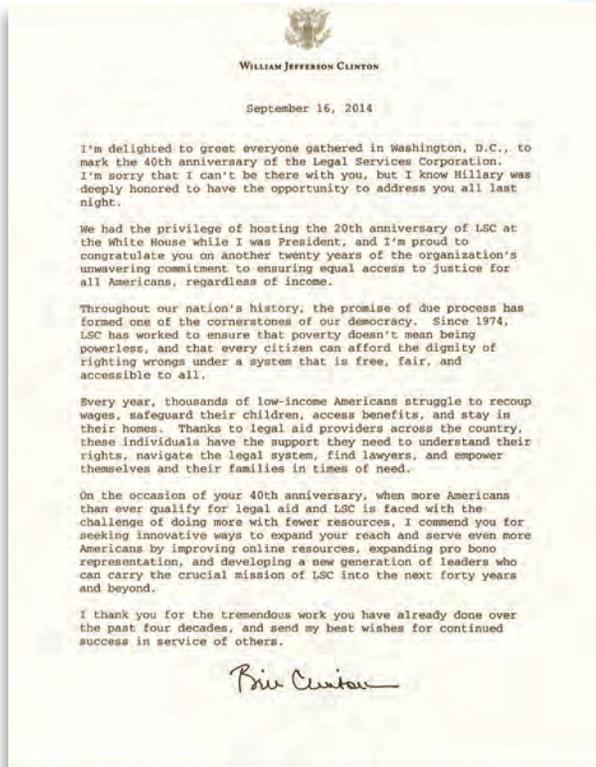


Jimmy Carter, 39th President of the United States

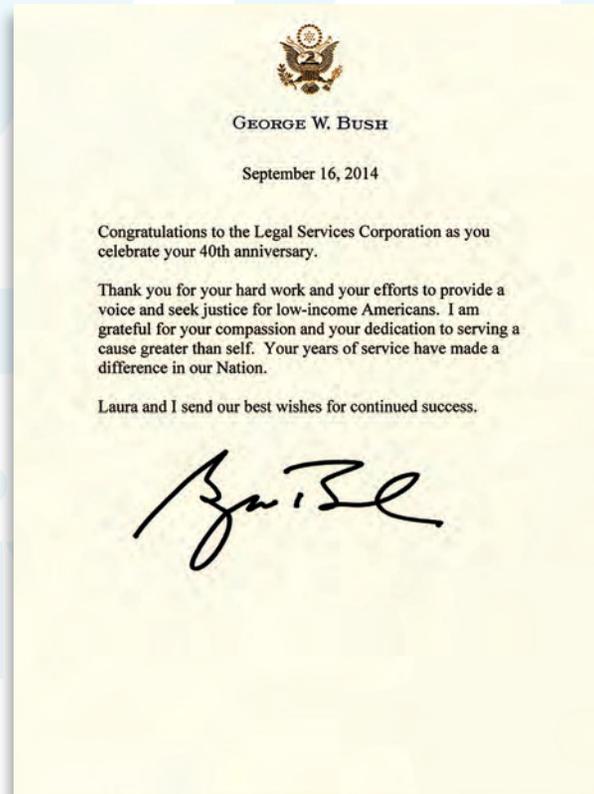


George H.W. Bush, 41st President of the United States

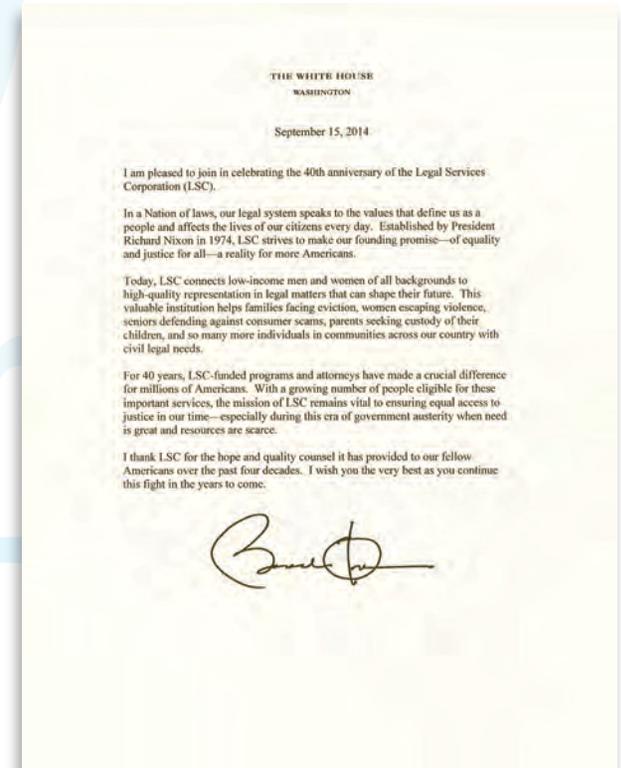
Presidents



William J. Clinton, 42nd President of the United States



George W. Bush, 43rd President of the United States



Barack H. Obama, 44th President of the United States

of Both Parties Commend LSC on Its 40th Anniversary

40th Anniversary

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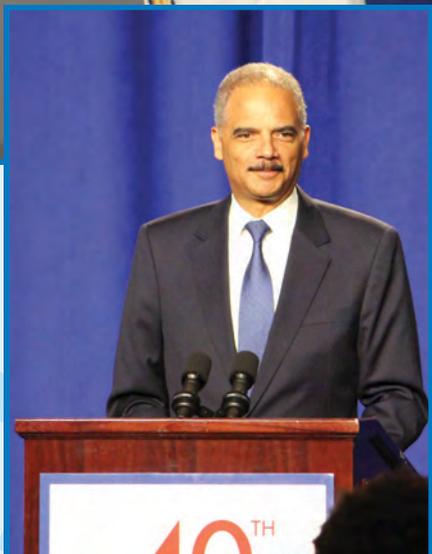
legal aid organizations across the country. The toolkit will help legal aid programs prepare in advance for the legal responses often needed after disasters and provide best practices for responding to a disaster, including assisting with long-term recovery. The project will help legal aid grantees cultivate relationships with their statewide disaster recovery community and develop training materials for legal and non-legal disaster responders.

Legal Aid of Nebraska - \$400,000 (20 months)

Legal Aid of Nebraska will create an interactive web portal and a statewide legal disaster response training program for attorneys and other stakeholders to better prepare Nebraskans to access free legal services when disaster strikes. Legal Aid of Nebraska will host disaster preparedness workshops throughout the state, and work closely with local pro bono attorneys to provide free onsite legal aid services to disaster victims in afflicted areas. Legal Aid of Nebraska will also leverage its experience with automated forms preparation and online guidance for people without legal representation to be replicated in other regions. ■



(TOP) Honorable Abner Mivka, former U.S. Representative, federal judge, and White House Counsel
(MIDDLE) Vice President Joe Biden
(BOTTOM) former U.S. Attorney General Eric Holder



40th Anniversary

(TOP) The Urban Youth Choir of DC
(MIDDLE) Executive directors of LSC-funded legal aid programs
(BOTTOM) Executive directors who have served their LSC-funded legal aid organizations for 40 years or more received special recognition at the LSC 40th Anniversary Conference
Left to right: Steve Gottlieb, Executive Director, Atlanta Legal Aid Society; Greg Knoll, Executive Director, Legal Aid Society of San Diego; Neil Dudovitz, Executive Director, Neighborhood Legal Services of Los Angeles County; Jon Asher, Executive



40TH
Anniversary
LSC



Director, Colorado Legal Services; David Hall, Executive Director, Texas RioGrande Legal Aid, Inc.; Richard Austin, Executive Director, Legal Services of the Virgin Islands, Inc.; Ben Cole, Executive Director, North Mississippi Rural Legal Services, Inc.; Robert V. Racunas, Executive Director, Neighborhood Legal Services of Pennsylvania; Wilhelm H. Joseph Jr., Executive Director, Legal Aid Bureau Inc.; Bob Cohen, Executive Director, Legal Aid Society of Orange County, Inc.



Pro Bono Innovation Fund Bolsters LSC's Support for Private Bar Efforts

The inauguration of LSC's Pro Bono Innovation Fund in 2014 enhanced LSC's efforts to promote and expand pro bono service by the private bar. Congress appropriated \$2.5 million for the fund in FY 2014, allowing LSC to implement a new competitive grant program modeled on the successful Technology Initiative Grants program.

The first grant-making cycle of the Pro Bono Innovation Fund was extremely competitive, with substantial interest from LSC grantees and justice stakeholders. LSC received 79 applications from 41 states, and 58% of LSC's grantees submitted applications or were involved as partners in proposed projects totaling more than \$15 million.

The applications reflected important trends and challenges for legal services organizations and the pro bono delivery system. They included:

- Rural delivery and remote access. 43% of the applications sought to improve access for rural clients.
- Technology to expand services and efficiency. 34% sought to expand services, streamline volunteer management, or improve access to of legal information or volunteer opportunities using technology.

- Leveraging partnerships. Applicants proposed to collaborate with partners to reach more clients, target special populations, and recruit new volunteers to pro bono service. Partners include large law firms, corporate legal departments, law schools, state courts, bar associations, state Access to Justice Commissions, community service providers, and health care providers.

LSC awarded 11 grants to support innovative and collaborative projects.

Other Pro Bono Efforts

Although pro bono volunteers cannot replace the work of legal aid lawyers, many of whom are subject-matter experts, the private bar continues to be

Pro Bono

2014 PBIF Grants		
State	Pro Bono Innovation Grant	Project Description
CA	\$309,451	Legal Aid Foundation of Los Angeles, Neighborhood Legal Services of Los Angeles and OneJustice will collaborate to develop the California Pro Bono Training Institute, a statewide online forum of “universal” substantive trainings that will provide legal services organizations and pro bono attorneys with high quality, engaging, on-demand CLE trainings.
CO	\$173,808	Colorado Legal Services will collaborate with the Colorado Bar Association to develop and test different technologies and clinic structures to identify the most effective ways to replicate metropolitan-area pro bono clinics in isolated, rural parts of the state.
GA	\$212,837	Atlanta Legal Aid Society will use pro bono attorneys to make follow-up contact with clients and provide additional brief services, which is proven to significantly improve client outcomes.
IL	\$158,815	Prairie State Legal Services will better serve the legal needs of single parents using volunteer attorneys from the “collar counties” surrounding Chicago to provide legal information, advice, and brief services on family law issues. PLSL will collaborate with Illinois Legal Aid Online to leverage online recruitment and intake and will develop on-demand e-learning modules that can be used by pro bono attorneys throughout the state.
MA	\$158,045	The Volunteer Lawyers Project of the Boston Bar Association will test and prototype “pop-up” clinics, a customized virtual law firm platform, and cost-effective videoconferencing to allow pro bono bankruptcy volunteers in Boston to train and mentor pro bono attorneys in parts of the state where there are no pro bono bankruptcy attorneys available.
MD	\$265,464	Maryland Legal Aid will establish a single, statewide Veterans Hotline, staffed by qualified pro bono attorneys who will be recruited and trained throughout the state to effectively and efficiently meet the needs of Maryland’s veteran population.
MT	\$141,087	Montana Legal Services Association’s project will address the challenges to statewide pro bono service delivery by targeting the barriers for the solo practitioners, small firms, government attorneys, law students, and paralegals. It will also develop a statewide limited-scope technology platform for these volunteers.
NY	\$314,068	In response to Chief Judge Jonathan Lippman’s two major pro bono initiatives, the six LSC grantees in New York State are partnering to create a new pro bono practice group to coordinate pro bono opportunities among their 33 offices and nine area law schools, including the Feerick Center for Social Justice and Dispute Resolution at Fordham University School of Law which staffs the Attorney Emeritus Program for the Office of Court Administration.
PA	\$240,305	Philadelphia Legal Assistance Center’s project will use the network of existing neighborhood public health centers to create a pro bono law student-driven Medical Legal Community Partnership that will improve access to comprehensive, coordinated health and legal care that promotes the well-being of underserved low-income families and individuals.
UT	\$190,000	Utah Legal Services is partnering with the Self-Help Center of the Utah State Courts, local Utah State Bar Pro Bono Committees, Timpanogos Legal Center, and volunteer law students and attorneys to provide a continuum of service for clients representing themselves in family law matters in rural areas in Utah. These organizations will expand their collaboration by creating an online meeting and document sharing platform that connects clients with on-call volunteer attorneys.
WA	\$211,120	Northwest Justice Project plans to systematically increase the levels of extended services provided to low-income clients by pro bono attorneys by developing a comprehensive set of resources to support volunteer lawyers in providing significant assistance beyond advice or limited action.



