



Legal Aid of Arkansas  
Board of Directors Meeting  
Saturday, March 14, 2020  
9:00 A.M.

Location

[Waddell, Cole & Jones](#)  
[310 East Street, Suite A](#)  
[Jonesboro, AR 72403](#)

# Legal Aid of Arkansas

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The Board Packet will likely be supplemented online with the 2019 Audit and Budget Projections. The full packet and updates are published at <http://arlegalaid.org/board-packet.html>

**LEGAL AID of ARKANSAS**  
Equal Access to Justice  
*Fighting Poverty, Maintaining Dignity, Assuring Justice*

TOLL FREE  
**1-800-967-9224**

TELEPHONE/FAX  
**1-870-972-9224**

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**1-800-952-9243**

[www.arlegalaid.org](http://www.arlegalaid.org)

**Arkansas Children's Hospital**  
1 Children's Way, Slot 695  
Little Rock, AR 72202-3500  
501-978-6479 – Fax

**Harrison**  
205 West Stephenson  
Harrison, AR 72601

**Helena-West Helena**  
622 Pecan  
Helena, AR 72342

**Jonesboro**  
714 South Main Street  
Jonesboro, AR 72401

**Little Rock**  
711 Towne Oaks Drive  
Little Rock, AR 72227

**Newport**  
202 Walnut Street  
Newport, AR 72112

**Rogers Admin Office**  
1200 W. Walnut  
Suite 3101  
Rogers, AR 72756

**Springdale**  
1200 Henryetta  
Springdale, AR 72762

**West Memphis**  
310 Mid Continent Plaza  
Suite 420  
West Memphis, AR 72301

March 4, 2020

RE: Board of Directors Meeting

Dear Board Member:

The Legal Aid of Arkansas Board of Directors will meet at **9:00 a.m.** Saturday, March 14<sup>th</sup> at Waddell, Cole & Jones located at 310 East Street, Suite A, Jonesboro, AR 72403. Board members may also participate by conference call using the attached instructions. Lodging on Friday night is provided for those that must travel an hour or more. Please contact me if you wish me to take care of lodging arrangements on your behalf.

In an effort to reduce the cost of postage and the amount of paper used to distribute materials for discussion at the Board meeting, the documents have been posted online and are being mailed only to Board members who might not have internet access or have requested they be mailed. To access the online documents, go to <http://arlegalaid.org/board-packet.html>.

If you have any questions or prefer to have a packet mailed to you, please contact me by phone at 1-800-967-9224, x4311, or by e-mail at [eking@arlegalaid.org](mailto:eking@arlegalaid.org).

Sincerely,



Elizabeth King  
Administrative Assistant/HR Manager



## **PARTICIPATING BY CONFERENCE CALL/GO TO WEBINAR**

Dial 1-866-625-9936

Enter Guest Pin 21154265#

*Following are some guidelines to make a conference call run smoothly:*

- **Call in/log in a little early.** Call in a few minutes prior to the scheduled conference call time to eliminate a last minute rush.
- **Identify yourself.** Make sure to state your name clearly before speaking or voting since the meeting minutes must identify speakers.
- **Speak loudly and clearly.** You will need to speak more loudly than you would in a regular person-to-person conversation.
- **Request the Board Chair's acknowledgement.** To ensure that you are heard when you have something to say, ask the Board Chair for the floor. After you are acknowledged, you can be sure that you are being heard.
- **If you can't hear someone, speak up and let the Board Chair know.**

The board packet has been posted online. To access the online documents, go to <http://arlegalaid.org/board-packet.html> .

**Legal Aid of Arkansas  
Board of Directors Meeting  
March 14, 2020-9:00 a.m.**

**Location**

**Waddell, Cole & Jones  
310 East Street, Ste. A  
Jonesboro, Arkansas 72401**

**AGENDA**

1. Call to Order (Board Chair or Designee)
2. Search, Appointments, Nominations Committee (Ms. Thacker)
  - i. Acceptance of Appointments
  - ii. Election of Officers
  - iii. Committee Assignments
3. Approval of Minutes of December 7, 2019 Meeting (Board Chair or Designee)
4. 2019 Independent Audit Report (Yoakum, Lovell & Company)
5. Financial Report/Budget Update (Mr. Bowman)
6. 2020 Financial Eligibility Guidelines (Mr. Richardson)
7. Review of LSC Office of Program Performance Draft Report (Mr. Richardson)
8. Pay Scale Revision (Mr. Richardson, Audit/Finance Committee, Staff Committee)
9. Financial Accounts Update (Ms. King)
10. Housing Group Update (Mr. Auer)
11. Director's Report (Mr. Richardson)
12. Executive Session (Board Chair or Designee)
13. Personnel Committee Report (Mr. Price)
14. Old/New Business (Board Chair or Designee)
15. Adjournment (Board Chair or Designee)

**SEARCH/APPOINTMENTS/NOMINATIONS COMMITTEE**  
**MEETING MINUTES**  
**January 21, 2020**

The Search/Appointments/Nominations Committee of the Legal Aid of Arkansas Board of Directors met by conference call at 2:30 p.m. Tuesday, January 21, 2020. Participating in the conference call were Lori Chumbler, Niki Cung, Ashlie Thacker, Lee Richardson and Elizabeth King.

Ms. Thacker called the meeting to order.

Mr. Richardson presented the annual Diversity Report.

Hearing no questions, he proceeded.

Mr. Richardson stated that he would move to the board composition and we have seven board member terms that are expiring. He stated that all seven board members have expressed an interest in continuing to serve on the board at this time. He stated that if the committee would review those potential reappointments, there is no problem with diversity or geographic distribution of board members. He stated that he would recommend that all of the board members with expiring terms, since they have expressed an interest to continue, that they be reappointed for another three year term. He stated that they are all active board members. He further stated that the one caveat is Tim Watson from Jackson County has now also opened an office in Northwest Arkansas. He stated that he is an attorney appointed by the Jackson County Bar Association but he continues to maintain an office in the third Judicial District in Newport as well. He stated that he thinks his move to Northwest Arkansas will make him more active on the board but he will still be maintaining his presence in Jackson County so he does not see that as a negative.

After some discussion, the committee decided to move forward as follows:

Niki Cung – Seek reappointment letter  
Pamela Haun – Seek reappointment letter  
Helen Jenkins – Seek reappointment letter  
Donna Price - Seek reappointment letter  
Demetre Walker – Seek reappointment letter  
Rene Ward – Seek reappointment letter  
Tim Watson – Seek reappointment letter

A motion was made by Lori Chumbler, seconded by Niki Cung to accept the reappointments as stated. The motion carried with none opposed.

Mr. Richardson reviewed the proposed slate of officers:

Officers:

Board Chair – Pamela Haun

Vice Chair – Annie Smith  
Treasurer – Demetre Walker  
Secretary – Ashlie Thacker

A motion was made by Niki Cung, seconded by Lori Chumbler to accept the proposed slate of officers. The motion carried with none opposed.

Mr. Richardson reviewed the committees for 2020:

**Executive Committee**

Officers plus Lori Chumbler and Ron Wilson

**Personnel/Client Grievance Committee**

Pam Haun, Val Price, Demetre Walker, Faye Reed (Val as Chair of Committee)

**Search/Appointments/Nominations**

Ashlie Thacker, Niki Cung, Pam Haun, Helen Jenkins (Ashlie as Chair of Committee)

**Client Advisory Committee**

Client Members and Board Chair

**Audit/Finance Committee**

Lori Chumbler, Pam Haun, Helen Jenkins, Annie Smith (Annie as Chair of Committee)

**Standing Delivery of Legal Services/Litigation Committee**

Lori Chumbler, Steve Davis, Kachia Phillips, Annie Smith

**Safety Committee**

Lori Chumbler, Steve Davis, Val Price, Annie Smith, Ashlie Thacker, Ron Wilson (Annie as Chair of Committee)

Mr. Richardson stated that we have one client eligible position open that is appointed by a Faith Based Organization. He stated that with our focus on substance use disorder and knowing that we have a possibility of substance use disorder money in a significant amount coming down the pipe to help us serve that population, we have a consortium of service organizations in Northeast Arkansas we might leverage. He stated that many of them are faith based and he would like to approach one of those organizations and ask for a client eligible appointment. He stated that would mean that we are probably a little heavy on client eligible in Northeast Arkansas but he is not sure that is a significant issue because we seem to be a little heavy on non-client eligible in Northwest Arkansas. He stated that he would like to approach one of these organizations to see if they have a potential client eligible board member to serve for a three year term.

A motion was made by Lori Chumbler, seconded by Niki Cung to approve Mr. Richardson approaching an organization that deals with substance abuse disorders to fill the vacant client eligible position. The motion carried with none opposed.

Hearing no other business, Ms. Thacker adjourned the meeting.

\*Presented to Board March 14, 2020



Legal Aid of Arkansas  
2020 Board Diversity

<b>Race</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Percent</b>	<b>Census</b>
White	7	6	13	<b>62</b>	<b>76.7</b>
Black	2	4	6	<b>28</b>	<b>9.6</b>
Hispanic	0	1	1	<b>5</b>	<b>8.7</b>
Other	0	1	1	<b>5</b>	<b>5</b>
<b>Percent</b>	<b>43</b>	<b>57</b>	<b>21</b>	<b>100</b>	<b>100</b>

Legal Aid of Arkansas  
2019 Client Served Diversity

<b>Race</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Percent</b>	<b>Census Poverty Pop.</b>
White	1161	3771	4940	<b>68</b>	<b>68</b>
Black	432	1185	1617	<b>22</b>	<b>19</b>
Hispanic	84	249	333	<b>5</b>	<b>10</b>
Other	154	237	391	<b>5</b>	<b>3</b>
<b>Percent</b>	<b>25</b>	<b>75</b>	<b>7281</b>	<b>100</b>	<b>100</b>

Legal Aid of Arkansas  
1-17-2020 Staff Diversity

<b>Race</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Percent</b>
White	10	26	36	<b>69</b>
Black	0	9	9	<b>17</b>
Hispanic	0	3	3	<b>6</b>
Other	2	2	4	<b>8</b>
<b>Percent</b>	<b>23</b>	<b>77</b>	<b>52</b>	<b>100</b>

**Current Board Membership  
March 2020**

<b>Position No.</b>	<b>Appointing Organization</b>	<b>Location</b>	<b>Client Population</b>	<b>Board Member</b>	<b>Term Expires</b>
1	Lee, Monroe or Phillips County Bar Association	1st Judicial District	Lee, Monroe and Phillips counties	Faye Reed	12/31/2021
2	Cross, St. Francis or Woodruff County Bar Associations	1st Judicial District	Cross, St. Francis and Woodruff counties	Kevin Watts	12/31/2021
3	Crittenden County or Osceola Bar Associations	2nd Judicial District	Crittenden and Mississippi (South) counties	Ron Wilson	12/31/2020
4	Clay or Greene County or Blytheville Bar Associations	2nd Judicial District	Clay, Greene and Mississippi (North) counties	Neil Burns	12/31/2021
5	Craighead or Poinsett County Bar Association	2nd Judicial District	Craighead and Poinsett counties	Val Price	12/31/2021
6	Jackson, Lawrence, Randolph or Sharp County Bar Associations	3rd Judicial District	Jackson, Lawrence, Randolph and Sharp counties	Tim Watson, Jr.	12/31/2022*
7	Cleburne, Fulton, Independence, Izard or Stone County Bar Associations	16th Judicial District	Cleburne, Fulton, Independence, Izard and Stone counties	Fuller Bumpers	12/31/2020
8	Madison or Washington County Bar Associations	4th Judicial District	Madison and Washington counties	Niki Cung	12/31/2022
9	Benton County Bar Association	19th (East) Judicial District	Benton County	Lori Chumbler	12/31/2021
10	Boone-Newton or Carroll County Bar Associations	14th and 19th (East) Judicial Districts	Boone, Carroll and Newton counties	Steve Davis	12/31/2020
11	Baxter, Marion, Searcy or Van Buren County Bar Associations	14th and 20th Judicial Districts	Baxter, Marion, Searcy and Van Buren counties	Donna Price	12/31/2022*
12	University of Arkansas School of Law at Fayetteville	At Large	At Large	Annie B. Smith	12/31/2020

