LSC

Legal Services Corporation
America's Partner for Equal Justice

BOARD OF DIRECTORS

RESOLUTION
Temporary Operating Budget
For Fiscal Year 2003

[Resolution No. 2002-014]

WHEREAS, the Legal Services Corporation ("LSC") has not received a Fiscal Year ("FY") 2003 appropriation; and

WHEREAS, the Board of Directors desires LSC to continue operations;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby grants Temporary Operating Authority, consistent with the attached documents totaling $335,903,994 of which: $318,382,600 is for the *Delivery of Legal Assistance*; $14,242,411 is for *Management and Administration*; and $3,278,983 is for the *Office of Inspector General* and subject to the final appropriation.

Adopted by the Board of Directors
on August 24, 2002

Douglas S. Eakeley

Douglas S. Eakeley, Chair

Victor M. Fortuno

Victor M. Fortuno
Vice President for Legal Affairs,
General Counsel & Corporate Secretary

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Temporary Operating Budget For Fiscal Year 2003

LSC

For 25 years, America's
Partner For Equal Justice

OFFICE OF THE COMPTROLLER

MEMORANDUM

TO: Nancy H. Rogers, Finance Committee Chair

FROM: David L Richardson, Treasurer/Comptroller dlr

DATE: August 22, 2002

SUBJECT: Fiscal Year (FY) 2003 Temporary Operating Budget

The Senate Appropriations Committee approved the Commerce, Justice, State, and the Judiciary bill, which included a $329.3 million appropriation for LSC. The appropriation if approved and signed into law would provide funds for Basic Field Programs in the amount of $310,000,000; Technology Initiative $3,400,000; Management and Administration $13,300,000; and $2,600,000 for LSC's Office of Inspector General. Based on this information and the projected FY 2002 carryover Management has developed a Temporary Operating Budget (TOB) for your review.

Four attachments summarize the funds available and the proposed breakdown for this TOB. The first attachment shows the Projected Statement of Funds Available and Fund Balance and is labeled Attachment A. The total projected funding is $335,903,994 and is broken down as follows:

Appropriation	$329,300,000
Deferred Revenue	4,868,346
Fund Balance	1,570,648
Other Funds Available	165,000
Total Proposed Temporary Operating Budget	$335,903,994

Attachment B presents a TOB following our traditional budget categories Attachment C provides a breakdown of the Management and Administration and Office of Inspector General.

The main areas contained in this budget proposal include:

- 6 Board Meetings.
- President and Inspector General search cost totaling $120,000.
- An average 5.5 percent annual salary increase has been projected.
- Occupancy costs at $1,535,000 based on staying at 750 First Street through May 2003 and moving to 3333 K Street by June 1, 2003
- Projected moving cost of $200,000
- The Office of Program Performance will continue to invest significant resources in State Planning, Technology Initiative and Program Evaluation efforts.

Projected FY2003 Staffing

Executive Office	6
Office of Legal Affairs	7
Office of Government Relations and Public Affairs	5
Human Resources	6
Financial & Administrative Services	10
Office of Information Technology	10
Office of Program Performance	20
Office of Information Management	8
Office of Compliance & Enforcement	18
TOTAL	**90**

- 17 staff members in the Office of Inspector General
- The consulting budget includes money for the Corporation's Annual Financial Audit, Audit Service Reviews, Program Integrity Audits, Mapping Evaluation, Technology Project Assessment and other smaller projects.
- The travel items include funds for Investigations and Inspections, field audits and board meetings.

I will be available to answer your questions regarding the Management and Administration and Leonard Koczur regarding the Office of Inspector General.

Attachments:

ATTACHMENT A

LEGAL SERVICES CORPORATION
PROJECTED
STATEMENT OF FUNDS AVAILABLE
AND FUND BALANCES
FOR FISCAL YEAR 2003

	GRANT FUNDS	TECHNOLOGY INITIATIVES	MANAGEMENT & ADMINISTRATION	INSPECTOR GENERAL	TOTALS
(1) FY 2003 APPROPRIATIONS	$310,000,000	$3,400,000	$13,300,000	$2,600,000	$329,300,000
(2) DEFERRED REVENUE - RESTRICTED	68,121	4,800,225	---	---	4,868,346
BASIC FIELD PROGRAMS	---	---	---	---	---
TECHNOLOGY GRANTS	---	4,800,225	---	---	4,800,225
US COURT OF VETERANS APPEALS	68,121	---	---	---	68,121
(3) FY 2002 FUND BALANCE	114,254	---	777,411	678,983	1,570,648
UNDESIGNATED	---	---	657,411	678,983	1,336,394
DESIGNATED	114,254	---	120,000	---	234,254
(4) US COURT OF VETERANS APPEALS	---	---	---	---	---
(5) OTHER FUNDS AVAILABLE	---	---	165,000	---	165,000
INTEREST INCOME	---	---	100,000	---	100,000
EQUAL JUSTICE MAGAZINE	---	---	65,000	---	65,000
TOTAL FY 2003 CONSOLIDATED OPERATING BUDGET	$310,182,375	$8,200,225	$14,242,411	$3,278,983	$335,903,994
Delivery of Legal Assistance		318,382,600			