Executive directors representing recipients of the 2014 Pro Bono Innovation Fund are recognized during the LSC 40th Anniversary Conference.

a critical resource in addressing the civil legal needs of the low-income community. Private practitioners, in-house corporate counsel, retired lawyers, law students, and paralegals are eager to assist by donating their time.

Every LSC grantee is required to spend an amount equal to 12.5% of its basic field grant to involve private attorneys in the delivery of civil legal assistance to eligible clients. In 2014, pro bono cases represented 12.8% of all cases closed—the largest number in

LSC's history. LSC has worked diligently to expand pro bono services by implementing the recommendations of the LSC Board of Directors' Pro Bono Task Force, which issued a report in 2012. LSC has:

- Published a new Private Attorney Involvement (PAI) regulation in the Federal Register that became effective in November 2014.
- Developed a new pro bono toolkit web page that includes approximately 40 examples of best practices.

(OPPOSITE, TOP LEFT) Left to right: Texas 2014 Pro Bono Award Reception: Richard L. Tate, Partner, Tate, Moerer & King L.L.C., Chair, Texas Access to Justice Foundation; Eduardo V. Rodriguez, Managing Attorney, Malaise Law Firm, pro bono volunteer, Texas RioGrande Legal Aid; Bruce Moseley, attorney, program director, Paralegal Studies at Amarillo College, pro bono volunteer, Legal Aid of Northwest Texas; Jane S. Shin, sole practitioner; Christopher V. Bacon, Counsel, Vinson & Elkins; Sally L. Crawford, partner and public service coordinator, Jones Day

(OPPOSITE, TOP RIGHT) Left to right: Iowa 2014 Pro Bono Award Reception: John Levi, LSC Board Chairman; Tim Tripp, attorney, Tripp, P.C., pro bono volunteer, Iowa Legal Aid; Brian Peters, attorney, Kintzinger Law Firm PLC, pro bono volunteer, Iowa Legal Aid; Steve Jackson, attorney, Lynch Dallas P.C., pro bono volunteer, Iowa Legal Aid; Scott M. Brennan, accepting on behalf of the Davis Brown law firm; and Jim Sandman, LSC President. (Not Pictured: Tommy Lynn Miller, retired attorney, Iowa Legal Aid, pro bono volunteer, HELP Legal Assistance.)

Pro Bono



(BOTTOM) Left to right: 2014 New York Pro Bono Award Reception: Glenn Lau-Kee, New York State Bar Association President, Event Speaker; Jim Sandman, LSC President; Joshua Feinstein, Partner, Hodgson Russ LLP (accepting on behalf of Hodgson Russ LLP and Kevin Kearney, Partner); Philip Smith, Litigation Partner, Seyfarth Shaw LLP; Kurt Bratten, Partner, O'Connell and Aronowitz (accepting on behalf of O'Connell and Aronowitz); Rep. Paul Tonko (NY-20th), Event Speaker; Sarah L. Prutzman, Associate, Morrison & Foerster LLP (accepting on behalf of Morrison & Foerster LLP); Matt D'Amore, Partner, Morrison & Foerster LLP (accepting on behalf of Morrison & Foerster LLP); Hugh C. Humphreys, retired Madison County judge; John Levi, LSC Board Chairman. (Not Pictured: Leah Belfort, Frank Beretta, Evelyn Kalenscher, Kevin Kearney.)

- Compiled a state-by-state inventory of rules to foster and promote pro bono participation.
- In conjunction with LSC's 40th Anniversary, initiated a campaign to raise private funds to help LSC launch several fellowship programs, including a one-year program for senior or emeritus attorneys to support bono programs at LSC grantees.

The LSC Board of Directors also continued its tradition of recognizing exemplary pro bono work done for clients of LSC-funded legal aid programs by awarding LSC Pro Bono Service awards at its three quarterly Board Meetings held outside Washington, D.C.

In 2014, lawyers in Texas, Iowa and New York were recognized. ■



40TH
Anniversary
LSC
« LOOKING BACK »

PRO BONO

NOVEMBER 26, 1985
LSC promulgated new Private Attorney Involvement regulation, which requires grantees to expend an amount equivalent to 12.5% of their basic field grants to encourage the involvement of private attorneys in the delivery of legal assistance to eligible clients. The regulation prescribes activities that can be counted as meeting the PAI requirement.

AUGUST 1, 2011
LSC Board Chair John G. Levi announced the membership of the Pro Bono Task Force, created by the Board to consider how to increase pro bono involvement by all lawyers. The Pro Bono Task Force included more than 60 distinguished leaders and experts from the judiciary, major corporations, private practice, law schools, the federal government, and the legal aid community.

OCTOBER 2, 2012
LSC released the "Report of the Pro Bono Task Force" at the U.S. Capitol Visitor Center in Washington, D.C.



April 8, 2014

WWW.WHITEHOUSE.GOV



Promoting Equal Justice at White House and Judicial Forums

In 2014, LSC continued to promote a national conversation on strengthening legal aid and improving access to justice for low-income Americans.

LSC co-hosted its third White House forum in April to discuss ways to increase access to justice, expand pro bono opportunities, spread technological innovation, and examine other matters of importance to the legal aid community.

The forum featured United States Solicitor General Donald Verrilli, Associate Attorney General Tony West,

White House Counsel Kathryn Ruemmler, and other leaders of the legal community.

Tina Tchen, Chief of Staff to the First Lady; James Silkenat, ABA President; and Glenn Rawdon, LSC Program Counsel, also spoke at the event.

In his opening remarks, LSC Board Chairman John G. Levi discussed the challenges facing civil legal aid and identified an important objective for LSC and its grantees: “Our goal, quite simply, is to provide all low-income Americans some form of effective assistance with

Judicial Forums

essential civil legal needs.”

Associate Attorney General West announced the launch of the “Legal Aid Interagency Roundtable Toolkit,” an online guide explaining how civil legal services can enhance federal strategies for serving vulnerable and underserved populations.

Rawdon, a specialist in technology issues at LSC, discussed ways technology can improve the delivery of civil legal assistance in a speech that Richard Zorza, former coordinator of the national Self Represented Litigation Network, called “visionary.”

Drawing from LSC’s “Report of the Summit on the Use of Technology to Expand Access to Justice,” Rawdon discussed the main components of a strat-

egy to make optimal use of technology as a tool for access to justice.

LSC President Jim Sandman moderated a wide-ranging panel discussion on successful public-private partnerships with LSC grantees.

Panelists included: Sylvia A. Ayler, Director, Merck Office of General Counsel, Merck Sharp & Dohme Corporation; Catherine Weiss, Partner & Chair, Lowenstein Center for the Public Interest at Lowenstein Sandler; Diane K. Smith, Executive Director, Legal Services of Northwest Jersey, Inc.; Jessie R. Nicholson, Chief Executive Officer, Southern Minnesota Regional Legal Services, Inc.; Brett J. Strand, Counsel, Office of the General Counsel,

3M Company; Anne Geraghty Helms, Director and Pro Bono Counsel, DLA Piper; and Diana C. White, Executive Director, LAF (formerly Legal Assistance Foundation of Metropolitan Chicago).

Similar forums featuring judges, lawyers, and others in the legal aid community were held at LSC board meetings throughout the year.

In January, a panel of state jurists met in Austin, Texas to address the LSC Board and an audience of more than 100 attorneys, judges, and other access-to-justice leaders in a discussion on “The Importance of Access to Justice to the Judiciary.”

Texas Supreme Court Chief Justice Nathan Hecht, Judge Robin Green of the Arkansas Nineteenth West Judicial Circuit, Judge Priscilla Owen of the United States Court of Appeals for the 5th Circuit, Justice John Pelander of the Arizona Supreme Court, Judge Jay C. Zainey of the United States District Court for the Eastern District of Louisiana, and Justice Laurie D. Zelon of the California Court of Appeal, Second District sat on the judicial panel. Harvard Law School Dean Martha Minow, Vice Chair of the LSC Board, moderated the discussion.

A second panel featured a discussion among executive directors and lawyers from LSC grantees and others in the legal aid community on how technology innovations can facilitate access to justice.

Panelists included: Elliott Fontenette, Staff Attorney, Texas Legal Services Center; Sonia Lopez, Managing Attorney, Lone Star Legal Aid; Vince Morris, Director, Arkansas Legal Services Partnership, Arkansas Pro Bono Partnership; Alison Paul, Executive Director,



“White House Forum on Increasing Access to Justice.” (OPPOSITE) Left to right: Catherine Weiss, Partner & Chair, Lowenstein Center for the Public Interest at Lowenstein Sandler; Diane K. Smith, Executive Director, Legal Services of Northwest Jersey, Inc.; Sylvia A. Ayler, Director, Merck Office of General Counsel, Merck Sharp & Dohme Corporation; Jim Sandman, LSC President; Anne Geraghty Helms, Pro Bono Counsel, DLA Piper; Diana C. White, Executive Director, LAF (formerly Legal Assistance Foundation of Metropolitan Chicago); Brett J. Strand, Counsel, Office of the General Counsel, 3M Company; Jessie R. Nicholson, Chief Executive Officer, Southern Minnesota Regional Legal Services, Inc.

(ABOVE) John Levi, LSC Board Chairman; (middle) Donald B. Verrilli, Jr., Solicitor General of the United States; (right) Kathryn Ruemmler, former White House Counsel

Judicial Forums

Montana Legal Services Association; Glenn Rawdon, Program Counsel, LSC; and Diana C. White, Executive Director, LAF (Legal Aid Foundation of Metropolitan Chicago).

LSC President Jim Sandman moderated the panel, and former White House Counsel and Locke Lord Partner Harriet Miers spoke at a luncheon following the panels.

In July, Iowa Supreme Court Justice David Wiggins and Judge Robert W. Pratt of the U.S. District Court for the Southern District of Iowa joined five state supreme court justices at Drake Law School in Des Moines for panel discussions on civil legal aid.

LSC held the forum in conjunction with the Board of Directors' summer meeting.

Joining Justice Wiggins and Judge Pratt were North Dakota Supreme Court Justice Daniel J. Crothers, Illinois Supreme Court Justice Thomas L. Kilbride, Minnesota Supreme Court Justice David R. Stras, Missouri Supreme Court Judge Richard B. Teitelman, and Nebraska Supreme Court Justice John F. Wright.

LSC Board Vice Chair Martha Minow, Dean of Harvard Law School, moderated the panel.

A second panel examined the importance of community partnerships in delivering legal aid to low-income people, focusing on best practices to improve the delivery of holistic services.