**Current Board Membership  
March 2020**

13	Arkansas Bar Association	At Large	At Large	Curtis Walker	12/31/2020
14	Domestic Violence Service Community-Family Violence Prevention	At Large	Victims of Domestic Violence	Ashlie Thacker	12/31/2020
15	Area Agencies on Aging-Area Agency on Aging of East AR	At Large	Elderly	Rene Ward	12/31/2022
16	Community Action Programs- CRDC	At Large	Program Clients	Mihailo Albertson	12/31/2021
17	Mental Health/Disability- Arkansas Support Network	At Large	Mentally Ill/Disabled	Demetre Walker	12/31/2022*
18	Faith Based Service Organization-	At Large	Program Clients	Vacant	12/31/2017
19	United Way Agency-CASA of the 2 <sup>nd</sup> Judicial District	At Large	Agency Clients	Helen Jenkins	12/31/2022*
20	Misc Organization Serving Low-Income Clients – Workers Justice	At Large	Program Clients	Vilma Ascensio	12/31/2020
21	Wild Card	At Large	At Large	Pamela Haun	12/31/2022

**LEGAL AID OF ARKANSAS  
BOARD OF DIRECTORS  
2020**

	<b>POSITIONS HELD</b>	<b>APPOINTING ORGANIZATION</b>	<b>TERM BEGINS</b>	<b>TERM ENDS</b>
Mihailo Albertson 6109 Gorby Rd. Calico Rock, AR 72519 870-291-4199 <a href="mailto:mihailo@usa.com">mihailo@usa.com</a>	Client Advisory Committee	NADC Charlie Morris 550 S. 9 <sup>th</sup> St. Batesville, AR 72501 870-793-5765	01/01/19	12/31/21
Vilma Asencio 2301 Anna Street Springdale, AR 72762 479-200-6978 <a href="mailto:Vasencio@outlook.com">Vasencio@outlook.com</a>	Client Advisory Committee/ Executive Committee	Worker's Justice Center Nelson Escobar 207 W. Emma Street Springdale, AR 72764 479-750-8015 479-750-1194 – Fax <a href="mailto:Nelson.wjc@gmail.com">Nelson.wjc@gmail.com</a>	01/01/18	12/31/20
Fuller Bumpers Attorney at Law P.O. Box 2496 Batesville, AR 72503 870-793-7556 <a href="mailto:fbumpers@earthlink.net">fbumpers@earthlink.net</a>		Independence County Bar Association Barrett S. Moore, President P.O. Box 2135 Batesville, AR 72501	01/01/18	12/31/20
Neal Burns 200 S. Pruett St. Paragould, AR 72450 870-239-2225 887-239-2780 – Fax <a href="mailto:b.neal.burns@gmail.com">b.neal.burns@gmail.com</a>		Greene County Bar Association Brad Broadaway, President 924 West Court Street Paragould, AR 72450 870-236-9800 870-236-4840 – Fax	01/01/19	12/31/21
Lori Chumbler Associate General Counsel Legal Administration & External Relations 702 S.W. 8th Street Bentonville, AR 72716-0215 <a href="mailto:lori.chumbler@walmartlegal.com">lori.chumbler@walmartlegal.com</a>	Executive Committee	Benton County Bar Association Tina Adcock Thomas, President 121 S. Main St. Bentonville, AR 72712 479-273-2777 479-273-1214 – Fax	01/01/19	12/31/21
Niki Cung Kutak Rock, LLP 234 East Millsap Road, Suite 400 Fayetteville, AR 72703-4099 479-973-4200 x1933 479-973-0007 – Fax 479-445-3770 – Cell <a href="mailto:niki.cung@kutakrock.com">niki.cung@kutakrock.com</a>	Search/Appointments/ Nominations Committee	Washington County Bar Association Tyler Benson, President	01/01/20	12/31/22
Steven B. Davis Davis Law Firm P.O. Box 1696 Harrison, AR 72602-1696 870-741-4646 870-741-2500 – Fax davislawfirm1@outlook.com		Boone-Newton Bar Association Brad Brown, President 212 N. Main Street, Suite B P.O. Box 298 Harrison, AR 72602	01/01/18	12/31/20

**LEGAL AID OF ARKANSAS  
BOARD OF DIRECTORS  
2020**

	<b>POSITIONS HELD</b>	<b>APPOINTING ORGANIZATION</b>	<b>TERM BEGINS</b>	<b>TERM ENDS</b>
Pamela Haun Attorney at Law P.O. Box 1700 Jonesboro, AR 72403 870-931-1700 870-931-1800 – Fax <a href="mailto:phaun@barrettdeacon.com">phaun@barrettdeacon.com</a>	Board Chair; All Committees	Craighead County Bar Association Carla Rogers Nadzam, President	01/01/20	12/31/22
Helen Jenkins 389 N. Hollywood H7 Blytheville, AR 72315 870-740-3945 <a href="mailto:annjen@yahoo.com">annjen@yahoo.com</a>	Client Advisory Committee; Audit/Finance Committee; Search/Appointments/ Nominations Committee	CASA of the 2 <sup>nd</sup> Judicial District 511 Union Street, Suite 327 Jonesboro, AR 72401 870-935-1099	01/01/20*	12/31/22
Kachia Phillips 1216 N. B Street Rogers, AR 72756 479-316-5569 <a href="mailto:Kachiaphillips74@gmail.com">Kachiaphillips74@gmail.com</a>	Client Advisory Committee	Goodwill Industries of Arkansas, Inc. Marty Hausam, State Reentry Program’s Manager 479-841-1200 <a href="mailto:Mhausam@Goodwillar.org">Mhausam@Goodwillar.org</a>	01/01/18	12/31/20
Donna Price Attorney at Law P.O. Box 430 Clinton, AR 72031 501-745-2283 <a href="mailto:donnapriceattorney@gmail.com">donnapriceattorney@gmail.com</a>		Van Buren County Bar Association Ralph Blagg, President	01/01/20*	12/31/22
Val P. Price Attorney at Law P.O. Box 3072 Jonesboro, AR 72403-3072 870-934-9400 870-934-9400 - Fax <a href="mailto:valandleah@yahoo.com">valandleah@yahoo.com</a>	Personnel/Client Grievance Committee (Chair);	Craighead County Bar Association Carla Rogers Nadzam, President	01/01/19	12/31/21
Faye Reed Attorney at Law 110 Oakland Ave. Helena-West Helena, AR 72342 870-817-0235 870-995-3198 – Cell <a href="mailto:frimprove@gmail.com">frimprove@gmail.com</a>	Personnel/Client Grievance Committee;	Phillips County Bar Association Mr. Phillip Allen P.O. Box 2602 West Helena, AR 72390	01/01/19	12/31/21
Annie B. Smith Assistant Professor of Law U of A School of Law Law School Legal Clinic 1045 W. Maple Street Waterman Hall – Room 107 Fayetteville, Arkansas 72701 479-575-3056 856-979-6321 – Cell <a href="mailto:abs006@uark.edu">abs006@uark.edu</a>	Vice Chair; Audit/Finance Committee	University of Arkansas School of Law Stacey Leeds, Dean Robert A. Leflar Law Center Fayetteville, AR 72701-1201 479-575-4504 479-575-3320 - Fax	01/01/18	12/31/20

**LEGAL AID OF ARKANSAS  
BOARD OF DIRECTORS  
2020**

	<b>POSITIONS HELD</b>	<b>APPOINTING ORGANIZATION</b>	<b>TERM BEGINS</b>	<b>TERM ENDS</b>
Ashlie Thacker 3608 Shelby Drive Paragould, AR 72450 870-565-0445 <a href="mailto:ashliedthacker08@gmail.com">ashliedthacker08@gmail.com</a>	Secretary; Search./Appointments/ Nominations Committee (Chair)/Client Advisory Committee/Executive Committee	Family Crisis Center of Northeast Arkansas P.O. Box 721 Jonesboro, AR72403 870-972-9575	01/01/19	12/31/21
Curtis Walker P.O. Box 627 Blytheville, AR 72316-0627 <a href="mailto:curtisjerome@sbcglobal.net">curtisjerome@sbcglobal.net</a>		Arkansas Bar Association 2224 Cottondale Lane Little Rock, AR 72202 501-375-4606 501-375-4901 – Fax	01/01/18	12/31/20
Demetre Walker 902 N Larkspur Lane Fayetteville, AR 72704 479-587-3068 - Work 479-790-0440 - Cell	Treasurer, Client Advisory Group; Personnel/Client Grievance Committee; Executive Committee	Arkansas Support Network Lynn Donald, Program Director 6836 Isaac's Orchard Road Springdale, AR 72762 479-927-4100 479-927-4101 – Fax	01/01/20*	12/31/22
Rene Ward PO Box 3031 Forrest City, AR 72336 870-261-4309 <a href="mailto:grward72335@yahoo.com">grward72335@yahoo.com</a>	Client Advisory Committee; Search/Appointments/ Nominations Committee	East Arkansas Area Agency on Aging Monte Callicott, Executive Director 2005 E. Highland Dr. PO Box 5035 Jonesboro, AR 72403-5035 870-930-2202	01/01/20	12/31/22
Tim Watson, Jr. 209 Walnut Street Newport, AR 72112 Phone: 870-523-8420 Fax: 870-523-4639 <a href="mailto:timwatsonjrlaw@yahoo.com">timwatsonjrlaw@yahoo.com</a>		Jackson County Bar Association James McLarty Attorney at Law 114 Main Street Newport, AR 72112 870-523-2403 870-523-3630 - Fax	01/01/20*	12/31/22
Kevin Watts 218 N Terry Street Wynne, AR 72396 870-318-1690		Cross County Bar Association Kevin Watts, President	01/01/19	12/31/21
Ron Wilson P.O. Box 1299 West Memphis, AR 72303-1299 870-735-2940 870-732-0174 – Fax <a href="mailto:esquirewilson@yahoo.com">esquirewilson@yahoo.com</a>	Executive Committee	Crittenden County Bar Association Bart Ziegenhorn, President 106 Dover Road, Suite B P.O. Box 830 West Memphis, AR 72303 870-732-9100	01/01/18	12/31/20

\*Pending Re-appointment

**LEGAL AID OF ARKANSAS  
BOARD OF DIRECTOR'S MEETING  
December 7, 2019**

The Board of Directors of Legal Aid of Arkansas met at 9:00 a.m. Saturday, December 7, 2019, at the Center for Non-Profits in Rogers, Arkansas.

The formal agenda was as follows:

1. Call to Order (Ms. Chumbler)
2. Minutes of September 14, 2019 Meeting (Ms. Chumbler)
3. Financial Report (Mr. Bowman)
  - a. Year to Date
  - b. Balance Sheet
4. Audit/Finance Committee Report (Ms. Haun)
  - a. Proposed 2020 Budget (with Mr. Bowman)
  - b. Audit Agreement for 2019 Financial Year (with Mr. Richardson)
  - c. Salary Scale Update (with Mr. Richardson)
5. New Board Committees (Ms. Chumbler)
  - a. Pro Bono (Ms. Johnson)
  - b. Development (Ms. Gratil)
  - c. Client Counsel (Ms. King)
6. Expiring Board Terms and 2020 Officers (Mr. Richardson)
7. Locations and Dates of 2020 Board Meetings (Mr. Richardson)
8. Certification of Objective Integrity and Independence (Mr. Richardson)
9. Case Acceptance Priorities 2020 (Mr. Richardson, Work Group Leaders)
  - a. Preamble and Special Projects (Mr. Richardson)
  - b. Consumer (Ms. Purtle)
  - c. Domestic Violence (Mr. Swain)
  - d. Economic Justice (Mr. DeLiban)
  - e. Housing (Mr. Auer)
10. Pro Bono Activities and 2020 Private Attorney Involvement Plan (Ms. Johnson)
11. Opioid/Substance Abuse Disorder Project (Ms. Gratil)
12. Director's Report (Mr. Richardson)
  - a. Discussion of LSC PQV visit
  - b. Highlights/Updates
13. Old/New Business (Ms. Chumbler)
14. Adjournment (Ms. Chumbler)

Present in person were Lori Chumbler, Niki Cung and Val Price. Present via conference call were Neal Burns, Pamela Haun, Annie Smith, Ashlie Thacker, Demetre Walker, Rene Ward, Tim Watson, Kevin Watts and Ron Wilson. Legal Aid staff in attendance in person included: Lee Richardson, Executive Director; Elizabeth King, HR Manager/Admin Asst; David Bowman, Fiscal Officer, Susan Purtle, Consumer Work Group Leader and Helen Gratil, Director of Mission Engagement/ Chief Information Officer/ Director of AmeriCorps Program. Staff present via conference call included Jason Auer, Housing Workgroup Leader, Kevin De Liban, Economic Justice Workgroup Leader, Blane Swain, Domestic Violence Workgroup Leader and Greneda Johnson, Pro Bono Director.

Board Chair Lori Chumbler called the meeting to order. She welcomed everyone and stated that we were going to go a bit out of order on the agenda and moved to item five, New Board Committees.