ATTACHMENT B

LEGAL SEP S CORPORATION
TEMPORARY OPEI ; BUDGET WORK SHEET

PROPOSED FOR THE FISCAL YEAR 2003

	(1) FY 2003 APPROPRIATION LEVELS	(2) ALLOCATION OF FY 2002 CARRYOVER	(3) COURT OF VETS APPEALS & ADJUSTMENTS	(4) FY 2003 BUDGET
I. DELIVERY OF LEGAL ASSISTANCE	313,400,000	4,982,600	---	318,382,600
A. FIELD PROGRAMS	313,400,000	4,982,600	---	318,382,600
1. Basic Field Programs	310,000,000	---	---	310,000,000
2. US Court of Veterans Appeals Funds	---	68,121	---	68,121
3. Grants From Other Funds Available	---	114,254	---	114,254
4. Technology Initiatives	3,400,000	4,800,225	---	8,200,225
II. CORPORATION MANAGEMENT & GRANT ADMINISTRATION	15,900,000	1,456,394	165,000	17,521,394
A. MANAGEMENT & ADMINISTRATION	13,300,000	777,411	165,000	14,242,411
1. Board of Directors	---	---	---	377,725
2. Executive Office	---	---	---	948,500
3. Legal Affairs	---	---	---	1,108,575
4. Governmental Relations/Public Affs	---	---	---	719,150
5. Human Resources	---	---	---	516,625
6. Financial & Administrative Services	---	---	---	2,978,315
7. Information Technology	---	---	---	1,252,650
8. Program Performance	---	---	---	3,200,446
9. Information Management	---	---	---	801,100
10. Compliance & Enforcement	---	---	---	2,339,325
B. INSPECTOR GENERAL	2,600,000	678,983	---	3,278,983
TOTAL BUDGET	$329,300,000	$6,438,994	$165,000	335,903,994

ATTACHMENT C

LEGAL SERVICES CORPORATION
MANAGEMENT & ADMINISTRATION
FOR FY 2003 BUDGET

BUDGET CATEGORY	BOARD OF DIRECTORS	EXECUTIVE OFFICES	LEGAL AFFAIRS	GOV'TAL RELATIONS & PUBLIC AFFS	HUMAN RESOURCES	FINANCIAL & ADMIN SRVCS	INFORMATION TECHNOLOGY
PERSONNEL COMPENSATION	$0	$665,100	$541,350	$394,275	$325,500	$571,225	$606,950
PERSONNEL BENEFITS	0	182,600	169,525	143,575	131,725	200,400	185,900
TOTAL COMPEN/BENEFITS	0	847,700	710,875	537,850	457,225	771,625	792,850
TEMP. EMPLOYEE PAY	0	3,000	46,000	51,800	2,250	6,750	0
CONSULTING	163,000	0	270,000	17,500	8,000	210,000	70,300
TRAVEL & TRANSPORTATION	151,075	75,000	30,900	38,000	7,300	19,550	35,000
OMMUNICATIONS	8,400	8,800	3,000	4,000	600	81,600	18,000
CCUPANCY COSTS	7,500	2,000	500	0	500	1,535,000	0
RINTING & REPRODUCTION	2,500	3,000	1,800	40,000	750	50,900	200
THER OPERATING EXPENSES	45,250	9,000	45,500	30,000	40,000	202,890	122,700
PITAL EXPENDITURES	0	0	0	0	0	100,000	213,600
HER	0	0	0	0	0	0	0
TOTAL	377,725	948,500	1,108,575	719,150	516,625	2,978,315	1,252,650

BUDGET CATEGORY	PROGRAM PERFORMANCE	INFORMATION MANAGEMENT	COMPLIANCE & ENFORCE	PROPOSED FY 2003 BUDGET	OFFICE OF INSPECTOR GENERAL	TOTAL BUDGET
PERSONNEL COMPENSATION	1,677,450	554,625	$1,553,775	$6,890,250	$1,586,725	$8,476,975
PERSONNEL BENEFITS	478,851	165,200	450,300	2,108,076	429,875	2,537,951
TOTAL COMPEN/BENEFITS	2,156,301	719,825	2,004,075	8,998,326	2,016,600	11,014,926
TEMP. EMPLOYEE PAY	66,949	3,200	0	179,949	30,000	209,949
CONSULTING	603,400	33,000	67,200	1,442,400	914,175	2,356,575
TRAVEL & TRANSPORTATION	323,170	15,500	258,350	953,845	144,250	1,098,095
OMMUNICATIONS	17,066	250	7,200	148,916	16,200	165,116
CCUPANCY COSTS	0	0	500	1,546,000	30,058	1,576,058
RINTING & REPRODUCTION	0	0	500	99,650	20,700	120,350
THER OPERATING EXPENSES	32,400	29,325	1,500	558,565	37,000	595,565
PITAL EXPENDITURES	1,160	0	0	314,760	70,000	384,760
HER	0	0	0	0	0	0
TOTAL	3,200,446	801,100	2,339,325	14,242,411	3,278,983	17,521,394