Moderated by LSC President Jim Sandman, the panel included directors from three LSC-funded legal aid offices: Joan Boles of Bay Area Legal Services in Florida; Neal S. Dudovitz of Neighborhood Legal Services of Los Angeles County; and Dennis Groenenboom of Iowa Legal Aid. They were joined



“White House Forum on Increasing Access to Justice.”
(TOP) Left to right: Jim Sandman, LSC President; Tina Tchen, Assistant to the President of the United States and Chief of Staff for the First Lady
(MIDDLE) Left to right: Robert J. Grey, Jr., LSC Board member; James Silkenat, former president, American Bar Association
(BOTTOM) Glenn Rawdon, Program Counsel, LSC

by representatives of their community partners: Mindy Murphy, President & CEO of The Spring of Tampa Bay; Barbara Kamenir Siegel of the University of Southern California Gould School of Law; and Eric Tabor, Chief Deputy Attorney General for the Iowa Attorney General's office.

David Stern, Executive Director of Equal Justice Works, delivered the keynote speech at a luncheon following the panel discussions, with welcoming remarks from Alan O. Olson, Board President of Iowa Legal Aid.

In October, leading jurists from New York and Vermont gathered at the New York State Court of Appeals for a panel discussion on judicial initiatives to improve access to justice for low-income legal aid clients.

The discussion featured New York State Chief Judge Jonathan Lippman, Vermont Supreme Court Chief Justice Paul L. Reiber, and Deputy Chief Administrative Judge for New York City Courts Justice Fern Fisher.

A panel of state supreme court justices provided a congressional briefing in May for members and staff of the U.S. House of Representatives on the growing problem of unrepresented litigants.

“Litigants Without Lawyers: Equal Justice Under Threat in State Courts” featured Chief Justice Nathan Hecht of the Supreme Court of Texas and Justices Jess Dickinson of Mississippi, Janice Holder of Tennessee, and Carol Hunstein of Georgia. All four justices addressed the alarming spike in the number of litigants without lawyers and its impact on the court system. ■

Judicial Forums



CATHERINE WEISS
Lowenstein Sandler



THE WHITE HOUSE
WASHINGTON
April 8, 2014
WWW.WHITEHOUSE.GOV

SYLVIA A. AYLER
Merck Sharp & Dohme

JIM SANDMAN



ANNE G. HELMS
DLA Piper

DIANA C. WHITE
LAF of Chicago

White House Forum on Increasing Access to Justice. Panel: “Public-Private Partnerships.”
(LEFT) Left to right: Catherine Weiss, Partner & Chair, Lowenstein Center for the Public Interest at Lowenstein Sandler; Diane K. Smith, Executive Director, Legal Services of Northwest Jersey, Inc.

(CENTER) Left to right: Sylvia A. Ayler, Director, Merck Office of General Counsel, Merck Sharp & Dohme Corporation; Jim Sandman, LSC President
(RIGHT) Left to right: Anne Geraghty Helms, Pro Bono Counsel, DLA Piper; Diana C. White, Executive Director, LAF (formerly Legal Assistance Foundation of Metropolitan Chicago)



THE WHITE HOUSE
White House Forum
on Increasing Access to Justice
April 8, 2014
WWW.WHITEHOUSE.GOV



JESSIE NICHOLSON
Southern Minnesota Regional Legal Services, Inc.

(LEFT) Left to right: Catherine Weiss, Partner & Chair, Lowenstein Center for the Public Interest at Lowenstein Sandler; Diane K. Smith, Executive Director, Legal Services of Northwest Jersey, Inc.; Sylvia A. Ayler, Director, Merck Office of General Counsel, Merck Sharp & Dohme Corporation; Jim Sandman, LSC President; Anne Geraghty Helms, Pro Bono Counsel, DLA Piper; Diana C. White, Executive Director, LAF (formerly Legal Assistance

Foundation of Metropolitan Chicago); Brett J. Strand, Counsel, Office of the General Counsel, 3M Company; Jessie R. Nicholson, Chief Executive Officer, Southern Minnesota Regional Legal Services, Inc.
(RIGHT) Left to right: Brett J. Strand, Counsel, Office of the General Counsel, 3M Company; Jessie R. Nicholson, Chief Executive Officer, Southern Minnesota Regional Legal Services, Inc.

Judicial Forums



LSC Board of Directors Meeting - Austin, Texas. (LEFT) Left to right: Justice John Pelander, Arizona Supreme Court; Associate Justice Laurie Zelon, California Court of Appeals 2nd District; Jay Zainey, District Judge, Eastern District of Louisiana



(RIGHT) Left to right: Martha Minow, Harvard Law School Dean and LSC Board Vice Chair; Chief Justice Nathan Hecht, Supreme Court of Texas; Judge Robin Green, Arkansas Nineteenth West Judicial Circuit; Judge Priscilla Owen, United States Court of Appeals for the 5th Circuit



LSC Board of Directors Meeting - Des Moines, Iowa. (LEFT) Left to right: Judge Richard Teitelman, Supreme Court of Missouri; Justice John Wright, Nebraska Supreme Court; Judge Robert Pratt, U.S District Court Southern District of Iowa; Moderator Martha Minow, Harvard Law School Dean and LSC Board Vice Chair; Justice David Wiggins, Iowa Supreme Court; Justice Thomas Kilbride, Illinois Supreme Court; Justice Daniel Crothers, North Dakota Supreme Court; Justice David Stras, Minnesota Supreme Court
(RIGHT) Left to right: Justice David Wiggins, Iowa Supreme Court; Justice Thomas Kilbride, Illinois Supreme Court

Judicial Forums



LSC Board of Directors Meeting – Albany, New York.
(LEFT): LSC Board Chair John G. Levi
(RIGHT): “Judicial Initiatives to Improve Access to Justice.” **Left to right:** Chief Justice Paul Reiber, Vermont Supreme Court; former LSC President Helaine

Barnett; New York Court of Appeals Chief Judge Jonathan Lippman; Judge Fern Fisher, Director of the New York State Courts Access to Justice Program and Deputy Chief Administrative Judge for New York City Courts

House Briefing



“Litigants Without Lawyers.” (LEFT) **Left to right:** Chief Justice Nathan Hecht, Supreme Court of Texas; Justice Carol Hunstein, Supreme Court of Georgia; LSC President Jim Sandman



(RIGHT) **Left to right:** Justice Janice Holder, Tennessee Supreme Court; Justice Jess Dickinson, Supreme Court of Mississippi

Using Innovative Technology to Improve the Delivery of Civil Legal Aid

LSC continues to be a leader in the use of technology to expand access to justice and improve the delivery of civil legal aid.

In November, LSC launched the Technology Fellowship program, allowing employees of LSC grantees to apply for support to implement one of the five strategies from the LSC Technology Summit or to create new technology capacity for the grantee.

The LSC Technology Fellowship Program includes:

- A full scholarship to attend LSC's annual Technology Initiative Grants (TIG) Conference, as well as a special pre-conference session for fellows;
- A mentor from within the legal aid community to assist with implementation of the project;
- At least three webinars over the next year sponsored by the Legal Services National Technology Assistance Project to support the fellows' project implementation;
- A final project presentation at the 2015 National Legal Aid and Defender Association Conference or 2016 TIG Conference to showcase the projects.

LSC began coordinating with the NLADA Technology section in December to award the twelve fellowships.

LSC's 2013 "Report of the Summit on the Use of Technology to Expand Access to Justice" outlines a number of concrete recommendations exploring ways to provide all low-income Americans with "some form of effective assistance" with civil legal needs.

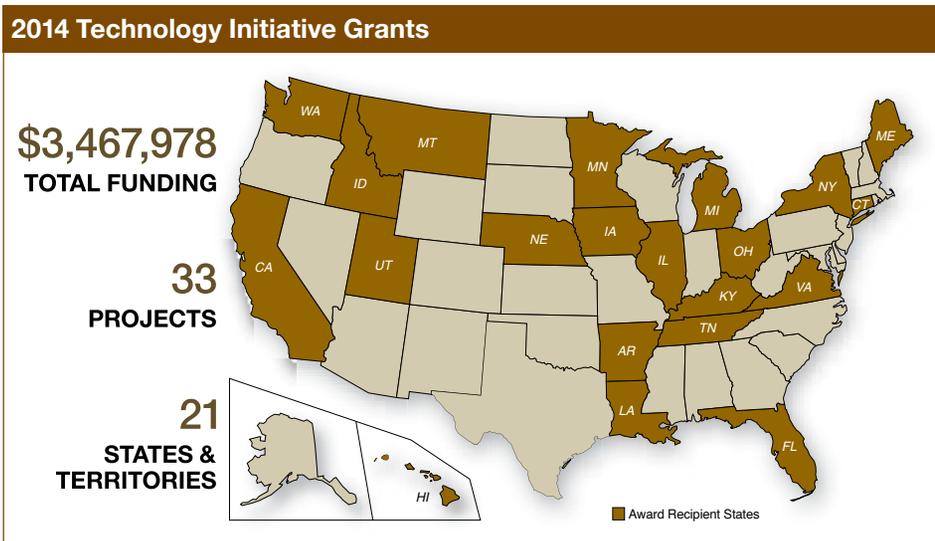
The strategy for achieving this includes five components:

- Creating unified "legal portals" in each state that direct persons needing legal assistance to the most appropriate form of assistance and guide them through the entire legal process via an automated "triage" process;
- Deploying sophisticated but easy-to-use document-assembly applications to support the creation of legal forms and documents by both legal services providers and self-represented litigants;
- Taking advantage of mobile technologies to reach more persons more effectively;
- Applying business process analyses to all access-to-justice processes to make them as efficient as practicable; and
- Developing "expert systems" and checklists to assist lawyers and other services providers.

In August, the ABA Journal used these components as the basis for a "Hackcess to Justice 2014" hackathon to challenge lawyers, law students, developers, and coders to devise technology-enabled solutions to access to justice issues. LSC President Jim Sandman spoke at the event, and LSC's Technology Program Counsel Glenn Rawdon was one of the hackathon's judges.

Technology Initiative Grants

LSC's Technology Initiative Grants program has played a major role in expanding access to justice.



Since its inception in 2000, TIG has funded 570 technology projects totaling more than \$46 million.

With this funding, LSC grantees have built a network of websites serving both attorneys and clients nationwide, developed easy-to-use online forms, incorporated video technology into service delivery, and enhanced support for pro bono lawyers.

In 2014, LSC awarded 38 grants to support a variety of initiatives, including user-friendly online tools for women veterans, mobile delivery of legal services for clients using text messaging, and video-conferencing technology that reaches low-income clients in rural areas.

TIG Conference

LSC has hosted an annual technology conference every year since 2000, bringing together LSC grantees and members of the technology com-

munity to explore effective uses of technology in legal aid and to cultivate project ideas that could lead to successful Technology Initiative Grants applications.

All recipients of Technology Initiative Grants are required to attend this conference. Session topics cover a range of issues, such as how the use of technology can enhance internal legal services operations, improve client service, address access issues, and effectively provide legal information to low-income people. Sessions also cover management of TIG projects, including reporting and evaluation requirements.

More than 200 people gathered in Jacksonville, Fla., in January for the 2014 TIG Conference.

Carla Goldstein, Associate General Counsel and Director of Strategic Initiatives for Bank of Montreal, discussed doing more with less during the opening plenary, focusing on both the private sector and legal assistance organizations. Attendees learned how to incorporate process improvement, standardization, and technology into law practice while still providing the necessary human touch for clients.