Mr. Richardson stated that partially from the Legal Services Program Quality Visit in October 2019 and partially from grant work we have done, we have identified three new board committees that we believe we need to set up and activate. He stated that the first committee is a Pro Bono Committee. We have a PBIF grant that began in October to try to enhance the pro bono project. It is an innovation grant and as part of that grant we have promised to set up a committee who will help drive pro bono service delivery. Greneda Johnson is Pro Bono manager and in the board packet there is information about a Pro Bono Transformation Team and that is what we are talking about here. Board members would join that Pro Bono Transformation Team and then be a standing committee of the board. The transformation team would have three active members of the Legal Aid board, it says one from a corporate legal department, one from a national law firm and one that is a law school pro bono project director. That would likely be Ms. Chumbler, Ms. Cung and Ms. Smith if they are willing to serve on that committee. All affirmed that they would be willing to serve on the Pro Bono Committee.

Mr. Richardson stated that the Legal Services Corporation Program Quality Visit team repeatedly hammered the fact that we needed a Board Development Committee and he would expect that to be a Tier 1 recommendation which are the only ones that they actually put grant conditions on. While Ms. Johnson would lead the Pro Bono Committee, Ms. Gratil is our Development Director so she would lead the Development Committee. He asked Ms. Gratil to expand. Ms. Gratil stated that we have talked about looking at ways to expand our budget and we basically need input from the board and for the board to take more of a leadership role in fundraising and giving input in different ways such as identifying grant sources. She has started reaching out to set up one on one meetings and they will be working on a face to face development retreat where we could work on a strategic plan for the next 3-5 years.

Mr. Richardson stated that the Board Position Profile that we have adopted contains several references to this, it says board members will have experience or familiarity with potential sources of funding related to legal services needs of Legal Aid of Arkansas. It states that board members will participate in development efforts by:

- Providing a personal financial contribution commensurate with the member's ability.
- Identifying potential donors and/or soliciting personal gifts from donors.
- Participating in at least one fundraising event.
- Researching and identifying potential funding sources for Legal Aid of Arkansas.

Mr. Richardson said that he wanted to make the board aware and we will have the recommendation before the next meeting but in the meantime Ms. Gratil be in touch with board members and will try to meet with each board member individually and have a sense of who might to serve on this committee and then in March we can formally create and adopt this committee.

Mr. Richardson stated that we used to have an active Client Council of client board members and that has been identified as something we need to revive. The Client Council has not met in the last five years at least. With Ms. Kings leadership we would like to reinvigorate that committee where the client eligible board members meet on a quarterly basis, possibly right before the regular board meeting or by phone or however else that they choose to meet. He said that they would help drive the work of the



program in that way and inform us better from that perspective and point of view and hopefully engage in some national training as they used to do and when we have a legal needs assessment be more intimately involved and helping carry that out. We would like for all the board members to know the other board members names and he thought when Legal Services Corporation did interviews they found that was not necessarily the case. Part of that is because we are so spread out and it is hard to get everybody together face to face but if we start having more of these committee meetings it would give people an opportunity to feel more engaged and know each other a bit better. Ms. King will try to set up some meetings in that regard and hopefully we will have a formal plan as well by the March board meeting.

Mr. Price inquired if the full report from Legal Services Corporation had been received and Mr. Richardson stated we have not but expect it by mid-January.

Ms. Chumbler stated that it might be helpful to create a board directory with photos and a bio to help everyone get to know each other a little better, both on the website and on paper.

Ms. Chumbler stated that we do have a quorum now, so we will move to item two on the agenda, Minutes of September 14, 2019 Meeting. She asked if there were any comments or questions regarding the minutes. Hearing none, she called for a motion.

A motion was made by Kevin Watts, seconded by Ashlie Thacker to approve the Minutes of the September 14, 2019 meeting. The motion carried with none opposed.

Ms. Chumbler moved to item three on the agenda, Financial Report.

Mr. Bowman stated he will begin with the January 1st– October 31<sup>st</sup> financials. For revenue we ended up at \$2,573,500 and expenses at \$2,720,000 brings us to \$147,000 in the red. There are a couple of items that we have accounts receivables and those would be under the HUD grant line number 4 we are a little low on that one and Medical Legal Partnership line number 9 we received \$35,920 in November. Those were invoiced but we just did not receive the money during the month of October. The same applied with Equal Justice Works line number 12 that was receivable \$6,400 and also on line number 36 PAI we received \$48,262 so bottom line we are in the red but had we taken in our receivables at that time that would have been total receivables \$167,000 so that would have made our bottom line look a lot better had we received those at that point. On the expense side line number 55 and 57 that is staff travel and training lines. As you can see we had budgeted about \$50,600 and we have gone over that at \$75,700. We had almost \$30,000 in expenses for our statewide conference. We submitted invoices for reimbursement to the Center for Arkansas Legal Services and Arkansas Access to Justice, so we should get those in this month. We have increased staff which increased our training and travel budget lines as well. He further stated in looking at the detailed balance sheet, our total cash we are still at \$1,170,000 at the end of October. Under liabilities notes payable we are down on the Springdale building to \$56,700 and also the group insurance withholding shows a negative \$21,900 because we prepay our premiums so those are prepaid for November. He stated that total liabilities, net assets, excess revenue is in the red at almost \$147,000. He asked for questions on the year to date report. Mr. Richardson stated that on the first page of the revenues you will see that the United Way of North Central Arkansas has not made any payment to us in 2019 or the last quarter of 2018 so we are trying to run that to ground. We do have a grant award and they do have our bank account information and they did make at least one direct deposit there and then they just stopped. They are also having a hard time getting us grant documents so that is something we are working on.

Ms. Chumbler asked for questions on the financial report, year to date or balance sheet. Hearing none she called for a motion.

A motion was made by Tim Watson, seconded by Val Price to approve the Year to Date Financial Report. The motion carried with none opposed.

Ms. Chumbler moved to item four on the agenda, Audit/Finance Committee Report.

Ms. Haun stated that the committee met on November 15<sup>th</sup> and was able to review some things related to the salary comparison that we will be working on and considering that in the future. The committee also reviewed the budget and 2020 projections.

Mr. Richardson stated that there is quite a bit of information in the packet regarding salary studies. We were going to try to update the salary scale which we have not done since 2016 but based on our projected funding right now and uncertainty about how much we are getting from Legal Services Corporation we could not make the numbers make sense to ask the board to do that today. He stated that if we had adopted the salary scale as our committee of staff worked on it, we would projecting to be \$460,000 in the hole for 2020 which we could stand to do because we have a good reserve but it would pretty much eat up the reserve and take us down below three months operating expenses and it might not be sustainable at current staffing so we are pulling that off the table today. He stated that the board Audit/Finance committee will be meeting with the staff committee prior to the March board meeting to discuss and develop this further but he wanted the board to have it for informational purposes and to know we are working on this and hope to have recommendations at the March board meeting.

Ms. Haun stated that the staff committee put a lot of work into this and presented the committee with a lot of information to consider even though it was not time to make a decision and she appreciated all of their hard work and feels there is definitely a need to make some movements and decisions.

She stated that the committee reviewed and approved the audit agreement with Yoakum, Lovell and Company for the 2019 audit. She stated that they have continued to complete the audit at the cost of \$15,000 and that was included in our committee meeting.

She asked Mr. Richardson to speak on the 2020 budget. Mr. Richardson stated that the committee reviewed a proposed 2020 projected budget. He is asking the board to approve the projections as written. We know that line 6, IOLTA, will probably be \$130,000 instead of \$100,100 but there are strings attached and he will talk about that in the Directors report. The Medical Legal Partnership/Equal Justice Works/Arkansas Children's Hospital will be closer to \$193,600 but that is basically a wash to pay for extra staff. Those are the only things that he knows of that have changed since the Audit/Finance Committee met in November. He stated in looking at projections, the most likely scenario projects to be \$259,291.96 in the hole which is about what we voted on in December of 2018.

Mr. Wilson inquired if we are proposing that the board approve a revised budget at each quarterly meeting and Mr. Richardson stated that was correct as funding is always changing.

Ms. Chumbler asked for further questions, hearing none she called for a motion.

A motion was made by Tim Watson, seconded by Kevin Watts to approve the proposed 2020 Budget. The motion carried with none opposed.

Ms. Chumbler moved to item six on the agenda, Expiring Board Terms and 2020 Officers.

Mr. Richardson stated that we have seven board terms expiring and one open board position that is a client eligible that we need to fill. We have sent communication out to all of the expiring members and have heard from everyone and all members have communicated that they would in fact be willing to serve another term if reappointed. The Search/Appointments Committee will meet in early January and hopefully that will be a smooth transition if all seven members continue on the board and then we have the one open position which is a Faith Based Client eligible appointment and we will be working on getting an appointment there as soon as possible and certainly before the March meeting. Three of the four officer's are term limited out in their current position. Ms. Chumbler, Ms. Haun and Ms. Smith will be term limited at the end of 2019 in their current position and Ms. Walker has one more year until she is term limited out so if anyone would like to serve as a board officer or would like to nominate someone to serve please communicate with someone on that committee or communicate directly with Ms. King. We will be reaching out to Ms. Haun, Ms. Smith and Ms. Walker to see if they would like to continue as officers in a different capacity. Ms. Chumbler will roll over to the Executive Committee and Ms. Cung will rotate off of the Executive Committee.

Ms. Chumbler moved to item seven on the agenda, Locations and Dates of 2020 Board Meetings.

Mr. Richardson stated this is just suggested and can be changed if there are other thoughts. The suggested meeting dates and locations are as follows:

- March 14<sup>th</sup> Jonesboro
- June 5<sup>th</sup> and 6<sup>th</sup> would be a joint meeting with the Access to Justice Commission, Access to Justice Foundation and Center for Arkansas Legal Services in Little Rock
- September 19<sup>th</sup> virtual meeting
- December 12<sup>th</sup> Rogers or Springdale

A motion was made by Val Price, seconded by Niki Cung to approve the Locations and Dates of 2020 Board Meetings. The motion carried with none opposed.

Ms. Chumbler moved to item eight on the agenda, Certificate of Objective Integrity and Independence.

Mr. Richardson that this is a report we have to send in to LSC annually. This is part of 45 CFR 1610 and we are certifying to the Legal Services Corporation that we have not engaged in any prohibited activity. As part of our grant assurance to accept money from LSC we agree not to engage in prohibited activity which is laid out in 1610.2 and also that we are separate and apart from any organization that does engage in such activities.

A motion was made by Niki Cung, seconded by Tim Watson to approve the Certificate of Objective Integrity and Independence.

Ms. Chumbler moved to item nine on the agenda, Case Acceptance Priorities.

Mr. Richardson stated that the workgroups have worked on these with the board members that are assigned to each workgroup. He reviewed the Preamble and then asked the leaders to present priorities for their workgroup.

Mr. Swain presented the Domestic Violence Work Group Priorities.

Ms. Purtle presented the Consumer Work Group Priorities.

Mr. Richardson presented the Economic Justice Work Group Priorities.

Mr. Auer presented the Housing Work Group Priorities.

Mr. Richardson presented the Medical Legal Partnership Priorities.

A motion was made by Val Price, seconded by Ashlie Thacker to approve the 2020 Case Acceptance Priorities. The motion carried with none opposed.

Ms. Chumbler moved to item ten on the agenda, Pro Bono Activities and 2020 Private Attorney Involvement.

Ms. Johnson presented the 2020 Private Attorney Involvement Plan and updated the board on Pro Bono activities.

Hearing no further discussion, Ms. Chumbler called for a motion.

A motion was made by Niki Cung, seconded by Tim Watson to approve the 2020 Private Attorney Involvement Plan. The motion carried with none opposed.

Ms. Chumbler moved to item eleven on the agenda, Opioid/Substance Abuse Disorder Project.

Ms. Gratil gave the board an update on the Opioid/Substance Abuse Disorder Project and the upcoming Symposium.

Ms. Chumbler moved to item twelve on the agenda, Director's Report.

Mr. Richardson stated he wanted to talk briefly about the Legal Services Corporation Program Quality visit. Several board members were interviewed while Legal Service Corporation was here so you have a sense of the kind of questions they were asking and what they were looking for. At the exit conference they went over some of their findings and he will go over those briefly. If they make a Tier 1 recommendation then that is something that we will be expected to comply with, otherwise everything they do will probably be best practice suggestions. One challenge they mentioned is our supervisory structure, several times they mentioned that and he believes that comes back to confusion between Regional Managers and Workgroup Leaders and who someone may ultimately answer to so that is something we will try to clarify. They talked about us needing to do a new Legal Needs Assessment. He said that the last one was in 2017 and it may not have been totally complete but it is a major undertaking to do. They said our strategic plan is good but we don't really have an implementation plan. We are four years in and we have implemented most of our strategic plan without having an implementation plan but at the same time we will be looking at rolling over to annual business plans or starting a new strategic plan in 2021 so we will be looking at that. They talked about us needing a Litigation Director and equalizing out our impact litigation across workgroups. He stated that they said intake was one of our strongest points and we continue to have one of the stronger intake systems in the country. They said the appearance of some of our offices need to be upgraded

and we are working on that. Clients should have a dignified environment and sometimes we may not notice something that someone coming in fresh notices immediately because it is our every day environment. They were impressed with our ACE's focus and our disaster work grant, they wanted us to try to work in the first judicial district counties and try to use data to get our numbers up. They said we consistently beat the national median for case closures. They want supervision to be consistent across the workgroups and that is where they are talking about a possible program counsel or litigation director. He further stated that the statewide website needs to be updated and we will be focusing on that in 2020. They talked about the board quite a bit and I think we will see that in the report. They saw things like the board being more reactive than proactive but they also did acknowledge that when you are working such rural areas and spread out across the state it can be harder to do some of these things but they are looking for the board to be more proactive. The board should engage in fundraising and some board members should attend national trainings on a regular basis. He said that Ms. Cung went to the NLADA conference last month and we have the Equal Justice Conference coming up in Atlanta May 7<sup>th</sup> – 9<sup>th</sup> which may be good for a board member to attend. We have the budget to send a couple of board members to things like that so we will be looking at that. They were pleased with moving the top tier management to the Rogers office and said this was a very important step. They want the salary scale to be revisited, resource development is doing a good job but we do not have enough resources devoted to this. He stated that those are the primary things he picked up on in the exit conference and from conversations while they were here onsite. Overall he does not see us being in any kind of trouble or having any kind of grant conditions that are significant other than possible better board engagement.

Mr. Richardson stated that Legal Services Corporation is having a board meeting in Little Rock January 30<sup>th</sup> - February 1<sup>st</sup>. He would like to have some board participation and they would as well as far as attending some of the events. On the 30<sup>th</sup> there is a pro bono award reception at the Clinton School of Public Service from 6:00 – 7:30 and we would like to have some board participation at that event and we would certainly pay mileage, lodging and per diem for board members. On Friday morning there are some forums at the old statehouse and then a luncheon at the Clinton Presidential Library. He stated there would then be grantee presentations from the Center for Arkansas Legal Services and Legal Aid of Arkansas and he expects it would wrap up around 3:30 on Friday. He stated that he will stay and attend the full Legal Services Corporation board meeting on Saturday morning and anyone else would be welcome to stay as well.

Mr. Richardson stated that you can see in the report where we stand on national funding. Right now the biggest thing is the Bi-partisan Budget Act of 2019 only had a 5% increase for discretionary spending and if the House gave us a 32.5% increase obviously the reconciliation will have to come down somewhere. We are hoping it meets somewhere in the middle. He further stated that since he prepared this there has been changes to the IOLTA funding. Instead of giving us 38.5% and the Center for Arkansas Legal Services 41.5% of the IOLTA funding which is what the poverty population shakes out at, he received a letter yesterday stating that they wanted to split it down the middle and each of us get \$130,000. They want us to spend that in two areas, technology upgrades which he believes was put in there for the Center for Arkansas Legal Services to try to move to Legal Server which is out case management system and the other area is development. At some point we told them we could use a grants manager and he believes that is where that comes from and assistance for Helen's team as well. He stated that will be a one year thing where they split it 50/50 and then they have talked to him about having conversations about how to have more equitable divisions because we operate in all 75 counties and the Center for Arkansas Legal Services does not. We may have upward of 1,000 cases outside of our traditional 44 county service area and we are getting nothing from the Access to Justice Foundation

for that work so they are talking about possibly recognizing that and giving us a bigger piece of the pie but of course the Center does not want to lose any money.

Mr. Richardson stated that in regards to the Opioid project, Ms. Gratil spoke about us meeting with the Attorney General's office and they are in discussions with Purdue who has already filed for bankruptcy and now it is just a matter of coming up with settlement funds and portioning it to the states. He stated that Johnson & Johnson has not filed bankruptcy and they are fighting things pretty hot and heavy but at the end of the day there should be substantial money there. He stated that we met with people at the Attorney General's office that are supportive hoping that Legal Aid of Arkansas is at the table to receive some of that settlement money when the settlement ultimately happens like we did with the Bank of America funds which will be running out in about a year so we need to replace those. They said they had not had discussions with the governor's office just yet about how to allocate this and he is not sure the governor's office is going to be amenable to us getting some of the money so we will have to see how things play out on that front.

Mr. Richardson stated that lastly he wanted to mention Giving Tuesday. This year it looks like we raised around \$6,072. That nearly equals last year's total just a little bit below and he stated that he expected it to be because of the change in the contribution deduction laws on the federal level so that has hurt contributions a bit. It is also an election year so people are donating to political candidates and maybe not as much to non-profits. Last year our staff gave at about a 60% pace and this year it was a bit lower than that but over 50%. He stated that we only had three board members give that is not all the board members that give over the course of the year, that is just the members that gave during the Giving Tuesday campaign but we would hope at some point to get 100% engagement from board members even if it is not a substantial amount. We are often asked when we write grants and go to other potential funders, does your board give? Does your staff give? It is more important to have representative giving as opposed to the amount you give. He stated that 42% of the funds came from the community in general. One thing that may assist with Giving Tuesday is to get corporate sponsorship for matching funds and that is something we will look at for 2020.

He asked for any questions.

Ms. Cung encouraged the board to read the notes from the Legal Services Corporation exit conference in the board packet as it would be helpful to look at and see where we as board members can do better and talk with Lee, Elizabeth and/or Helen about what we can do to obtain a better outcome.

Ms. Chumbler moved to item thirteen on the agenda, Old/New Business.

Hearing no further discussion Ms. Chumbler adjourned the meeting.

**LEGAL AID OF ARKANSAS**  
 ACTUAL REVENUE & EXPENDITURES  
 FOR THE PERIOD JANUARY 1 THRU DECEMBER 30, 2019

Line#	Revenue:	Revised 07-19-2019			
		2019 Apprd Budget	2019 Apprd Budget	DEC 2019 Actual	Dec 2018 Actual
1	LSC BASIC GRANT (FY19 Appropriation Inceas-est \$17,480)	\$1,460,547.00	\$1,478,027.00	\$1,478,027.00	\$1,557,645.00
2	Ark Adm Justice Funds (FY19 Appropriation decrease-\$51,326)	\$250,213.86	\$198,887.90	\$184,452.43	\$250,213.80
3	STOP/VAWA/VOCA	\$229,000.00	\$212,207.36	\$292,494.66	\$149,055.50
4	HUD	\$93,750.00	\$204,378.39	\$175,398.35	\$84,769.00
5	IOLTA (rec'd letter 01/29/2019 for \$77,200)	\$20,000.00	\$77,200.00	\$77,200.00	\$20,350.00
6	IOLTA-Housing Foreclosure	\$262,378.00	\$233,653.37	\$254,374.84	\$262,378.92
7	AATJF-Fair Housing Special Grant - 2018/2019 (2019-5/months)	\$42,916.67	\$42,916.67	\$93,178.67	\$85,520.83
8	IRS-LITC	\$60,000.00	\$64,000.00	\$64,000.00	\$60,000.00
34	National Health Law Program	\$45,833.33	\$45,833.33	\$37,500.00	\$58,333.33
9	MLP-EJW&ACH	\$145,000.00	\$145,000.00	\$171,661.37	\$156,915.72
10	Georgetown University	\$0.00	\$0.00	\$0.00	\$0.00
11	ST VINCENT	\$0.00	\$0.00	\$0.00	\$33,333.33
12	Equal Justice Works-CVJC (2018-2020)	\$58,092.00	\$58,092.00	\$54,520.40	\$31,084.90
13	Equal Justice Works-AMC	\$0.00	\$0.00	\$0.00	\$24,045.60
14	Americorps (Includes CALS Funds and Summer Project)	\$0.00	\$0.00	\$0.00	\$0.00
16	AR CARE	\$0.00	\$0.00	\$0.00	\$0.00
17	Affordable Care Act	\$0.00	\$0.00	\$0.00	\$0.00
18	Modest Means	\$0.00	\$0.00	\$0.00	\$0.00
19	AAA-White River	\$2,000.00	\$2,000.00	\$2,781.25	\$2,443.75
20	AAA-East Arkansas	\$35,000.00	\$35,000.00	\$35,000.00	\$35,000.00
21	AAA NWA	\$9,560.50	\$9,560.50	\$9,487.50	\$10,500.00
22	UW-Boone Cnty	\$0.00	\$0.00	\$0.00	\$2,500.00
23	UW-Bly	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00
24	UW-NW Ark	\$37,500.00	\$62,500.00	\$66,217.50	\$78,810.87
25	UW-NE Ark	\$13,125.00	\$13,125.00	\$13,125.00	\$15,909.00
26	UW-NCA (Independence Cnty)	\$4,000.00	\$4,000.00	\$0.00	\$3,000.00
27	UW-Mid South	\$3,010.00	\$3,010.00	\$4,890.00	\$4,005.00
28	ADHS-DAAS	\$0.00	\$0.00	\$0.00	\$0.00
29	Washington County Law Library	\$12,500.00	\$14,400.00	\$14,400.00	\$14,400.00
30	Other- Ark Adv/CALS/Natural Wonders/Urban League/Kezhaya/reimb/KD-Speaking	\$27,727.00	\$49,411.12	\$57,534.23	\$49,741.95
31	Donations	\$100,000.00	\$100,000.00	\$112,235.52	\$131,400.60
32	Interest income	\$16,200.00	\$23,800.00	\$26,533.40	\$13,344.28
33	Attorney fees	\$4,000.00	\$4,000.00	\$7,100.00	\$3,700.00
34	RACES-NEA LawDay & NWA Judicata	\$0.00	\$0.00	\$0.00	\$4,671.35
35	LSC - Midwest Legal Disaster - Coordination Project	\$0.00	\$37,566.67	\$32,200.00	\$0.00
36	LSC - Private Attorney Involvement Innovation	\$0.00	\$30,125.00	\$48,262.40	\$0.00
37	Rural Communities Opioid Response (Planning)	\$0.00	\$100,000.00	\$76,248.45	\$0.00
<b>38</b>	<b>Revenue (excludes carryOver)</b>	<b>\$2,935,353.36</b>	<b>\$3,251,694.31</b>	<b>\$3,391,822.97</b>	<b>\$3,146,072.73</b>