“Get Your Game On!: Using Games to Engage and Learn about Legal Services” highlighted two projects to develop games that empower lower-income people with civil legal knowledge on estate planning and mortgage foreclosure. Other sessions focused on cloud computing at legal aid law firms; using online instruction to increase access to justice for self-represented litigants; collaborating with public libraries; and remote service delivery using mobile technology, apps, Telelaw, and virtual law offices.

To access TIG Conference materials and session videos, go to <http://bit.ly/LSC-TIGCon14>. ■



TECHNOLOGY

SEPTEMBER 16-17, 1998

LSC co-sponsored the “Technology and the Future of Legal Services Conference” in Warrenton, Virginia. The conference identified emerging technology innovations that could revolutionize how low-income people in search of legal aid access vital information.

2000

LSC awarded its first Technology Initiative Grants (TIG) to legal aid organizations in 27 states, totaling \$4,149,765. The grants covered a range of technology projects, including early website development, video conferencing, and self-help resources.

JUNE 21, 2012

LSC convened “The Summit on the Use of Technology to Expand Access to Justice” in Silver Spring, Md., with a second session following seven months later in Jacksonville, Fla.

DECEMBER 30, 2013

LSC released the report of “The Summit on the Use of Technology to Expand Access to Justice,” presenting a number of recommendations to broaden and improve civil legal assistance through an integrated service-delivery system.

Technology

2014 TIG Grants (Total Funding \$3,467,978)

State	Grantee	Grant Amount	Grant Description
AR	Center for Arkansas Legal Services	\$81,400	Support the development of a mobile-compatible website, including content modification and technical enhancements to ensure that the site works across mobile devices. Upgrade statewide website to automatically provide users a more personalized, user-friendly experience.
CA	Bay Area Legal Aid	\$168,324	Use a cloud-based communication platform that sends and receives text messages—allowing staff to connect directly to clients to schedule appointments and send reminders. Automate manual tasks to allow pro bono attorneys, law students, and staff attorneys to more efficiently assist self-represented individuals in consumer law cases.
	Legal Aid Foundation of Los Angeles	\$24,069	Enhance client accessibility and program productivity by using videoconferencing technology to bridge geographic barriers among LAFLA's six offices, the LA Law Library, and other community libraries in the greater Los Angeles area.
	Legal Services of Northern California	\$88,650	Develop and improve the organization's case management software so that it integrates seamlessly with Google Apps. This will allow staff to search contents of a gmail message and any file attachments; access and manage client-specific Google Drive folders; and receive case-specific gmail notifications of time sensitive files.
CT	Statewide Legal Services of Connecticut	\$129,726	Develop an interactive online simulation to provide self-represented people a basic understanding of how to self-advocate in court and before regulatory agencies. Establish a national portal for legal aid organizations and law schools to build online trainings and share content.
FL	Legal Services of Greater Miami	\$104,756	Create a multi-program online intake system available in English, Spanish, and Creole. The system will integrate with FloridaLawHelp.org, which provides legal service providers' contact information and legal information including self-help information, forms and videos to assist low-income Floridians.
HI	Legal Aid Society of Hawaii	\$92,917	Create automated online court forms using HotDocs and A2J document assembly software and a series of videos in multi-languages on substantive law areas including housing, family and consumer law, and to provide information about the program's A2J document assembly project.
IA	Iowa Legal Aid	\$36,372	Implement a new live chat, real-time assistance technology platform that improves upon a variety of features in the existing LiveHelp platform used in ten states to help self-represented litigants navigate free web-based legal resources.
ID	Idaho Legal Aid Services, Inc.	\$35,487	Implement a text messaging keyword system to help pro se litigants quickly address problems that arise during their case. This will also include a text messaging appointment and court reminder system for ILAS and its clients to save staff resources and better serve program clients.
IL	Land of Lincoln Legal Assistance Foundation, Inc.	\$102,845	Develop a system, using SharePoint Online that will allow advocates across the program to collaborate and locate best practice resources and documents. The system will also pull relevant content from the Illinois Legal Aid Online statewide websites and incorporate workflows developed through ongoing business process analysis efforts.
	Legal Assistance Foundation	\$68,900	Improve the Illinois statewide website by leveraging strategic workflow design and innovative technology solutions developed through a partnership with business process analysis experts. New systems will ensure that the site content is updated in a timely, consistent, and comprehensive manner.
KY	Legal Aid Society	\$182,445	Create KY Justice Online, a web-based, tiered approach to pro bono assistance utilizing librarians and volunteer attorneys. Develop a secure, enterprise-level information management system through Microsoft SharePoint 2013 that will expand the organization's capacity to provide client services while improving case managers' efficiency and quality of work.
LA	Acadiana Legal Service Corporation	\$58,788	Develop a series of eight expert systems that will lead users to appropriate referral sources, relevant legal information, document assembly self-help forms, and application procedures for additional assistance.
	Southeast Louisiana Legal Services Corporation	\$31,400	Develop automated online forms and accompanying instructions to assist public libraries provide legal information in four substantive areas—expungement, modification of child support, custody by mandate, and small claims matters. The project includes trainings for librarians on the new system.
ME	Pine Tree Legal Assistance, Inc.	\$138,139	Develop new user-friendly tools specifically for women veterans on Stateside Legal, a national veteran's legal assistance website. Create web-based expert systems involving key legal issues associated with debt collection defense in Maine.

Technology

2014 TIG Grants (Total Funding \$3,467,978) *continued*

State	Grantee	Grant Amount	Grant Description
MI	Legal Aid of Western Michigan	\$81,400	Create an automated online intake system to expand services to clients in western Michigan, allowing clients to apply for services at any time through the web. The project team will also develop a new application that makes it easier for other programs across the country to set up their online application systems.
MN	Anishinabe Legal Services, Inc.	\$70,975	Automate 21 tribal court forms for self-represented litigants with civil matters to use before the Leech Lake and White Earth Band of Ojibwa Tribal Courts in northern Minnesota.
	Central Minnesota Legal Services, Inc.	\$78,400	Create a LawHelp Interactive Analytics Toolkit that will help measure and track website traffic to specific LawHelp Interactive (LHI) pages and create reports using the existing data warehousing/mapping LHI tool. Programs will be able to use this data to design better legal self-help interviews and provide better instructions to interview users.
MT	Montana Legal Services Association	\$52,946	Automate Montana's revised family law forms using Hotdocs and A2J software. This project is a partnership between MLSA and the Self-Represented Litigants Committee of the Montana Supreme Court Access to Justice Commission.
NE	Legal Aid of Nebraska	\$91,400	Create a Rural Virtual Access to Justice Center that will serve as the technological hub for pro bono and assisted pro se through virtual law offices at courthouses and public libraries in remote Nebraska counties defined by the state bar association as "rural legal shortage areas."
NY	Legal Assistance of Western New York, Inc.	\$195,527	Develop a reminder system that will notify clients of upcoming office appointments, clinics, court appearances, or deadlines through text message integration with LegalServer, the program's case management system. Support innovative programs such as Court Navigator program, LiveHelp and community-based pilots that engage non-traditional justice partners. Target key improvements to LawHelpNY.org—the statewide legal information website for low-income New Yorkers.
OH	Legal Aid of Western Ohio, Inc.	\$94,150	Create a statewide online resource center of automated court forms for low-income litigants, legal aid staff and volunteers, and pilot video companion guidance for a set of automated expungement forms.
	Ohio State Legal Services	\$725,200	Support and enhance LawHelp Interactive (LHI), the national online document assembly service, to provide support to legal services, court, pro bono, and law school programs in more than 40 states. Funds will also support the fine-tuning of LHI performance following the launch of a newly re-architected system and continue to support the adoption of online forms by new partners.
PR	Puerto Rico Legal Services, Inc.	\$83,900	Create a portal where private attorneys can register to provide pro bono services to indigent persons in courts throughout Puerto Rico. This portal, linked to a new statewide website, will allow for the identification, recruitment and support for attorneys while also connecting them to needy clients and assisting them in obtaining free Continuing Legal Education accredited training in exchange for their services.
TN	Legal Aid Society of Middle Tennessee and the Cumberlands	\$78,862	Use advanced videoconferencing technology to extend the program's reach to potential clients within its rural service area while also connecting staff and pro bono attorneys across the organization.
UT	Utah Legal Services, Inc.	\$31,400	Expand the domestic pleading library, via HotDocs, and make it fully utilized by program staff and volunteer attorneys handling contested domestic cases; and create automated documents for use in Social Security Disability matters.
VA	Central Virginia Legal Aid Society, Inc.	\$251,400	Produce a cloud-based software application called JusticeServer that will improve case management for legal aid and pro bono attorneys. The system will allow multiple legal aid organizations to add cases to an online portal and allow volunteer attorneys across a state or jurisdiction to accept cases through the portal with no limitation on the number of organizations or users on either side.
	Legal Services of Northern Virginia, Inc.	\$91,400	Create the Virginia Legal Aid Help 2 Go Project, which will use text messaging to guide users to a mobile friendly website that offers a series of video vignettes on family, consumer and housing law matters in both English and Spanish.
	Virginia Legal Aid Society, Inc.	\$151,400	Automate the telephone intake system to assess the type of service needed by the caller, route the caller to the most appropriate service, and prioritize case types and assemble data into the intake fields of the case management system.
WA	Northwest Justice Project	\$45,400	Optimize and implement upcoming enhancements to Google Analytics to enable administrators of statewide websites to easily and accurately assess how users are accessing and interacting with their websites. The project will also allow Washington LawHelp and other states to build and share custom reporting dashboards.
	TOTAL	\$3,467,978	

Helping the Most Vulnerable, Providing Critical Constituent Services in Every Congressional District

LSC grantees help individuals who live in households with annual incomes at or below 125% of the federal poverty guidelines—in 2014 that was \$14,588 for an individual and \$29,813 for a family of four. Clients span every demographic and live in rural, suburban, and urban areas. They include the veterans and military families, working poor, homeowners and renters, families with children, farmers, the disabled, and the elderly.

Organizations funded by LSC help individuals who live in households with annual incomes at or below 125% of the federal poverty guidelines—in 2014 that was \$14,588 for an individual and \$29,813 for a family of four. Clients span every demographic and live in rural, suburban, and urban areas. They include the veterans and military families, working poor, homeowners and renters, families with children, farmers, the disabled, and the elderly.

Unfortunately, millions of Americans cannot access the justice system because they cannot afford

to do so. As the number of people living in poverty continued at an all-time high in 2014, many constituents sought legal services for the first time. Some faced homelessness because of a wrongful eviction or foreclosure. Others sought protection from an abusive spouse or fought for custody of an abused or orphaned child. Iraq or Afghanistan war veterans returned home to economic strain and legal problems. Elderly citizens fell victim to consumer scams and lost their life savings.

LSC grantees helped many of these low-income Americans with a wide variety of legal challenges.

Domestic Violence and Cancer Survivor Finds Help From Legal Aid

Danielle married a man who was once charming, fun, and loving. After the honeymoon phase, however, she began to experience physical, emotional, verbal, and financial abuse.

“He was like Jekyll and Hyde,” Danielle said.

Things became even worse when Danielle learned she had stage-four cancer. Shockingly, the abuse only got worse.

Because of her illness, Danielle could not get around without a walker. Her husband continued to beat her. “He assaulted me ten times in two months. He held me over a balcony and threw me down a flight of stairs.”

In an effort to protect her daughter from seeing the abuse and to protect her own sense of dignity, Danielle decided she had to make a change. “I didn’t know what to say or where to go,” she said.