**LEGAL AID OF ARKANSAS**  
 ACTUAL REVENUE & EXPENDITURES  
 FOR THE PERIOD JANUARY 1 THRU DECEMBER 30, 2019

		Revised 07-19-2019			
39	<b>Expenses:</b>	2019 Apprd Budget	2019 Apprd Budget	DEC 2019 Actual	Dec 2018 Actual
40	Total-Attnty(excludes AMC&EJW; Includes ACH/EJW-MLP)	\$1,665,297.76	\$1,737,376.95	\$1,723,260.23	\$1,481,155.01
41	Total-Paralegals	\$216,470.00	\$316,295.62	\$336,468.20	\$205,722.64
42	Total-Other	\$416,092.29	\$370,831.60	\$358,892.61	\$336,556.85
43	Total-Americorps	\$0.00	\$0.00	\$0.00	\$0.00
44	Total-EJW ( Living Allow&Suppl Benefits)	\$0.00	\$0.00	\$0.00	\$34,359.96
45	Benefits Budgeted (includes Americorp & EJW benefits)	\$413,614.81	\$436,410.75	\$424,303.83	\$355,883.38
46	<b>Grand Total of All Payroll</b>	<b>\$2,711,474.86</b>	<b>\$2,860,914.92</b>	<b>\$2,842,924.87</b>	<b>\$2,413,677.84</b>
47					
48	Space Rent (HA \$675/\$725, WM\$600, Helena \$275/470)	\$42,900.00	\$54,250.00	\$49,525.68	\$23,372.62
49	Space Other Expenses	\$39,300.00	\$39,300.00	\$26,120.96	\$28,264.58
50	Equipment Rental&Maint	\$21,000.00	\$21,000.00	\$15,290.89	\$19,156.34
51	Office Supplies	\$57,500.00	\$75,500.00	\$75,820.82	\$65,020.35
52	Postage /Printing	\$16,000.00	\$16,000.00	\$13,828.78	\$13,688.64
53	Communication Expense	\$45,000.00	\$51,000.00	\$55,782.73	\$49,440.69
54	Travel Board Members & Mtg Supplies	\$4,500.00	\$4,500.00	\$1,980.65	\$1,978.76
55	Travel Staff & Others	\$67,000.00	\$76,000.00	\$85,472.14	\$76,592.46
56	Training-Board Members	\$3,500.00	\$3,500.00	\$0.00	\$0.00
57	Training-Staff & Other	\$47,500.00	\$50,600.00	\$73,077.54	\$58,682.04
58	Library	\$15,000.00	\$15,000.00	\$17,586.45	\$16,781.32
59	Insurance-Prof Liab, Prop & Gen Liab	\$29,541.96	\$29,762.61	\$30,287.61	\$24,777.89
60	Dues & fees	\$18,500.00	\$18,500.00	\$16,547.50	\$16,752.00
61	Audit	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00
62	Litigation	\$10,000.00	\$10,000.00	\$9,240.85	\$6,881.29
63	Advertising	\$4,500.00	\$4,500.00	\$1,571.01	\$8,168.59
64	Property Acquisition	\$0.00	\$24,749.00	\$0.00	\$0.00
65	Contract Services to Applicant to ALSP				
66	Depreciation ( no affect on Cash)	\$14,931.67	\$14,931.67	\$15,345.80	\$14,931.67
67	Other (Contract Labor)	\$9,700.00	\$14,435.93	\$23,369.32	\$10,917.05
68	RACE-NEA LawDay	\$0.00	\$0.00	\$0.00	\$3,084.97
69	TIG(Ben&Wages included above in Payroll Exp)				
70	SPG Bldg Loan Pmts ( interest Exp )	\$9,396.00	\$10,296.00	\$5,238.96	\$9,414.82
71					
72	<b>Total Non-Personnel Exp</b>	<b>\$470,769.63</b>	<b>\$548,825.21</b>	<b>\$531,087.69</b>	<b>\$462,906.08</b>
73					
74	<b>TOTAL EXPENSES</b>	<b>\$3,182,244.49</b>	<b>\$3,409,740.13</b>	<b>\$3,374,012.56</b>	<b>\$2,876,583.92</b>
75					
76	<b>Revenues over(under)Exp(excluding carryover)</b>	<b>(\$246,891.13)</b>	<b>(\$158,045.82)</b>	<b>\$17,810.41</b>	<b>\$269,488.81</b>
77	<b>Net Assets Beginning of Year (includes PROPERTY &amp; Carryover/Reserves)</b>	<b>1,347,212.71</b>	<b>1,347,212.71</b>	<b>1,347,212.71</b>	<b>1,077,723.90</b>
78	<b>Net Assets at End of Year(includes PROPERTY&amp;carryover/Reserves)</b>	<b>1,100,321.58</b>	<b>1,189,166.89</b>	<b>1,365,023.12</b>	<b>1,347,212.71</b>
79	<b>Monthly Average Expenses &gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>\$265,187.04</b>	<b>\$284,145.01</b>	<b>\$306,728.41</b>	<b>\$239,715.33</b>
80	<b>Average Monthly Exp in Unrestricted CarryOver(Reserves)</b>	<b>3.35</b>	<b>3.44</b>	<b>3.76</b>	<b>3.87</b>

<b>Reconciliation to Cougar:</b>				
Excess Revenue Over (under) Exp - per this Rpt			\$17,810.41	\$269,488.81
Cash used for Non-Exp Item- Prin Loan Pmts-Spg Bld - Less Depr Exp			0.00	0.00
<b>Reconciliation Amt-Excess Rev Over (Under) Exp</b>			<b>\$17,810.41</b>	<b>\$269,488.81</b>
From Cougar Mnt Software Rpt			\$17,810.41	\$269,488.81
<b>Reconciled to Cougar Mntn or Difference Amt&gt;&gt;&gt;&gt;</b>			<b>\$0.00</b>	<b>\$0.00</b>

Board Approved 12/08/2018



# LEGAL AID OF ARKANSAS, INC (LEGFND)

## Detailed Balance Sheet

As of: 12/31/2019

3/3/2020 11:28:58 PM

All Funds

Page 1

### Assets

10-00-100	CASH - BANK OF FAYETTEVILLE	90,344.34	
10-00-103	FIRST SECURITY BANK MM	128,858.08	
10-00-105	CASH-IN-BANK - B.O.F. LITC	20.00	Total Cash = \$1,248,985.98
10-00-110	CLIENTS TRUST BANK ACCTS	8,111.63	
10-00-111	CASH-FIRST SECURITY BANK-GENERAL	1,029,763.56	
10-00-121	ACCOUNTS RECEIVABLE	173,040.82	
10-00-140	PREPAID EXPENSES	62,651.94	
10-00-150	LAND	8,000.00	
10-00-151	BUILDINGS	443,268.98	
10-00-155	FURNITURE & EQUIPMENT	122,201.89	
10-00-170	LEASEHOLD IMPROVEMENTS	108,497.45	
10-00-180	ACCUMULATED DEPRECIATION	(410,160.43)	

### Total Assets

**\$1,764,598.26**

### Liabilities

10-00-200	ACCOUNTS PAYABLE	16,331.73	
10-00-204	CLIENTS TRUST	8,111.63	
10-00-205	ACCRUED PAYROLL	122,190.05	
10-00-213	GROUP INS. W/H & PAYABLE	1,111.21	
10-00-220	ACCRUED LEAVE	92,186.48	
10-00-240	DEFERRED SUPPORT	110,557.35	
10-00-245	NOTE PAYABLE-FIRST SECURITY	49,086.69	Springdale Office Building Balance

### Total Liabilities

**\$399,575.14**

### Net Assets

10-00-301	NET ASSETS - LSC	119,882.29	
10-00-303	Net Assets-Property Restricted	24,472.18	
10-00-304	NET ASSETS-DONATIONS RESERVE	150,000.00	
10-00-305	NET ASSETS-DONATIONS-Unrestricted	584,299.40	
10-00-306	Net Assets-Property Unrestricted	64,620.24	
10-00-320	NET ASSETS- ARK FILING FEES	400,813.50	
10-00-326	NET ASSETS-OTHER	3,125.10	
	Excess Revenues Over Expenses	17,810.41	

### Total Net Assets

**\$1,365,023.12**

### Total Liabilities and Net Worth

**\$1,764,598.26**

**LEGAL AID OF ARKANSAS**  
 ACTUAL REVENUE & EXPENDITURES  
 FOR THE PERIOD JANUARY 1 THRU FEBRUARY 29, 2020

Line#	Revenue:	2020 Apprd Budget	FEB 2020 Actual	DEC 2019 Actual	Dec 2018 Actual
1	LSC BASIC GRANT (FY19 Appropriation Increases-est \$17,480)	\$1,564,261.00	\$260,711.00	\$1,478,027.00	\$1,557,645.00
2	Ark Adm Justice Funds (FY19 Appropriation decrease-\$51,326)	\$153,978.00	\$25,662.94	\$184,452.43	\$250,213.80
3	STOP/VAWA/VOCA	\$292,196.00	\$0.00	\$292,494.66	\$149,055.50
4	HUD	\$281,396.00	\$0.00	\$175,398.35	\$84,769.00
5	IOLTA (rec'd letter 01/29/2019 for \$77,200)	\$100,100.00	\$0.00	\$77,200.00	\$20,350.00
6	IOLTA-Housing Foreclosure	\$250,000.00	\$103,607.35	\$254,374.84	\$262,378.92
7	AATJF-Fair Housing Special Grant - 2018/2019 (2019-5/months)	\$42,208.00	\$0.00	\$93,178.67	\$85,520.83
8	IRS-LITC	\$64,000.00	\$9,995.50	\$64,000.00	\$60,000.00
9	National Health Law Program	\$50,000.00	\$0.00	\$37,500.00	\$58,333.33
10	MLP-EJW&ACH	\$137,250.00	\$1,000.00	\$171,661.37	\$156,915.72
11	ST VINCENT	\$0.00	\$0.00	\$0.00	\$33,333.33
12	Equal Justice Works-CVJC (2018-2020)	\$24,205.00	\$0.00	\$54,520.40	\$31,084.90
13	Equal Justice Works-AMC	\$0.00	\$0.00	\$0.00	\$24,045.60
14	AAA-White River	\$2,500.00	\$0.00	\$2,781.25	\$2,443.75
15	AAA-East Arkansas	\$35,000.00	\$5,000.00	\$35,000.00	\$35,000.00
16	AAA NWA	\$10,118.00	\$0.00	\$9,487.50	\$10,500.00
17	UW-Boone Cnty	\$2,000.00	\$500.00	\$0.00	\$2,500.00
18	UW-Bly	\$3,000.00	\$600.00	\$3,000.00	\$3,000.00
19	UW-NW Ark	\$50,000.00	\$8,334.00	\$66,217.50	\$78,810.87
20	UW-NE Ark	\$13,125.00	\$2,187.50	\$13,125.00	\$15,909.00
21	UW-NCA (Independence Cnty)	\$4,000.00	\$0.00	\$0.00	\$3,000.00
22	UW-Mid South	\$4,781.00	\$2,095.00	\$4,890.00	\$4,005.00
23	Washington County Law Library	\$14,400.00	\$1,500.00	\$14,400.00	\$14,400.00
24	Other- Ark Adv/CALS/Natural Wonders/Urban League/ACH-Nat Inv/UW-Tyson	\$32,000.00	\$7,700.00	\$57,534.23	\$49,741.95
25	Donations	\$100,000.00	\$2,253.52	\$112,235.52	\$131,400.60
26	Interest income	\$20,000.00	\$3,344.52	\$26,533.40	\$13,344.28
27	Attorney fees	\$7,500.00	\$1,000.00	\$7,100.00	\$3,700.00
28	RACES-NEA LawDay & NWA Judicata	\$0.00	\$0.00	\$0.00	\$4,671.35
29	LSC - Midwest Legal Disaster - Coordination Project	\$64,400.00	\$0.00	\$32,200.00	\$0.00
30	LSC - Private Attorney Involvement Innovation	\$120,656.00	\$0.00	\$48,262.40	\$0.00
31	Rural Communities Opioid Response (Planning)	\$75,000.00	\$15,207.86	\$76,248.45	\$0.00
<b>32</b>	<b>Revenue (excludes carryOver)</b>	<b>\$3,518,074.00</b>	<b>\$450,699.19</b>	<b>\$3,391,822.97</b>	<b>\$3,146,072.73</b>

**LEGAL AID OF ARKANSAS**  
 ACTUAL REVENUE & EXPENDITURES  
 FOR THE PERIOD JANUARY 1 THRU FEBRUARY 29, 2020

\$0.00					
33	<b>Expenses:</b>	2020 Apprd Budget	FEB 2020 Actual	DEC 2019 Actual	Dec 2018 Actual
34	Total-Attny(excludes AMC&EJW; Includes ACH/EJW-MLP)	\$1,951,122.39	\$260,009.49	\$1,723,260.23	\$1,481,155.01
35	Total-Paralegals	\$479,935.28	\$56,626.87	\$336,468.20	\$205,722.64
36	Total-Other	\$334,708.55	\$53,907.14	\$358,892.61	\$336,556.85
36	Total-EJW ( Living Allow&Suppl Benefits)	\$0.00	\$0.00	\$0.00	\$34,359.96
37	Benefits Budgeted (includes Americorp & EJW benefits)	\$566,982.07	\$92,367.75	\$424,303.83	\$355,883.38
38	<b>Grand Total of All Payroll</b>	<b>\$3,332,748.29</b>	<b>\$462,911.25</b>	<b>\$2,842,924.87</b>	<b>\$2,413,677.84</b>
39					
39	Space Rent (HA \$675/\$725, WM\$600, Helena \$275/470)	\$64,140.00	\$15,094.11	\$49,525.68	\$23,372.62
40	Space Other Expenses	\$29,500.00	\$3,734.22	\$26,120.96	\$28,264.58
41	Equipment Rental&Maint	\$21,000.00	\$1,779.85	\$15,290.89	\$19,156.34
42	Office Supplies	\$75,500.00	\$3,434.97	\$75,820.82	\$65,020.35
42	Postage /Printing	\$15,000.00	\$1,398.32	\$13,828.78	\$13,688.64
43	Communication Expense	\$62,500.00	\$11,533.81	\$55,782.73	\$49,440.69
44	Travel Board Members & Mtg Supplies	\$2,500.00	\$0.00	\$1,980.65	\$1,978.76
45	Travel Staff & Others	\$88,000.00	\$9,064.29	\$85,472.14	\$76,592.46
45	Training-Board Members	\$1,500.00	\$0.00	\$0.00	\$0.00
46	Training-Staff & Other	\$78,000.00	\$5,040.31	\$73,077.54	\$58,682.04
47	Library	\$15,000.00	\$2,511.20	\$17,586.45	\$16,781.32
48	Insurance-Prof Liab, Prop & Gen Liab	\$31,500.00	\$20,549.91	\$30,287.61	\$24,777.89
48	Dues & fees	\$18,500.00	\$11,248.50	\$16,547.50	\$16,752.00
49	Audit	\$15,000.00	\$0.00	\$15,000.00	\$15,000.00
50	Litigation	\$10,000.00	\$688.94	\$9,240.85	\$6,881.29
51	Advertising	\$4,500.00	\$89.75	\$1,571.01	\$8,168.59
52	Property Acquisition (Springdale-A/C, Jonesboro-roof/windows)	\$15,000.00	\$0.00	\$0.00	\$0.00
53	Depreciation ( no affect on Cash)	\$14,931.67	\$14,270.00	\$15,345.80	\$14,931.67
54	Other (Contract Labor)	\$22,500.00	\$2,924.60	\$23,369.32	\$10,917.05
55	RACE-NEA LawDay	\$0.00	\$0.00	\$0.00	\$3,084.97
56	TIG(Ben&Wages included above in Payroll Exp)				
57	SPG Bldg Loan Pmts ( interest Exp )	\$10,296.00	\$1,364.00	\$5,238.96	\$9,414.82
58					
59	<b>Total Non-Personnel Exp</b>	<b>\$594,867.67</b>	<b>\$104,726.78</b>	<b>\$531,087.69</b>	<b>\$462,906.08</b>
60					
61	<b>TOTAL EXPENSES</b>	<b>\$3,927,615.96</b>	<b>\$567,638.03</b>	<b>\$3,374,012.56</b>	<b>\$2,876,583.92</b>
62					
63	<b>Revenues over(under)Exp(excluding carryover)</b>	<b>(\$409,541.96)</b>	<b>(\$116,938.84)</b>	<b>\$17,810.41</b>	<b>\$269,488.81</b>
64	<b>Net Assets Beginning of Year (includes PROPERTY &amp; Carryover/Reserves)</b>	<b>1,365,023.12</b>	<b>1,365,023.12</b>	<b>1,347,212.71</b>	<b>1,077,723.90</b>
65	<b>Net Assets at End of Year(includes PROPERTY&amp;carryover/Reserves)</b>	<b>955,481.16</b>	<b>1,248,084.28</b>	<b>1,365,023.12</b>	<b>1,347,212.71</b>
66	<b>Monthly Average Expenses &gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>\$327,301.33</b>	<b>\$283,819.02</b>	<b>\$281,167.71</b>	<b>\$239,715.33</b>
67	<b>Average Monthly Exp in Unrestricted CarryOver(Reserves)</b>	<b>2.22</b>	<b>3.59</b>	<b>4.10</b>	<b>3.87</b>