She found New Mexico Legal Aid (NMLA). The attorneys helped her get out of the lease she had with her husband. NMLA obtained restraining orders to protect Danielle and her daughter and handled all legal aspects of the divorce.

Asked about dealing with the legal system, Danielle said, “It was very intimidating, but I’m so much happier.”

Today, though battling cancer, Danielle is now in her own apartment and free from violence. She hopes to be a role model to women trying to escape violent situations.



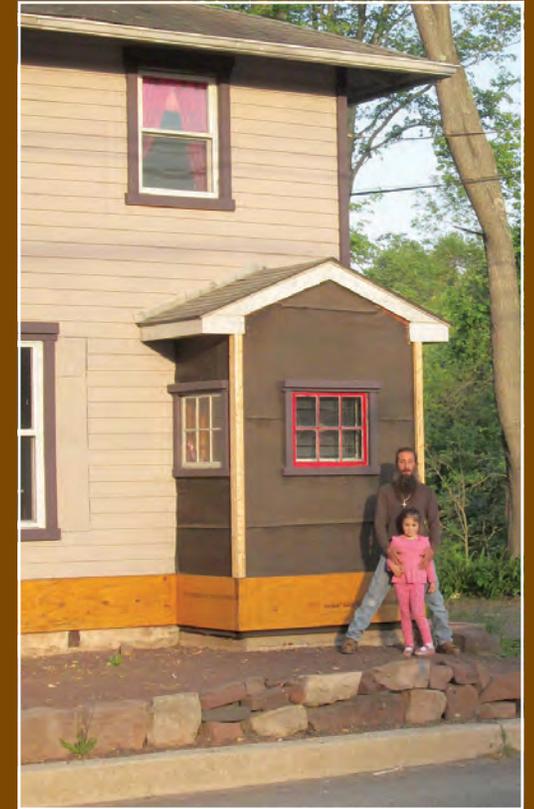
Helping Survivors Find Relief After A Disaster

In 2011, Hurricane Irene severely damaged Smith’s Collegeville, PA home.

Smith, a single father, incurred relocation costs and experienced significant delays receiving assistance from FEMA and his insurance company. In the meantime, Smith began to use his own funds to repair his home.

Smith fell behind on his mortgage payments. He went to Legal Aid of Southeastern Pennsylvania (LASP) for assistance.

LASP’s foreclosure attorneys guided Smith through the loan modification process. In July 2013, Smith was approved for a loan modification that reduced his monthly mortgage payments by \$250 per month. He was now financially able to repair his home and rebuild his life.



Family Law: LSC grantees help parents obtain or keep custody of their children, family members secure guardianship of orphaned and abused children, and victims of domestic violence get protective orders.

Housing and Foreclosure Cases: These cases include efforts to resolve landlord-tenant disputes, avoid wrongful foreclosures or renegotiate mortgages, and assist renters whose landlords were being

Helping Veterans Rebuild After Returning From Service

When Bryan returned to Maine after military deployment, he suffered from post-traumatic stress disorder (PTSD) and faced significant barriers to establishing the financial stability to support himself.

He found himself heavily in debt. He turned to Pine Tree Legal Assistance for help.

Pine Tree Legal's attorneys helped Bryan repair his credit and recover from crippling debt. "[Pine Tree Legal Aid has] helped me move on with my life," Bryan said. "The assistance I gained from Pine Tree Legal Aid was priceless."

Today, Bryan is back in school with steady employment. He shares Pine Tree Legal Aid's veteran resources, like StatesideLegal.org, with other veterans and members of the military in need of legal help, and works with a local veterans rights organization.



Helping a Family Access Healthcare Benefits

Elizabeth is William and Debra Weita's ninth foster child. In 2011, she was placed with the Weita family days after her birth because of prenatal exposure to heroin, cigarettes, and alcohol.

Although the Weitas were thrilled to adopt the energetic child, they were concerned about how to pay for Elizabeth's therapy. The child's exposure to drugs and alcohol caused speech delays and developmental issues requiring medical therapy that would cost nearly 50% of the family's income—without insurance. Elizabeth's speech therapy alone was \$800 a month.

Debra applied for Title IV-E Adoption Assistance, a federal program that supports families who adopt children with special needs. Under Title IV-E, health care assistance stays with the adopted child until the age of 18. As adoptive parents, the Weitas were covered under their state's Medicaid. Debra was concerned her family might not qualify for assistance if they were also receiving Title IV-E Adoption Assistance.

Although the Weitas met the criteria for the Medicaid program, the Ohio Department of Jobs and Family Services (ODJFS) denied their application. Debra filed an appeal herself, but realized she was in over her head during a meeting with ODJFS officials. "I was getting bullied in that meeting. I knew they would respect an attorney, but we didn't have money for that," she said.

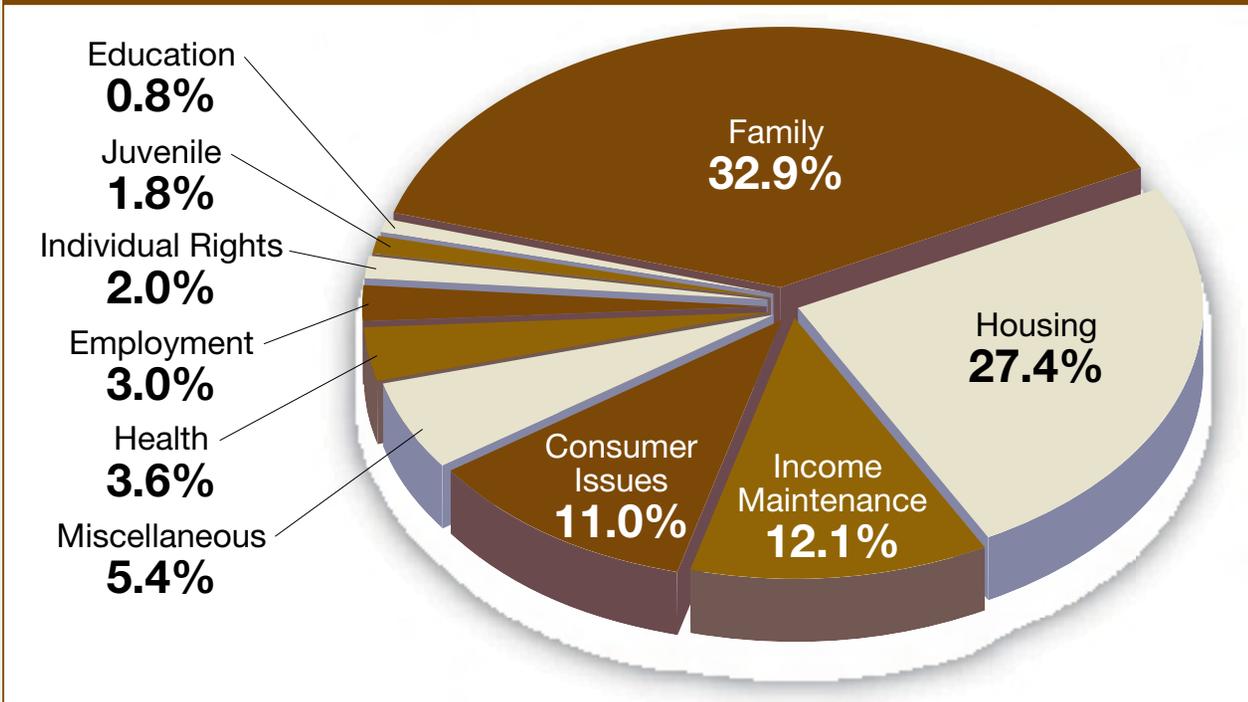
That's when Debra contacted the Legal Aid Society of Cleveland (LAS-Cleveland). LAS-Cleveland argued that the county was not using the prescribed standard to determine the Weita family's eligibility, and was instead applying their own interpretation of the rules. The hearing officer agreed.

With LAS-Cleveland's support, the Weita family now receives approximately \$500 a month to help with Elizabeth's health care expenses. LAS-Cleveland was also able to secure uninterrupted medical coverage during the transition, and Elizabeth could continue making progress with her speech therapy.



Constituent Services

2013 Cases Closed



“ [Pine Tree Legal Aid has] helped me move on with my life. The assistance I gained from Pine Tree Legal Aid was priceless. ”

—Bryan Noyes, former client

foreclosed upon.

Consumer Issues: Many cases involve protecting the elderly and other vulnerable individuals from being victimized by unscrupulous lenders or merchants and providing legal advice about consumer rights as well as debt management and mitigation.

Income Maintenance: LSC grantees also help cli-

ents obtain veterans’, unemployment, disability, and healthcare benefits for which they are eligible and provided representation in cases when benefits were wrongfully denied.

Disaster Response: LSC grantees continued to help victims of Hurricane Sandy and other disasters, calling on a network of legal services and other organizations. ■



MAY 5, 1971

President Richard M. Nixon urged Congress to create LSC as an independent, nonprofit, federally funded organization responsible for providing and overseeing grants to legal aid organizations around the country. At the time, this function was the purview of the now-defunct Office of Economic Opportunity (OEO).

JULY 25, 1974

After a bipartisan vote of support in both houses of Congress, President Nixon signed the Legal Services Corporation Act, creating LSC and solidifying the nation’s commitment to ensuring equal access to justice regardless of income. “[W]e must provide a mechanism to overcome economic barriers to adequate legal assistance,” President Nixon said.

Improving Management, Oversight and Accountability

LSC is committed to funding the most efficient and effective delivery of legal services through prudent management and rigorous oversight and accountability.

As a result of LSC's work, in August 2014 the U.S. Government Accountability Office (GAO) determined that LSC had fully implemented all recommendations from GAO's 2010 report on LSC (GAO 10-540). LSC has improved its internal processes for awarding grants and overseeing grantee performance and compliance. GAO's close-out of its recommendations is reflected on their website at www.gao.gov/products/GAO-10-540.

LSC added staff in the Office of Compliance and Enforcement (OCE) and the Office of Program Performance (OPP), increased the number of grantee visits, ensured compliance with good fiscal practice and regulatory and statutory requirements, and improved its grantees' service delivery to clients.

Oversight Visits Completed in 2014

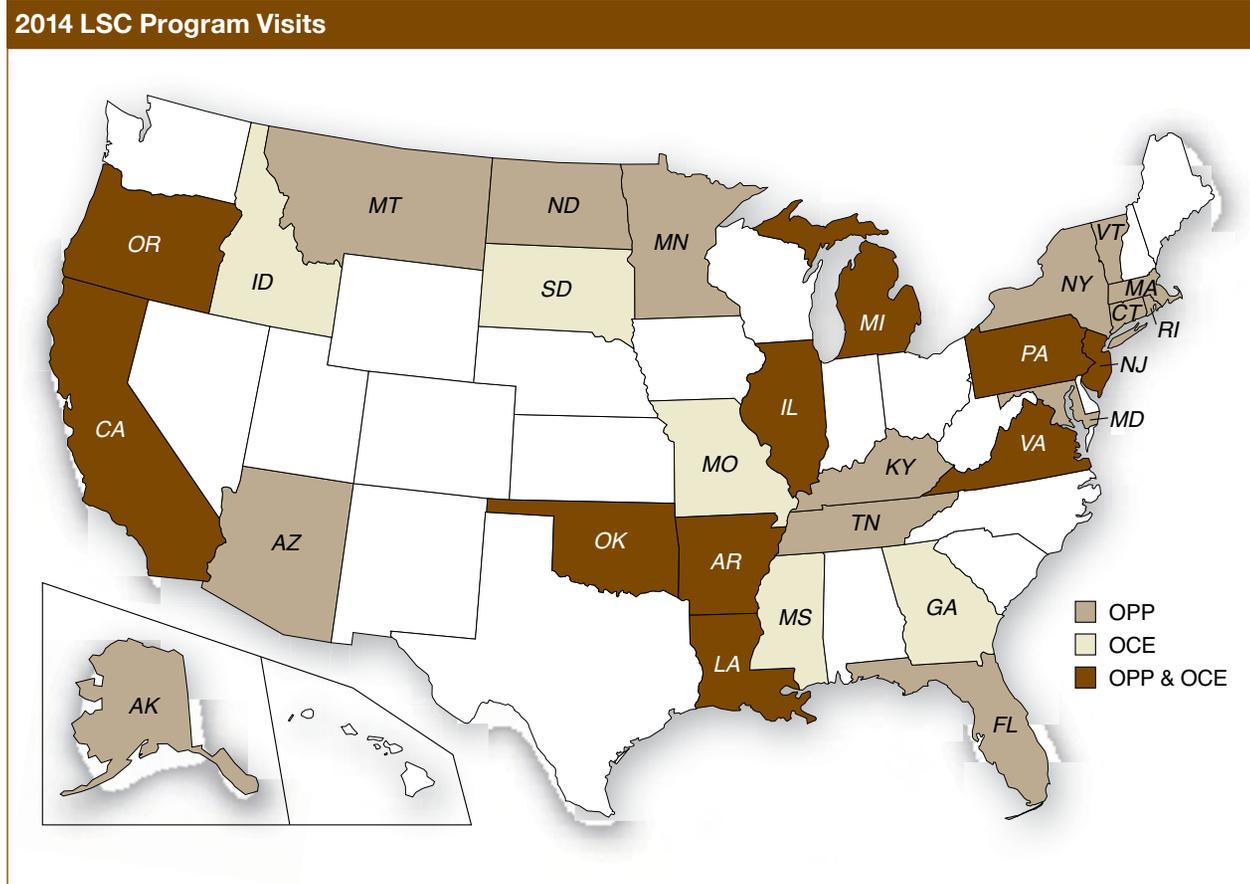
LSC's Office of Program Performance continues to invest in program assessment visits, technical assistance, and other initiatives to support grantees. OPP has the primary responsibility for administering the competitive grants application and awards process,

assessing the quality of grantees' legal services delivery, sharing best practices for providing high quality civil legal services, and promoting innovative uses of technology by grantees.

In 2014, OPP conducted 36 onsite assessment visits in Alaska, Arizona, Arkansas, California, Connecticut, Florida, Illinois, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Montana, New Jersey, New York, North Dakota, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Vermont, Virginia, and the Virgin Islands. OPP anticipates completing 38 onsite assessment visits in 2015.

LSC's Office of Compliance and Enforcement (OCE) has the primary responsibility for monitoring grantee compliance with the LSC Act, regulations, and funding restrictions. OCE also ensures compliance with LSC's Accounting Guide; conducts oversight reviews regarding compliance with the LSC Act and other LSC guidance, including fiscal-related regulations; initiates questioned-cost proceedings; identifies required corrective actions; and provides technical assistance and training to grantees.

Management and Oversight



MANAGEMENT & OVERSIGHT

JULY 9, 1975

The Senate approved the first LSC Board, nominated by President Gerald Ford, with Cornell University Law School Dean Roger Conant Cramton as its first chair. Since then, the LSC Board has had 9 other chairs.

JANUARY 11, 1976

The LSC Board of Directors appoints Thomas Ehrlich, California Attorney and former Dean of Stanford Law School, as President. With his appointment, Ehrlich became the head of the Corporation's operations and staff. Since 1976, LSC has had 20 presidents.

In 2014, OCE conducted 24 onsite visits—16 compliance oversight visits, three technical assistance visits, one targeted investigation visit, three follow-up visits, and one capability assessment visit—in Arkansas, California, Georgia, Idaho, Illinois, Louisiana, Michigan, Mississippi, Missouri, New Jersey, Oklahoma, Oregon, Pennsylvania, Puerto Rico, South Dakota, and Virginia. In addition, OCE conducted web-based trainings for six programs—in Arizona, California, Florida,

Louisiana, Maine, and Massachusetts. OCE anticipates completing 23-25 onsite visits in 2015.

LSC continues to take appropriate enforcement and corrective actions against grantees that have been found to be out of compliance with the LSC Act or other laws and regulations. Questioned-cost proceedings were completed against four grantees in 2014, and funds were recouped and issues resolved via informal negotiations with five grantees. ■

Message From The Inspector General

Protecting LSC and Its Grantees

The Office of Inspector General (OIG) was established under the federal Inspector General Act as an independent office within LSC. It has the dual mission of preventing and detecting fraud and abuse and of promoting economy, efficiency and effectiveness in LSC's programs and operations. I believe this is a role that is especially vital in the legal services arena, where the resource needs are so urgent and the consequences so important for the clients of LSC-funded programs.

I am pleased to report that throughout FY 2014 we continued to make substantial contributions to protecting and improving the programs of LSC and its grant recipients. Some highlights included:

- Overseeing the annual audit process for all of LSC's 134 grantees.
- Entering the fourth year of a comprehensive quality control initiative for grantee audits, which marked the first complete cycle under the program. All firms conducting grantee audits are now subject to special review at least once every four years.
- Having over \$259,000 in questioned costs, identified by OIG audits, sustained by LSC management, producing added funds that can be used to provide legal services to the client community.
- Issuing 88 recommendations for program and operational improvements at the grantee level.
- Identifying opportunities for improvements in LSC's own operations and policies in the areas of acquisition and grants management, regulatory oversight, information technology, and human capital management.
- Closing 21 investigations, including criminal investigations involving fraud and other financial crimes, and regulatory matters such as the unauthorized outside practice of law, time and attendance abuse, and the improper use of LSC funds.
- Recovering over \$30,000, and identifying over \$103,000 in additional questioned costs, as a result of OIG investigations.

I am especially pleased that our efforts continued to reflect strong and effective working relationships with our stakeholders.

- We kept Congress informed of our activities through periodic meetings and reports, and responded to multiple Congressional requests.

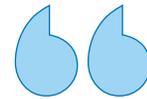
- We worked in coordination with LSC management on many policy initiatives, providing comments and recommendations with respect to the Corporation's risk management program, procurement policies and practices, personnel recruitment, the use of electronic devices and services, whistleblower and non-discrimination/anti-harassment policies, and revisions to the private attorney involvement rule.
- LSC management worked closely with our auditors and contractor to promptly address Information Technology (IT) system deficiencies and security vulnerabilities identified by an OIG IT security assessment. As a result of management's positive response and the coordinated efforts between our staffs, all areas of significant concern identified in the review were corrected.
- We continued to place special emphasis on fraud prevention through a vigorous program of outreach and education activities. We conducted 38 briefings for grantees across the nation, to improve staff awareness of vulnerabilities to fraud and better equip them to protect their own programs from abuse. We also performed a series of onsite fraud and regulatory vulnerability assessments to help identify specific weaknesses in programs' controls and operations. In connection with these efforts, we published the first edition of our handbook, "Fraud Prevention Guide for LSC Grantees," and distributed it to all grantees. The guide discusses patterns of fraud and abuse encountered in actual OIG cases, and provides specific suggestions to help grantee staff prevent or detect such activities and avoid the loss of critically needed funds.



I am gratified at the contributions we have been able to make. Together with all the OIG's staff members, I am dedicated to doing all that we can to help improve and protect LSC's programs. I look forward to continuing to work with LSC's Board of Directors, its President, and the LSC staff in support of our common commitment to equal access to justice for low-income Americans.

A handwritten signature in black ink, appearing to read "Jeff Schanz".

Jeffrey Schanz,
LSC Inspector General
July 16, 2015



I believe this is a role that is especially vital in the legal services arena, where the resource needs are so urgent and the consequences so important for the clients of LSC-funded programs.





Financials



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Independent Auditors' Report

To Inspector General and Board of Directors,
 Legal Services Corporation

Report on the Financial Statements

We have audited the accompanying financial statements of Legal Services Corporation ("LSC"), which comprises the statements of financial position as of September 30, 2014 and 2013, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of LSC as of September 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Other Legal and Regulatory Requirements

In accordance with Government Auditing Standards, we have also issued our report dated January 5, 2015, on our consideration of LSC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering LSC's internal control over financial reporting and compliance.

William Smith & Brown, PC
 Silver Spring, Maryland
 January 5, 2015

Statement of Financial Position

September 30, 2014 and 2013

ASSETS	2014	2013
Current Assets		
Cash and cash equivalents	\$ 79,156,042	\$ 71,080,835
Accounts receivable, net	53,337	16,935
Contributions, receivable	346,220	-
Grant receivable	800,000	-
Prepaid expenses and deposits	319,953	305,584
Total current assets	80,675,592	71,403,354
Property and equipment, net	376,465	463,096
Contributions receivable	1,374,640	-
Grant receivable	400,000	-
	\$ 82,826,697	\$ 71,866,450
LIABILITIES AND NET ASSETS		
Current Liabilities		
Grants and contracts payable	\$ 67,367,277	\$ 57,581,223
Accounts payable	823,307	305,261
Accrued vacation and other liabilities	1,200,355	1,145,307
Deferred revenue	2,115,637	5,504,763
Total current liabilities	71,506,576	64,536,554
Net Assets		
Unrestricted		
Undesignated	7,240,800	6,256,633
Board designated	517,383	334,095
Net investment in fixed assets	376,465	463,096
Total unrestricted	8,134,648	7,053,824
Temporarily restricted	3,185,473	276,072
Total net assets	11,320,121	7,329,896
	\$ 82,826,697	\$ 71,866,450

Statement of Activities and Change in Net Assets

Year Ended September 30, 2014

SUPPORT and REVENUES	Unrestricted	Temporarily Restricted	Total
Federal appropriations	\$ 365,000,000	\$ -	\$ 365,000,000
Grant revenue	2,500,000	1,200,000	3,700,000
Contributions	-	2,241,899	2,241,899
Special events	-	89,815	89,815
Other income	100,402	-	100,402
Change in deferred revenue	3,389,126	-	3,389,126
Net assets released from restriction	622,313	(622,313)	-
Total Revenue	371,611,841	2,909,401	374,521,242
EXPENSES			
Program services			
Grants and contracts	347,120,980	-	347,120,980
Herbert S. Garten Loan Repayment Assistance Program	1,030,774	-	1,030,774
Supporting services			
Management and grants oversight	16,928,933	-	16,928,933
Office of Inspector General	4,726,439	-	4,726,439
Fundraising	723,891	-	723,891
Total Expenses	370,531,017	-	370,531,017
Change in net assets	1,080,824	2,909,401	3,990,225
Net assets, beginning of year	7,053,824	276,072	7,329,896
Net assets, end of year	\$ 8,134,648	\$ 3,185,473	\$ 11,320,121

The Notes to Financial Statements are an integral part of these statements.