<b>Reconciliation to Cougar:</b>				
Excess Revenue Over (under) Exp - per this Rpt	(\$409,541.96)	(\$116,938.84)	\$17,810.41	\$269,488.81
Cash used for Non-Exp Item- Prin Loan Pmts-Spg Bld - Less Depr Exp	0.00	0.00	0.00	0.00
<b>Reconciliation Amt-Excess Rev Over (Under) Exp</b>	<b>(\$409,541.96)</b>	<b>(\$116,938.84)</b>	<b>\$17,810.41</b>	<b>\$269,488.81</b>
From Cougar Mnt Software Rpt		(116,938.84)	17,810.41	269,488.81
<b>Reconciled to Cougar Mntn or Difference Amt&gt;&gt;&gt;&gt;</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$0.00)</b>

Board Approved 12/08/2018 (2019)

Revised-Exec Comm 07/19/2019 (2019)

**Board Approved 12/07/2019 (2020)**

\$17,810.41

# LEGAL AID OF ARKANSAS, INC (LEGFND)

## Detailed Balance Sheet

As of: 2/29/2020

3/3/2020 11:26:54 PM

All Funds

Page 1

### Assets

10-00-100 CASH - BANK OF FAYETTEVILLE	61,378.49	
10-00-103 FIRST SECURITY BANK MM	129,213.41	
10-00-105 CASH-IN-BANK - B.O.F. LITC	20.00	Total Cash = \$1,234,254.20
10-00-110 CLIENTS TRUST BANK ACCTS	6,402.35	
10-00-111 CASH-FIRST SECURITY BANK-GENERAL	1,043,642.30	
10-00-121 ACCOUNTS RECEIVABLE	6.00	
10-00-150 LAND	8,000.00	
10-00-151 BUILDINGS	443,268.98	
10-00-155 FURNITURE & EQUIPMENT	122,201.89	
10-00-170 LEASEHOLD IMPROVEMENTS	108,497.45	
10-00-180 ACCUMULATED DEPRECIATION	(424,430.43)	

### Total Assets

**\$1,498,200.44**

### Liabilities

10-00-204 CLIENTS TRUST	6,639.85	
10-00-210 UNITED WAY W/H	548.00	
10-00-213 GROUP INS. W/H & PAYABLE	(25,919.86)	
10-00-220 ACCRUED LEAVE	92,186.48	
10-00-240 DEFERRED SUPPORT	130,355.00	November 2020 payment rec'd in January
10-00-245 NOTE PAYABLE-FIRST SECURITY	46,306.69	Springdale Office Building Balance

### Total Liabilities

**\$250,116.16**

### Net Assets

10-00-301 NET ASSETS - LSC	137,692.70
10-00-303 Net Assets-Property Restricted	24,472.18
10-00-304 NET ASSETS-DONATIONS RESERVE	150,000.00
10-00-305 NET ASSETS-DONATIONS-Unrestricted	584,299.40
10-00-306 Net Assets-Property Unrestricted	64,620.24
10-00-320 NET ASSETS- ARK FILING FEES	400,813.50
10-00-326 NET ASSETS-OTHER	3,125.10
Excess Revenues Over Expenses	(116,938.84)

### Total Net Assets

**\$1,248,084.28**

### Total Liabilities and Net Worth

**\$1,498,200.44**

**LEGAL AID OF ARKANSAS**  
**2020 FINANCIAL ELIGIBILITY GUIDELINES**

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INTRODUCTION

All applications accepted for legal assistance and funded by Legal Services Corporation (LSC) annual grant awards or by other sources requiring a financial eligibility determination “means-test” must be screened for total household income and assets. Only those individuals and groups determined to be financially eligible may receive legal assistance supported with LSC funds. Applicants whose total household income and/or assets exceed the limits set forth by LSC or funding sources requiring a “means-test” can be accepted for legal assistance, but only in certain situations. These include the existence of an alternative funding source which doesn’t require a financial eligibility determination and the applicant meets specific conditions set forth by the funding source, e.g., cases funded by Area Agencies on Aging using Title III funds require the applicant to be 60 years of age or older.

INCOME

The Board of Directors reviews and adopts income eligibility guidelines for applicants. These guidelines are based on the Federal Poverty Income Guidelines, published each year in the Federal Register. Pursuant to 45 CFR §1611.3, an applicant whose total household income is at or below 125% of the guidelines, or national eligibility level, is “income-eligible” and can be provided legal assistance if other requisites for case acceptance, such as priority, case type and citizenship or legal alien status, are met. When new Income Guidelines are published in the Federal Register, they are immediately effective in determining eligibility and shall be presented to the LAA board at the next regular scheduled meeting.

Total household income is considered when determining the eligibility of an applicant for services and will include only the income of persons who are resident members of, and contribute to, the support of a family unit. Legal Aid, for the purpose of eligibility, defines family unit as persons who live together and have a legal obligation of support for one another; or who live together and function as though there is a legal obligation of support, such as unmarried partners. In addition, an applicant for assistance may choose to count as a member of the family unit any other person(s) residing in the same household who is claimed by a member of the family unit as a tax dependent. A temporary guest or person who has been displaced by trafficking or domestic violence will not be considered a member of a family unit.

The opposing party’s income and assets, or jointly held assets, shall not be considered for eligibility purposes, even if the opposing party would otherwise be considered a household member.

Exceptions are authorized by 45 CFR §1611.5 so long as gross income does not exceed 200% of the Federal Poverty Income Guidelines and the applicant meets the appropriate asset ceiling for the household size or the asset ceiling has been waived. However, one or more of the following factors must be present in order to consider granting a waiver:

**LEGAL AID OF ARKANSAS**  
**2020 FINANCIAL ELIGIBILITY GUIDELINES**

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

If the total household income of the applicant, based on household size, is over 200% of the national eligibility level, the applicant is not considered for a waiver and not eligible for services using LSC funds.

WAIVER OF INCOME LIMIT

The decision to grant a waiver must be made by the Executive Director or designee. The determination that a waiver has been made must be noted on the client file in the case management system and the waiver determination must be on the standard waiver form contained in the CMS, citing which factor or factors listed above was used.

WHAT IS CONSIDERED "INCOME"

The definition of income is found in 45 CFR §1611.2(i). All sources of income are to be used in determining eligibility, with these exceptions:

1. SNAP benefits
2. Housing vouchers, food or rent in lieu of wages
3. Tax refunds
4. Funds withdrawn from a bank account
5. Gifts
6. Compensation and/or one-time insurance payments for injuries sustained
7. Any other non-cash benefit
8. Up to \$2,000 per year of funds received by individual Native Americans that is derived from Indian trust income or other distributions exempt by statute.

GROUP REPRESENTATION

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**LEGAL AID OF ARKANSAS**  
**2020 FINANCIAL ELIGIBILITY GUIDELINES**

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Legal Aid may provide legal assistance to a group, corporation or association, if it is primarily composed of persons eligible for legal assistance under 45 CFR Part §1611.6(A)(1); or under (A)(2) has as a principal activity the delivery of services to those persons in the community who would be financially eligible for LSC-funded legal assistance and the legal assistance sought relates to such activity, and information is provided that shows the group, corporation or association lacks, and has no practical means of obtaining, funds to retain private counsel.

DOMESTIC VIOLENCE

Notwithstanding any other provision of this policy, in assessing the income or assets of an applicant who is a victim of domestic violence, Legal Aid shall consider only the assets and income of the applicant and members of the applicant's household other than those of the alleged perpetrator of the domestic violence and shall not include any assets held by the alleged perpetrator of the domestic violence, jointly held by the applicant with the alleged perpetrator of the domestic violence, or assets jointly held by any member of the applicant's household with the alleged perpetrator of the domestic violence.

VERIFICATION OF INCOME

In certain circumstances, the previous year's income tax returns, bank statements, etc., can be requested, if necessary to verify an applicant's total household income.

ASSETS

Consistent with 45 CFR §1611.3(d)(1) Legal Aid has established guidelines for the determination of the total amount of assets applicants can hold seeking legal assistance and be eligible for services using LSC funding. These asset limits are subject to review on a yearly basis in conjunction with the review of income guidelines. Assets are cash or other resources of the applicant or members of the applicant's household that are readily convertible to cash, which are currently and actually available to the applicant. When setting asset limits, specific factors are taken into consideration, e.g., economy of the service area and the relative cost-of-living of low-income persons, to ensure the availability of services to those in the greatest economic and legal need. Also, special consideration shall be given to the legal needs of the elderly, the institutionalized, and the disabled.

Specific exclusions to an applicant's assets for determining eligibility include:

1. Principal residence of the applicant;
2. Reasonable equity value in work-related equipment, which is essential to the employment or self-employment of an applicant or member of the family unit, as long as the owner is attempting to produce income consistent with its fair market value;
3. The value of one automobile that is used for transportation per each adult member of the household, and one automobile that is used for transportation for each

**LEGAL AID OF ARKANSAS**  
**2020 FINANCIAL ELIGIBILITY GUIDELINES**

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- minor member of the household if the automobile is used for transportation by the minor to school or work;
4. Up to \$2,000 (\$3,250 if age 60 or older or disabled) in assets for an individual and \$3,000 (\$5,000 if at least one person in the household is age 60 or older or disabled) for a household, with assets meaning cash or other resources of the applicant or members of the applicant's household that are readily convertible to cash, which are currently and actually available to the applicant;
  5. Other assets which are exempt from attachment under state and federal law.

**WAIVER OF ASSETS LIMIT**

In certain unusual or extremely meritorious circumstances, consistent with 45 CFR §1611.3(d)(2), the Executive Director or designee may waive the assets limit. The waiver must be documented on the client intake form and copies of the waiver determination citing the circumstances included in the determination must be kept in both the hard-copy file and in a file maintained virtually and in the HelpLine manager's office.

**CHANGE IN FINANCIAL ELIGIBILITY STATUS**

Consistent with 45 CFR §1611.8, if after making a determination of financial eligibility and accepting a client for service, Legal Aid becomes aware that a client has become financially ineligible through a change in circumstances, Legal Aid shall discontinue representation supported with LSC funds if the change in circumstances is sufficient, and is likely to continue, to enable the client to afford private legal assistance, and discontinuation is not inconsistent with applicable rules of professional responsibility. Additionally, if Legal Aid, after making a determination of financial eligibility and accepting a client for service, determines that the client is financially ineligible on the basis of later discovered or disclosed information, Legal Aid shall discontinue representation supported with LSC funds if the discontinuation is not inconsistent with the applicable rules of professional responsibility.