Statement of Activities and Change in Net Assets

Year Ended September 30, 2013

SUPPORT and REVENUES	Unrestricted	Temporarily Restricted	Total
Federal appropriations	\$ 339,926,164	\$ 950,000	\$ 340,876,164
Grant revenue	2,519,572	-	2,519,572
Other income	29,657	-	29,657
Change in deferred revenue	(1,874,374)	-	(1,874,374)
Net assets released from restriction	961,119	(961,119)	
Total Revenue	341,562,138	(11,119)	341,551,019
EXPENSES			
Program services			
Grants and contracts	320,928,559	-	320,928,559
Herbert S. Garten Loan Repayment Assistance Program	1,095,858	-	1,095,858
Supporting services			
Management and grants oversight	16,497,513	-	16,497,513
Office of Inspector General	4,599,697	-	4,599,697
Fundraising	41,247	-	41,247
Total Expenses	343,162,874	-	343,162,874
Change in net assets	(1,600,736)	(11,119)	(1,611,855)
Net assets, beginning of year	8,654,560	287,191	8,941,751
Net assets, end of year	\$ 7,053,824	\$ 276,072	\$ 7,329,896

Statement of Cash Flows

Year Ended September 30, 2014 and 2013

CASH FLOWS FROM OPERATING ACTIVITIES	2014	2013
Change in net assets	\$ 3,990,225	\$ (1,611,855)
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:		
Depreciation and amortization	262,709	315,820
Loss on disposal of assets	544	-
Changes in assets and liabilities:		
Accounts receivable	12,138	(12,600)
Prepaid expenses and deposits	(76,744)	(53,965)
Grants and contracts payable	(2,620,296)	(3,986,334)
Accounts payable	(295,616)	(367,451)
Accrued vacation and other liabilities	46,972	(126,955)
Deferred revenue	1,874,374	(3,044,274)
Net cash used by operations	(2,407,774)	(6,351,618)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(88,548)	(199,383)
Net cash used by investing activities	(88,548)	(199,383)
Net decrease in cash and cash equivalents	(2,496,322)	(6,551,001)
CASH AND CASH EQUIVALENTS		
Beginning of year	73,577,157	80,128,158
End of year	\$ 71,080,835	\$ 73,577,157
SUPPLEMENTAL INFORMATION		
Income taxes paid	\$ 0	\$ 0
Interest paid	\$ 0	\$ 0

The Notes to Financial Statements are an integral part of these statements.

NOTE 1 ORGANIZATION AND PURPOSE

Legal Services Corporation (“LSC”) is a private non-membership District of Columbia nonprofit corporation, established by Congress in the Legal Services Corporation Act of 1974, Public Law 93-355, and amended in 1977 by Public Law 95-222. The purpose of LSC is to provide financial support to independent organizations that directly provide legal assistance in non-criminal proceedings or matters to persons financially unable to afford such counsel.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

LSC’s financial statements are prepared on the accrual basis of accounting. Accordingly, revenue is recognized when earned, and expenses are recorded when incurred in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

Financial reporting by not-for-profit organizations requires that resources be classified for accounting and reporting purposes into net asset categories according to externally (donor) imposed restrictions. For the years ended September 30, 2014 and 2013, LSC had accounting transactions in the unrestricted net asset category, which represents net assets that are not subject to donor imposed restriction. LSC classifies the unrestricted net assets into undesignated, board designated and net investment in fixed assets. Board designated net assets represent amounts that have been earmarked by the Board of Directors for continuing programs and administrative activities. Net assets invested in fixed assets represent investments in property, equipment and computer software, net of accumulated depreciation and amortization. LSC also has transactions in the temporarily restricted net asset category, which represents net assets that are subject to donor imposed restrictions.

Cash and Cash Equivalents

LSC’s cash and cash equivalents includes a fund balance with U.S. Treasury of \$40,117,581 and \$1,359,145 as of September 30, 2014 and 2013, respectively.

Accounts Receivable

Accounts receivable are net of an allowance of \$518,240 and \$534,666 as of September 30, 2014 and 2013, respectively, determined based on historical experience and an analysis of specific amounts.

Contributions Receivable

Contributions received, including unconditional promises to give (pledges), are recognized as revenue in the period received. In accordance with FASB Fair Value Option standards LSC has determined the discount rate under its investment protocol is immaterial therefore, no discount has been applied for the payment of future receivables. LSC deems all the contributions to be fully collectible, therefore no allowance has been established for doubtful accounts.

Property and Equipment

Capital assets are stated at cost and depreciated using the straight-line method over the estimated useful lives of the assets of five to ten years. Depreciation is reported as an unallocated expense and is not directly identified with individual functions.

Revenues and Support Recognition

LSC receives federal appropriations for Management and Grants Oversight, and Office of Inspector General funding which are reported as support and revenue in the period the public law makes them available. Unexpended portions of these appropriations are reported as unrestricted net assets.

In addition, LSC receives federal appropriations for Basic Field Programs, Technology Initiatives, LRAP program, and the Pro Bono Innovation. Management considers these earned when LSC has fully executed the related award agreements to third parties. Amounts received for the unearned portions are therefore reported as deferred revenue.

LSC recognizes contributions as revenue when they are received or unconditionally pledged and records these revenues as unrestricted or restricted support according to donor stipulations that limit the use of these assets due to time or purpose restrictions. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the combined statements of activities and changes in net assets as net assets released from restrictions.

LSC also has grant revenues which are treated as exchange transactions in the statements of activities and changes in net assets. Funds received in advance of their use are accounted for as deferred revenue in the statements of financial position.

Grant Recoveries

Grantees who have not complied with the requirements of the Legal Services Corporation Act of 1974 and implementing regulations may be subject to actions that result in a recovery of grant funds. Sources of grant refunds may include recoveries of disallowed costs, excess fund balances, unexpended funds on Private Attorney Involvement programs and sanctions imposed by LSC for failure to comply with other regulatory requirements, as well as other types of recoveries. Grant recoveries are reported as a reduction of grant and contract expenses on the accompanying statements of activities.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Income Taxes

LSC is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code and the applicable income tax regulations of the District of Columbia, except for unrelated business income. No provision for income taxes was required

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

for the year ended September 30, 2014 and 2013, as LSC had no net unrelated business income.

LSC has determined there were no uncertain tax positions as of September 30, 2014 and 2013. There was also no tax related to interest and penalties reported in the financial statements. LSC's Forms 990, Return of Organization Exempt from Income Tax, for the years ending September 30, 2012, 2013 and 2014 are subject to examination by the IRS, generally for 3 years after they were filed.

Concentration of Revenue

LSC receives substantially all of its revenue from direct federal government appropriations. Should there be a significant reduction in this revenue, LSC's programs and activities could be negatively affected.

Reclassification

In 2014, LSC has changed its presentation of certain expenses, by now including fundraising expenses as a separate caption. Previously, fundraising expenses were reported in the caption Management and Grants Oversight. Amounts presented for the year ended September 30, 2013 have been reclassified to conform to the current presentation. These reclassifications had no effect on previously reported total expenses or changes in net assets. The amount reclassified from Management and Grants Oversight to Fundraising totaled \$41,427.

See notes 9 and 11 for detail of the Management and Grants Oversight expenses and Fundraising expenses, respectively.

NOTE 3 CONCENTRATION OF CREDIT RISK – DEPOSITS

In January 2013, LSC started using sweep accounts when the unlimited Federal Deposit Insurance Corporation (FDIC) insurance coverage ended, and invested amounts over \$250,000 in high-quality, short-term mutual funds that consist of U.S. Treasury obligations. At September 30, 2014 and 2013, LSC had \$38,509,366 and \$31,251,793 in excess of FDIC insured limits, respectively. LSC believes any risks it is exposed to are minimal.

NOTE 4 EQUIPMENT

Property and equipment consists of the following at September 30, 2014:

	Beginning Balance	Additions	Disposals	Ending Balance
Furniture and equipment	\$ 2,343,229	\$ 154,323	\$ (182,060)	\$ 2,315,492
Software	572,201	-	-	572,201
Leasehold improvements	5,545	-	-	5,545
Subtotal	2,920,975	154,323	(182,060)	2,893,238
Less: Accumulated depreciation /amortization	(2,457,879)	(240,954)	182,060	(2,516,773)
Capital assets (net)	\$ 463,096	\$ (86,631)	\$ -	\$ 376,465

Property and equipment consists of the following at September 30, 2013:

	Beginning Balance	Additions	Disposals	Ending Balance
Furniture and equipment	\$ 2,333,827	\$ 76,988	\$ (67,586)	\$ 2,343,229
Software	566,188	6,013	-	572,201
Leasehold improvements	455,647	5,546	(455,648)	5,545
Subtotal	3,355,662	88,547	(523,234)	2,920,975
Less: Accumulated depreciation /amortization	(2,717,860)	(262,709)	522,690	(2,457,879)
Capital assets (net)	\$ 637,802	\$ (174,162)	\$ (544)	\$ 463,096

Depreciation/amortization expense for the years ended September 30, 2014 and 2013 was \$240,954 and \$262,709, respectively.

NOTE 5 FINANCIAL INSTRUMENTS

Certain financial instruments are required to be recorded at fair value. Changes in assumptions or estimation methods could affect the fair value estimates; however, we do not believe any such changes would have a material impact on financial condition, results of operations or cash flows. Other financial instruments, including cash equivalents, other investments and short-term debt, are recorded at cost, which approximates fair value.

NOTE 6 FAIR VALUE MEASUREMENTS

The Financial Accounting Standards Board established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that LSC has the ability to access.

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

NOTE 6 FAIR VALUE MEASUREMENTS (Continued)

Fair values of assets measured on a recurring basis at September 30, 2014 are as follows:

	Fair Value Total	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Accounts in U.S. Treasury Notes	\$ 22,029,807	\$ 22,029,807	\$ -
Contribution Receivables	1,720,860		1,720,860
Loan Repayment Assistance Program Receivable	2,330	-	2,330
Total	\$ 23,752,997	\$ 22,029,807	\$ 1,723,190

Fair values of assets measured on a recurring basis at September 30, 2013 are as follows:

	Fair Value Total	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Accounts in U.S. Treasury Notes	\$ 69,482,281	\$ 69,482,281	\$ -
Loan Repayment Assistance Program Receivable	10,338	-	10,338
Total	\$ 69,492,619	\$ 69,482,281	\$ 10,338

Assets measured at fair value on a recurring basis using significant observable inputs (Level 2 inputs):

LSC maintains cash balances at two financial institutions with offices in the Washington, DC metropolitan area. Each institution maintains target balances up to \$248,000 with any excess funds swept to an account that purchases mutual funds investing in U.S. Treasury bills with an average dividend rate of 0.01% for 2014 and 2013, which is arrived at by the financial institution deducting a fee of up to 0 basis points from the dividend rate provided by the institutions Treasury Reserves. Annual expense ratios are based on amounts incurred during the most recent fiscal year, as shown in the funds' audited financial statements, and may have been restated to reflect current service provider fees, net of any waivers, reimbursements or caps that the fund's manager may have committed to the fund and that are currently in effect. Monthly fees and expenses are approximate, assume that the investor held shares of the fund valued at the ending balance for the entire month, and do not include the effect of any transactions that may have been made during the month.

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs):

The LRAP accounts receivable is stated at the amount management expects to collect from refunded loans. Through an evaluation each year, management adjusts the LRAP allowance account based on its assessment of the current status of individual loans. The net of these two amounts is the receivable reported in the financial statements.

Contributions receivable, arising from unconditional promise to give, is stated at the amount management expects to collect. In accordance with FASB Fair Value Option standards LSC has determined the discount rate under its investment protocol is immaterial therefore, no discount has been applied for the payment of future receivables.

The table below presents information about the changes in the Loan Repayment Assistance Program and the Contribution Receivables:

	2014	2013
Loan Repayment Assistance Program:		
Beginning Balance	\$ 10,338	\$ 4,952
Net increase, (decrease)	(8,008)	5,386
Ending Balance	\$ 2,330	\$ 10,338
Contribution Receivables:		
Beginning Balance	\$ -	\$ -
Net increase, (decrease)	1,720,860	-
Ending Balance	\$ 1,720,860	\$ -

NOTE 7 GRANT RECEIVABLE AND DEFERRED REVENUE

LSC operates under various federal appropriations and grants from private sources. At September 30, 2014 and 2013, LSC was due certain amounts from private funding sources which resulted from execution of grant agreements. LSC also received appropriated funds in excess of amounts earned on providing related services, resulting in deferred revenue that continue into the subsequent year. The following details the grant receivables and deferred revenue at September 30:

	2014	2013
Grants Receivable:		
The Margaret A. Cargill Foundation	\$ 1,200,000	\$ -
Deferred Revenue:		
Basic Field Programs	\$ 508,647	\$ 632,991
US Court of Veterans Appeals	5,422	6,752
Technology Initiatives	193,149	3,425,827
Loan Repayment Assistance Program	1,408,419	1,439,139
Total	\$ 2,115,637	\$ 5,504,763

NOTE 8 GRANTS AND CONTRACTS EXPENSE

Grants and contracts expense for the years ended September 30, 2014 and 2013 consists of the following:

	2014	2013
Basic Field Programs	\$ 335,824,344	\$ 316,345,623
US Court of Veterans Appeals	2,501,329	2,521,819
Hurricane Sandy Relief	-	874,041
Grant From Other Funds	63,266	329,298
Pro Bono Innovation	2,375,000	-
Technology Initiatives	6,682,679	914,080
Grants Recoveries	(325,638)	(56,302)
Total	\$ 347,120,980	\$ 320,928,559

NOTE 9 MANAGEMENT AND GRANTS OVERSIGHT

Management and grants oversight expenses for the years ended September 30, 2014 and 2013 consists of the following:

	2014	2013
Compensation and benefits	\$ 12,114,233	\$ 11,939,766
Temporary employee pay	580,203	628,522
Consulting	543,546	419,958
Travel and transportation	786,868	646,424
Communications	85,499	83,088
Occupancy cost	1,711,442	1,710,000
Printing and reproduction	57,456	59,448
Other operating expenses	808,732	747,054
Capital expenditures	144,351	50,294
Total	\$ 16,832,330	\$ 16,284,554
Depreciation and amortization	240,954	262,709
Loss on disposal of assets	-	544
Less: capitalized assets	(144,351)	(50,294)
Total	\$ 16,928,933	\$ 16,497,513

NOTE 10 OFFICE OF INSPECTOR GENERAL

LSC's Office of Inspector General expenses for the years ended September 30, 2014 and 2013 were as follows:

	2014	2013
Compensation and benefits	\$ 4,018,029	\$ 3,928,043
Temporary employee pay	11,150	9,775
Consulting	332,890	340,229
Travel and transportation	236,310	218,597
Communications	29,482	21,436
Occupancy cost	4,075	-
Printing and reproduction	13,020	8,496
Other operating expenses	81,483	73,121
Capital expenditures	9,971	38,253
Total	\$ 4,736,410	\$ 4,637,950
Less: capitalized assets	(9,971)	(38,253)
Total	\$ 4,726,439	\$ 4,599,697

NOTE 11 FUNDRAISING

LSC's Fundraising expenses for the years ended September 30, 2014 and 2013 were as follows:

	2014	2013
Compensation and benefits	\$ 218,516	\$ 32,852
Temporary employee pay	9,945	70
Consulting	74,329	8,138
Travel and transportation	299,471	57
Communications	816	130
Printing and reproduction	10,045	-
Other operating expenses	110,769	-
Total	\$ 723,891	\$ 41,247

NOTE 12 RETIREMENT PLANS

Pursuant to the Legal Services Corporation Act, all officers and employees hired before October 1, 1988, are participants in the Civil Service Retirement System ("CSRS"), although they are neither officers nor employees of the federal government. The CSRS plan is administered by the United States Office of Personnel Management ("OPM").

LSC makes CSRS contributions at rates applicable to agencies of the federal government. The contributions do not equal the full service cost of the pension expense, which is the actuarial present value of benefits attributed to services rendered by covered employees during the accounting period. The measurement of service cost requires the use of actuarial cost methods to determine the percentage of the employees' basic compensation sufficient to fund their projected pension benefit.

NOTE 12 RETIREMENT PLANS (Continued)

These percentages (cost factors) are provided by OPM and the excess of total pension expense over the amount contributed by LSC and by LSC employees represents the amount that must be financed directly by OPM.

Post-retirement CSRS benefits are paid by OPM. No amounts have been recognized in the financial statements for these imputed costs. LSC does not report in its financial statements CSRS assets, accumulated plan benefits or unfunded liabilities, if any, applicable to its employees.

All officers and employees hired after September 30, 1988, are ineligible for the CSRS plan, but they are eligible to participate in LSC's pension and thrift plan, which is a tax deferred annuity plan subject to Section 403(b) of the Internal Revenue Code. LSC contributes 6% of each eligible employee's salary regardless of their participation. In addition, LSC matches the first 2.51% contributed by the employee. Individuals can make contributions up to the maximum amount permitted under federal income tax rules.

LSC's contributions to these plans for the years ended September 30, 2014 and 2013 were \$1,063,938 and \$992,067, respectively. The amounts are included in compensation and benefits for management and administration expenses.

LSC also offers tax deferred annuity savings plans. CSRS eligible employees may contribute pretax earnings to the federal Thrift Savings Plan, and 403(b) eligible employees may contribute additional pretax earnings to the Section 403(b) plan. These plans are subject to different maximum amounts as permitted by the prevailing laws. No contributions are made to these tax deferred savings plans by LSC.

NOTE 13 OPERATING LEASE

LSC renewed its lease agreement in September 2012, commencing in June 2013, for an additional 10 years. Under the new lease, LSC has an obligation to pay a portion of building operating expenses in excess of the base year. No additional building operating expenses were incurred for the years ended September 30, 2014 or 2013. LSC has the right to terminate the lease by giving no less than 120-day prior written notice in the event that LSC does not receive an appropriation from Congress for administrative costs sufficient to cover LSC and its rental obligations for any period during the term of the lease. Future minimum lease payments required under this lease as of September 30, 2014 are as follows:

Fiscal Year	Amount
2015	\$ 1,710,000
2016	1,710,000
2017	1,710,000
2018	1,710,000
2019	1,710,000
Thereafter	6,270,000
	<u>\$ 14,820,000</u>

Rental expense for the years ended September 30, 2014 and 2013 is \$1,714,503 and \$1,712,316, respectively.

NOTE 14 CONTINGENCIES

Grants and Contracts

LSC received funding from appropriations by Congress and grants from the U.S. Court of Veterans Appeals and, accordingly, may be subject to federal audits. In addition, LSC provides significant funding to numerous independent organizations, which are subject to their own independent audits and audits by LSC.

LSC's management does not expect any significant adjustments as a result of federal audits, should they occur, or from the audits of the grantees' independent auditors.

Claims

Two claims were filed against LSC during FY2014. The first was a declaratory judgment action filed by a pro se party. No fees or monetary damages were alleged. As a result, no funds were recorded in LSC's financial statements for any contingent liability associated with the case. On June 17, the court dismissed the case without prejudice, and LSC considers the matter closed.

The second was an attorney's fees petition under § 1006(f) of the LSC Act, which requires the court to award fees – paid directly by LSC – to a prevailing defendant upon a finding that an LSC grantee commenced or pursued an action for the sole purpose of harassment or that constituted a malicious abuse of legal process. The petition has been stayed pending an appeal of the underlying judgment to the U.S. Court of Appeals for the Tenth Circuit. No funds had been previously recorded in the financial statements for any contingent liability associated with the petition.

Collection Matters

In 2010, upon concluding that an LSC grantee had misused LSC funds and committed other financial irregularities, LSC disallowed approximately \$716,261 of the grantee's costs. On appeal, LSC agreed to reduce that amount to \$467,619. In 2011, LSC terminated the grantee, which later went out of business and is currently believed to be insolvent. The Corporation continues to explore its options regarding potential recovery of the previously disallowed amount of \$467,619. No amounts have been recorded.

NOTE 15 LOAN REPAYMENT ASSISTANCE PROGRAM

Through the Herbert S. Garten Loan Repayment Assistance Program (LRAP), established in 2005 and funded by Congressional appropriations, LSC makes a limited number of forgivable loans to attorneys employed by its grantee programs to help repay law school debt. Each participant receives up to \$5,600 per year for three years – for a maximum of \$16,800 if they remain eligible and funding remains available.

Participants must commit to remain with the LSC-funded legal services program for three years. As long as the participant remains in good standing, the loans are forgiven. Participants that do not successfully complete employment within the loan terms must repay the loans. No provision has been made in the accompanying financial statements to reflect any interest on the loans as management has deemed these amounts to be immaterial.

NOTE 15 LOAN REPAYMENT ASSISTANCE PROGRAM (Continued)

Accounts receivable are stated at the amount management expects to collect from refunded loans. Management provides for probable forgiven amounts through an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Accounts receivable balances are written-off through a charge to the valuation allowance in the year the loans are forgiven. Deferred revenue is comprised of funding available for future loans and loan amounts outstanding.

	2014	2013
LRAP balances at September 30, 2014 and 2013 are as follows:		
Cash	\$ 1,406,089	\$ 1,428,855
Accounts receivable, net	2,330	10,338
Deferred revenue	1,408,419	1,439,193

LRAP activity for the years ended September 30, 2014 and 2013 are as follows:

Loans made	\$ 1,030,400	\$ 1,107,054
Loans forgiven	1,047,200	1,143,840
Change in allowance for loan forgiveness	(16,426)	(47,982)

NOTE 16 TEMPORARILY RESTRICTED NET ASSETS

Components of temporarily restricted net assets at September 30 were as follows:

	2014	2013
Public Welfare Foundation	\$ 66,622	\$ 200,113
Hurricane Sandy Disaster Relief	75,959	75,959
40th Anniversary Campaign	1,842,892	-
Margaret A. Cargill Foundation	1,200,000	-
Total	\$ 3,185,473	\$ 276,072

NOTE 17 SUBSEQUENT EVENTS

Legal Services Corporation has evaluated subsequent events occurring after the statements of financial position date through the date of January 5, 2015, the date the financial statement were available for release.

Fiscal Year 2015 Funding

After a series of continuing resolutions to partially fund the government for Fiscal Year 2015, the President signed legislation on December 16, 2014 which provides LSC funding of \$375 million for fiscal year 2015.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards



To the Inspector General and Board of Directors, Legal Services Corporation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Legal Services Corporation ("LSC") as of and for the year ended September 30, 2014 and have issued our report thereon dated January 5, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered LSC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of LSC's internal control. Accordingly, we do not express an opinion on the effectiveness of LSC's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether LSC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Silver Spring, Maryland
January 5, 2015



For further information

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Thank You

Where it was possible to provide photo credit for images used, we did so. Unfortunately, however, space did not allow for acknowledgements. Here, in alphabetical order, are those we wish to credit for the use of their art in this Annual Report:

Manvi Drona, *Web Content Manager*; Ashley Matthews, *Communications Manager*; Marcos A. Navarro, *Design Director*; Brett Belleau; and WANA IMAGE



Legal Services Corporation

2014 ANNUAL REPORT

The Legal Services Corporation is the single largest funder of civil legal services in the country and plays a vital role in a public-private partnership focused on fulfilling America's pledge of equal justice for all.

Since its founding four decades ago, LSC has been making a difference in the lives of low-income Americans by funding high-quality civil legal assistance to veterans, the elderly, victims of domestic abuse, tenants facing unlawful evictions, and others who cannot afford to pay for legal assistance.

America's Partner For Equal Justice