**LEGAL AID OF ARKANSAS**  
**2020 FINANCIAL ELIGIBILITY GUIDELINES**

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<b>Size of Family Unit</b>	<b>National Eligibility Level*</b>	<b>Maximum Income Level**</b>
1	\$15,950	\$25,520
2	\$21,550	\$34,480
3	\$27,150	\$43,440
4	\$32,750	\$52,400
5	\$38,350	\$61,360
6	\$43,950	\$70,320
7	\$49,550	\$79,280
8	\$55,150	\$88,240

The figures in the column labeled **National Eligibility Level** represent 125% of the Federal Poverty Guidelines, as determined by the Department of Health and Human Services. The figures in the column labeled **Maximum Income Level** represent 200% of the Federal Poverty Guidelines. Applicants whose total household income falls below the **National Eligibility Level** are income-eligible for legal assistance. Applicants whose total household income does not exceed the **Maximum Income Level** are income-eligible for legal assistance if certain specific factors are present that would allow the income between the two levels to be waived. Under no circumstances will applicants whose total household income exceeds the **Maximum Income Level** be considered income-eligible for legal assistance using LSC funds, though assistance may be provided using alternate funds, where permitted by that funding source.

\*For each additional family member, add \$5,600

\*\*For each additional family member, add \$8,960

Each eligibility level is determined using **gross** income.



LEGAL SERVICES CORPORATION

# **LEGAL SERVICES CORPORATION**

## **Office of Program Performance**

### **Draft Report**

**for**

### **Program Quality Visit**

**to**

**Legal Aid of Arkansas, Inc. #604020**

**October 21 – 25, 2019**

*OPP Visit Team:*

*Dietrich Douglas, LSC Program Counsel (Team Leader)*

*Vanessa Dillen, LSC Program Counsel*

*John Eidleman, LSC Senior Program Counsel*

*John Johnson, LSC Temporary Employee*

*David Yoder, LSC Temporary Employee*

**Legal Aid of Arkansas, Inc. #604020  
2019 Program Quality Report**

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## INTRODUCTION

The Legal Services Corporation (LSC), Office of Program Performance (OPP), conducted a Program Quality Visit to Legal Aid of Arkansas, Inc. (LAA), from October 21 – 25, 2019. OPP's team consisted of LSC program counsels Dietrich Douglas, (team leader), Vanessa Dillen, and John Eidleman, and LSC temporary employees John Johnson and David Yoder.

Program Quality Visits are designed to evaluate the extent to which LSC grantees are providing the highest quality legal services to eligible clients. In conducting the evaluation, OPP relies on the LSC Act and regulations, the LSC Performance Criteria, LSC Program Letters, and the ABA Standards for the Provision of Civil Legal Aid. The on-site evaluation was organized to follow the four Performance Areas of the LSC Performance Criteria, which cover needs assessment and priority setting; access to services and engagement with the low-income community; legal work management and the legal work produced; and program management including board governance, leadership, resource development, and coordination within the delivery system.

In conducting its assessment, and as part of the visit process, the LSC team issued a document request and reviewed materials provided by the program before the visit. These materials included the program's most recent application for funding, resource development and strategic plans, client satisfaction reports, and case service, and other services reports. The LSC team also reviewed materials relating to board governance, intake, legal work, and case management policies and systems, advocates' writing samples, and the results of an online staff survey. In response to LSC's requests during the visit, LAA provided additional documents. These documents included LAA's New Attorney Training Protocol and *pro se* assistance tools.

On-site, the LSC team visited six offices located in Springdale, Rogers, Little Rock, Jonesboro, and West Memphis. The LSC team interviewed program leadership, management, and administrative staff, advocacy staff, and support staff. The LSC team also interviewed members of the board of directors, judges, other funders, community partner organizations, other state justice stakeholders, and bar representatives. Due to scheduling and geographic challenges, the LSC team conducted some of these interviews by telephone. As a normal part of the visit process, the LSC team held an exit conference on the final day of the visit.

## SERVICE AREA and PROGRAM OVERVIEW

Legal Aid of Arkansas was established in 2002 through the merger of three separate legal aid organizations in the Ozarks, northern, and eastern regions of Arkansas. The program's service area (AR-6) encompasses 31 of the state's 75 counties. The service area shares a border with Missouri to the north and Oklahoma to the west. The service area covers the northern portion of the state and runs from the Oklahoma border across the entire state to the Mississippi River and the Tennessee border in the east. The total population in the service area is 1,168,710.<sup>1</sup> Within the service area, the poverty rate is 15.8 percent, and the total poverty population living below 100 percent of the poverty level is 184,670 people.<sup>2</sup> Out of the 31 counties in the service area, 15

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<sup>1</sup> U.S. Census Bureau, American Community Survey 1-year estimates (2017).

<sup>2</sup> U.S. Census Bureau, American Community Survey 1-year estimates (2017).

counties have a poverty rate of over 20 percent, with the highest being Phillips county at 33 percent.

Legal services to low-income individuals in Arkansas are scarce. The state's two law school legal clinics, the statewide disability rights center and the statewide American Civil Liberties Union (ACLU), are the only other providers of free legal assistance in the service area. LSC also funds The Center for Arkansas Legal Services (CALs), which serves the southern half of the state.

The demographics of the poverty population are as follows: 70.9 percent Caucasian, 17.9 percent African-American, 3.6 percent multiracial, 3.1 percent some other race alone, and 3 percent American Indian/ Native Hawaiian.<sup>3</sup> Out of those groups, 8.7 percent identify as Hispanic or Latino. Arkansas has the largest concentration of Marshallese people in the world outside of the Marshall Islands.<sup>4</sup> The poverty population has a 76.8 percent unemployment rate, and 91 percent have less than a bachelor's degree. Most of the poverty population speaks only English (91.1 percent).<sup>5</sup> Spanish ranks second (5.7 percent), and Asian and Pacific Islander languages rank third (2.6 percent).<sup>6</sup> The LSC-eligible population is roughly 251,000 people, which is 21.5 percent of the total population.<sup>7</sup>

LAA operates out of nine offices: Rogers, Springdale, Harrison, Jonesboro, West Memphis, Helena, Newport, a fair housing office in Little Rock, and a medical-legal partnership in a Little Rock hospital. LAA's administrative office is in Rogers. LAA employs 58 staff, which include: six professional/administrative positions, 31 staff attorneys, 17 clerical/paralegal staff, and four AmeriCorps, Volunteers in Service to America (VISTAs).<sup>8</sup>

There are three metropolitan centers: (1) Springdale/Rogers, which is in the northwest corner of the state, is close to the University of Arkansas in Fayetteville, and is the corporate headquarters of Walmart and the Tyson Foods, (2) West Memphis, which is in the Arkansas Delta across the Mississippi River from Memphis, Tennessee, and (3) Jonesboro, which is close to regional medical facilities and the home of Arkansas State University.

In the last several years, LAA has followed its strategic plan and reformatted its service delivery model. It now offers services through four substantive workgroups: Consumer, Domestic Violence, Housing, and Economic Justice, with members of each workgroup in its offices throughout the service area.

LAA provides a full range of civil legal services, including individual representation, information, and advice, community legal education, *pro se* assistance, and has a *pro bono* program. In 2018,

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<sup>3</sup> U.S. Census Bureau, American Community Survey 1-year estimates (2017).

<sup>4</sup> The Central Arkansas Library System, Encyclopedia of Arkansas, <https://encyclopediaofarkansas.net/entries/marshallese-5972/>

<sup>5</sup> U.S. Census Bureau, special tabulation provided by LSC from the 2015 American Community Survey 1-year estimates, B17003 (Educational Attainment) and B17005 (Employment Status).

<sup>6</sup> U.S. Census Bureau, special tabulation provided by the LSC from the 2016 American Community Survey 1-year estimates, B16009 (Language Spoken at Home).

<sup>7</sup> LSC-eligible population includes people living below 125 percent of the federal poverty level. U.S. Census Bureau, American Community Survey 1-year estimates (2017).

<sup>8</sup> AmeriCorps VISTA (Volunteers in Service to America) is a program where volunteers work on short-term assignments, in locations all over the country, with organizations that work, in part, to help eradicate poverty.

LAA closed a total of 5,424 cases. Between 2014 and 2018, LAA consistently exceeded national medians of LSC grantees for total and staff cases closed per 10,000 poverty population for limited, extended, and contested cases. LAA closes 76.5 percent of its cases as limited services cases. The program's LSC-eligible cases handled in 2018 were: family law (44.4 percent), housing (13.1 percent), individual rights/juvenile (12.3 percent), consumer/finance (10.5 percent), employment/income (9.4 percent), and various other areas (10 percent).

The executive director has been with the organization for 28 years and has been the executive director for the last 14 years. At the time of the visit, the LAA board of directors included 21 members, including 13 attorneys, seven client-eligible members, and one person who was neither an attorney nor client-eligible.

LSC is LAA's largest source of funding for legal work at \$1,557,645, which is 49.5 percent of the program's total funding. In 2019, LSC awarded LAA a Midwest Legal Disaster Coordination grant to improve Arkansas's disaster preparedness. The goal of the grant is to coordinate the civil legal aid system, the private bar, and the larger disaster relief community. Lastly, through an LSC *Pro Bono* Innovation Fund (PBIF) transformation grant, LAA plans to update its volunteer database and work with statewide partners to streamline *pro bono* processes and improve volunteer support. LAA has also been successful in securing a wide variety of additional federal and local grants, limited foundation funding, and various other funding streams.

The Access to Justice Foundation of Arkansas estimates that in 2017 LAA staff and volunteers provided a total value of approximately \$4.8 million in legal services. Also, LAA secured \$3.7 million for clients by helping them realize tax savings and credits, obtain or retain federal benefits programs like Supplemental Security Income (SSI) and unemployment insurance, receive child or spousal support, or lawfully avoid financial liabilities attributable to debts, garnishments, and foreclosures.<sup>9</sup>

## SUMMARY OF FINDINGS

LAA delivers quality legal services in a large, mostly rural service area. The program has an energetic and skilled staff that is committed to improving the lives of their clients and the low-income community overall. Community partners, donors, and the judiciary all praise LAA for its effectiveness in providing legal services.

The organization has professional and experienced leaders. The executive director is highly effective and has been with the organization for 28 years. All administrative and substantive leaders are succeeding in their respective positions. LAA's board of directors is diverse, and it exercises routine oversight; however, certain board best practices are currently not in effect.

LAA conducted needs assessments in 2013 and 2017. The purpose of the needs assessments was to accurately capture the legal needs of the low-income population in the service area. The most recent needs assessment did not yield the number of responses that LAA expected, so the organization is making plans to conduct a new needs assessment soon.

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<sup>9</sup> Arkansas Access to Justice Foundation, 2017 Annual Report.

LAA follows a well-written and thorough strategic plan. The strategic plan covers 2016 through 2020. LAA is accomplishing many of the long-term goals in the strategic plan and uses strategic plan strategies to guide some of its day-to-day legal advocacy goals.

LAA's nine office locations provide reasonable access to low-income people across the service area. Most clients access LAA's services through its telephone intake system. Walk-in intake and online intake are also available; however, the online application needs some modifications to make it more accessible to people with limited English proficiency (LEP).

LAA uses a workgroup approach to service delivery, with each workgroup covering a specific legal topic (*e.g.*, family law, housing law workgroups). The program exhibits good staff diversity and, except with the online application, provides adequate services to non-English speaking populations.

To make the public aware of its services, LAA conducts outreach activities in a large and diverse set of locations throughout the state. The staff goes to correctional facilities, homeless shelters, hospitals, and many other locations to engage with the public.

LAA routinely exceeds the national medians for the number of cases closed by LSC-funded legal aid providers in all relevant categories, including total cases closed, extended cases closed, and contested cases closed. The majority of LAA's cases are family law and housing law. LAA has successfully diversified its caseload over the last few years. After it closes a case, LAA collects and analyzes data regarding the outcomes it achieves on behalf of clients. In addition to its routine cases, LAA engages in high levels of creative advocacy and litigation. Some of LAA's local litigation cases have resulted in positive results for low-income individuals nationwide.

LAA utilizes volunteer attorneys from law firms and corporate legal departments to handle various types of cases. Volunteer cases have been steadily declining for the last four years. The decline is due in part to declining attorney numbers in Arkansas and competing interests but is also due to challenges in LAA's pro bono program administration and recruitment efforts.

LAA has an experienced fiscal officer and is financially sound. LAA also has an experienced human resource professional on staff and a productive resource development team, but the person primarily responsible for fundraising has many other critical and competing responsibilities that hinder resource development efforts. LAA provides sufficient technology for its staff. The program uses up to date technology for all aspects of its work, including intake, meetings, supervision, timekeeping, research, and training.

## FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

**PERFORMANCE AREA ONE. Effectiveness in identifying the most pressing civil legal needs of low-income people in the service area and targeting resources to address those needs.**

### Needs Assessment

***Finding 1. LAA conducted a recent needs assessment that did not reliably capture the legal needs of the low-income population in the service area.***

LAA conducts periodic assessments of the civil legal needs of the low-income population in its 31-county service area. In 2013, a dean and professor of law and public policy and a practicum team at the University of Arkansas, Clinton School of Public Service, conducted the needs assessment for LAA. The study included mailed surveys, phone calls, and focus groups. At the end of the study, the university prepared a written report. There were approximately 1,200 respondents.

In 2017, an AmeriCorps Volunteers in Service to America (VISTA) staff person and LAA law student interns conducted the needs assessment. The study consisted of an online client survey, in-person interviews, and an online community survey. LAA sent the client survey to existing LAA clients and to potential clients who had supplied an email address during an eligibility screening. LAA sent the online community survey to 2,106 people who had subscribed to receive newsletters from LAA. The in-person interviews occurred at outreach locations that have public computers with internet access. This time, there were only 292 total respondents to all methods of outreach.

The staff who conducted the 2017 survey eventually concluded that (1) the online survey was not truly representative of the low-income population because women and urban populations were over-represented, while groups like immigrants and veterans were under-represented; (2) the online survey was not inclusive enough because LAA did not offer the survey in Spanish or Marshallese, (3) members of the legal community were over-represented while non-legal social service providers were under-represented, and (4) they missed many low-income people because there was no direct mail campaign.

To help alleviate the deficiencies in the 2017 needs assessment, LAA has, at times, supplemented its needs assessment data with data from other studies, such as one completed by the Arkansas Access to Justice Foundation in 2017 entitled, *Bridging the Map, the Geography of Legal Need and Aid in Arkansas*.



**Recommendation I.1.1.1<sup>10\*</sup>**

***LAA should conduct a new comprehensive needs assessment to determine the most pressing legal needs of the low-income population in its service area and design it using methods that will produce a strong response from the client population.***

**Recommendation I.1.1.2**

***LAA should consider partnering with an experienced research partner or other industry professionals to assist in conducting its next needs assessment.***

***Finding 2. LAA's distribution of closed cases may not accurately reflect the needs of the low-income population in the service area.***

In 2013, LSC found that 61 percent of LAA's cases were family law and recommended that LAA diversify its caseload. In response, LAA and its partners increased the availability of useful family law *pro se* materials for simple divorce cases with no children, no significant property, and no allegations of domestic violence. LAA also says that it narrowed some of its family law priorities and improved client screening to ensure that it only accepted cases within its priorities. LAA is now down to 44.4 percent, so the focus on family law remains heavy. Advocates in all workgroups must handle at least some family law cases, particularly domestic violence cases. Also, in 17 counties, the courts automatically refer domestic violence cases to LAA once a low-income litigant files a case in the court clerk's office. This referral system helps explain some of the consistently high family law case numbers. The program also insists that Arkansas has some of the highest rates of domestic violence and divorces in the nation.

The current needs assessment suggests that, other than family law and housing law, LAA may be underserving the community in other substantive areas. Although the survey response rate was low, the program's 2017 needs assessment indicated significant needs in other areas. In that survey, where individuals were allowed to identify multiple areas in which they have experienced legal issues, 39.7 percent cited family law, but 15.8 percent cited housing, 39 percent cited consumer issues, and 45.2 percent cited health law issues.

**Recommendation I.1.2.1**

***In line with its next needs assessment, LAA should review priorities, outreach, and case acceptance criteria to determine if it is accurately addressing the legal needs of the low-income community.***

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<sup>10</sup> Recommendations in this report will have a Roman Numeral to identify the Performance Area, followed by three numbers identifying, respectively, the Criterion addressed by the recommendation, the number of the finding and a number designating whether it is the first, second, third, etc., recommendation under that finding. For example, III.2.14.3 designates Performance Area III, Criterion 2, finding 14, and third recommendation under finding 14. There are two levels of recommendations in this report: Tier One and Tier Two. Recommendations that are indicated with an asterisk are Tier One recommendations and are seen as having a greater impact on program quality and/or program performance. In its next Application or Renewal, the program will be asked to report on its implementation of Tier One recommendations.

## **Strategic Planning**

***Finding 3. LAA created a well- informed and thorough strategic plan, is accomplishing many of the plan goals, and is preparing for its next strategic planning process.***

LAA’s 2016-2020 strategic plan consists of six main goals. The goals are to (1) increase access to civil legal services and the civil justice system, (2) provide high-quality legal services that achieve the most meaningful results possible, (3) strengthen engagement and collaboration with community stakeholders, partners, and client communities, (4) continually strengthen the recruitment, retention, and professional development of all staff, (5) provide for the long-term financial stability of legal aid, and (6) maintain a well-governed and well-administered organization. Each goal has several underlying objectives, and each objective has related strategies.

The strategic planning process involved board members, upper-level management, workgroup leaders, representatives from multiple offices, and administrative staff. Staff had the opportunity to provide feedback through a survey and in-person meetings. Nearly every staff member reported receiving a copy of the strategic plan during orientation.

There is no defined or organized implementation effort for the strategic plan, and there are no target dates to complete the identified goals. Originally, LAA intended to operationalize the strategic plan through a series of annual plans. The annual plans were going to prioritize the most important goals and objectives and include specific, measurable objectives, action items with individual assignments, and include timelines. These annual plans never materialized. Instead, on a day-to-day basis, the organization follows unit work plans to address substantive goals and uses subject-matter specific plans, such as its resource development plan and technology plan, to guide progress toward its broader strategic goals. The organization’s substantive work plans include performance goals. The workgroups develop these goals using input from the entire team based on their work, observations, successes, and failures from the previous “work plan year.” For instance, the consumer workgroup’s work plan includes a goal to recover a minimum of \$500.00 in any case where LAA completes 3.5 or more hours of work. The substantive workgroup plans and subject-matter specific plans that the LSC team reviewed contain strategies and performance goals that align with the broader goals in the strategic plan. Management revealed to the LSC team that LAA is in the beginning stages of preparing for the next strategic planning process.

### **Recommendation I.2.3.1\***

***Through its upcoming strategic planning process, the organization should consider assigning tasks to individuals to monitor and facilitate the steps to accomplish LAA’s goals, including a schedule for the board and management to regularly review and consult the plan.***

## **Evaluation and Adjustment**

***Finding 4. LAA’s substantive workgroups regularly collect and analyze the outcomes it achieves on behalf of clients, but only reviews the data on an ad hoc basis.***

LAA prioritizes and accepts cases that: (1) assure access to safe and affordable housing; (2) provide protection from domestic violence; (3) secure economic justice; and (4) protect and

advance consumer rights. LAA staff review the priorities annually, and the board reviews and formally adopt the priorities each December for the next calendar year.

When LAA closes a case, the program has a system in place to track and report the outcomes of its representation. The case management system (CMS), *LegalServer*, can capture approximately 160 different outcomes/outputs achieved on behalf of clients. The results tracked are usually tangible results achieved on behalf of clients. For instance, LAA tracks when it “obtained the return of a security deposit,” including the amount of the recovery, and when it “expunged a criminal record.” In other instances, instead of outcomes, LAA collects outputs, such as the number of times it “Provided representation in a contempt action.”

LAA tracks and uses the outcomes achieved by advocate and by a client’s county of residence to shape its service delivery. For example, the organization cites one instance where it mapped all family violence cases, including success rates. Based on that analysis, LAA was able to determine new areas of emphasis for outreach and troubled areas where success rates were below the program average. LAA also uses outcomes data to demonstrate the impact of its work while fundraising, track emerging issues, and evaluate the way it allocates resources. Although the organization uses outcomes data to inform its service delivery, the program does not review outcomes data consistently. Instead, LAA reviews outcomes data on an ad hoc basis.

**Recommendation I.4.4.1**

***LAA should continue to expand its use of outcomes data and regularly review outcomes data reports.***

**PERFORMANCE AREA TWO. Effectiveness in engaging in and serving the low-income population throughout the service area.**

**Dignity and Sensitivity, including intake**

**Intake**

***Finding 5: LAA designed its intake system to provide reasonable access to the client-eligible population.***

Applicants access LAA’s intake system by calling a central hotline, the *Helpline*, which is open Mondays through Thursdays, from 9:00 a.m. to 11:00 a.m. and again from 1:00 p.m. to 3:00 p.m. LAA closes its offices to the public daily from 12:00 p.m. to 1:00 p.m. Intake is also open on Tuesday evenings from 5:15 p.m. to 7:15 p.m. The program accepts walk-in clients Mondays through Thursdays from 11:00 a.m. to 11:30 a.m. and again from 3:00 p.m. to 3:30 p.m.

Most of LAA’s applicants request assistance through the *Helpline*. In 2018, 65 percent of applicants requested assistance by telephone, 11 percent requested assistance online, 11 percent requested assistance by walking in, and two percent requested assistance at an outreach event. Lastly, other organizations, like the Center for Arkansas Legal Services (CALs), send referrals that amount to another 11 percent of new applicants.

All attorneys and paralegals participate in intake; however, the program estimates that it only dedicates two and one-half full-time equivalents (FTEs) exclusively to eligibility screening. The intake paralegals screen applicants for eligibility and potential conflicts and inputs the applicant's information contemporaneously into *LegalServer*. After the initial screening, the screener places applicants into a substantive call queue based on the caller's legal issue. Then, one of the attorneys or paralegals picks up the call and conducts a substantive interview. Depending on the complexity of the legal issue and the advocates' level of experience, the applicant may receive advice immediately.

After the substantive interview is complete, the interviewer sends the case file to an "advocate of the day." The advocate of the day determines the level of service (extended or limited) and assigns the case to an attorney or a paralegal for advice or representation. If the advocate has already provided advice, the advocate of the day reviews the advice that the initial advocate provided. If there is a question about client eligibility or whether a case fits within LAA's case acceptance priorities, each substantive workgroup will discuss that case at its weekly meeting. If a case involves an emergency for an applicant, the person conducting the interview will contact the advocate of the day immediately by telephone or email to ensure that someone takes prompt action on that case.

Based on call monitoring data, telephone applicants average about a two-minute wait in the initial queue. In the rare instance that the wait time is longer than 15 minutes, the callers waiting in a queue enter an "overflow" queue. LAA will then pull additional staff to clear the backlog of calls. LAA staff commence the substantive interview on average, within 10 minutes of initial contact and typically provide legal advice within 30 minutes of initial contact. LAA typically completes a limited service (prepares a will, drafts a power of attorney, etc.), or notifies the applicant that he will receive extended representation within two days of initial contact.

LAA uses short message service (SMS) text messages as part of its intake process. If an intake staff person screens an applicant for basic eligibility, but the caller hangs up while waiting in the substantive queue, a staff person will follow up via an SMS text message.

The deputy director of the program manages the intake system. The deputy director monitors live data about intake wait times and the length of interviews to ensure that the intake system is responsive to litigants. The deputy director also produces weekly and monthly reports to ensure that LAA is processing cases efficiently.

***Finding 6: LAA's methods of providing advice and counsel is not consistent throughout the agency.***

Advocates are sometimes inconsistent in their method of providing advice. For advice cases, after the substantive interview, most advocates provide advice over the telephone. If the advice is very simple, the advocate will follow up with a letter and additional written resources. However, during the onsite visit, a few advocates reported that after the advocate of the day assigns the case, and the assigned advocate reads the notes, he or she will sometimes only send an advice or closing letter, with no telephone contact. The deputy director acknowledged this practice and is

investigating these unusual occurrences, and the program is considering developing new policy guidance to prevent it from happening moving forward.

**Recommendation II.1.6.1\***

***LAA should consider implementing a written policy on the methods for providing advice, requiring personal contact with clients by telephone in all or certain cases.***

***Finding 7. The program’s online application is not fully accessible to non-English speaking individuals.***

LAA’s website is initially available in English. A Google translate feature allows a viewer to convert most pages of the website into over 100 different languages; however, the online application for legal services is only available in English. It also requires applicants to read several pages of acknowledgments/disclaimers before starting. After the acknowledgments, an applicant can indicate if their primary language is something other than English; but since the disclaimers and application itself are only available in English, it is unlikely that a non-English speaker would be able to navigate to the application without assistance. Even after the applicant reports another language, the rest of the application remains in English.

During interviews, the LSC team discovered that there had not been a review of the online intake application for quite some time. Also, at the time of the visit, a part of the online application was not functioning properly.

**Recommendation II.1.7.1\***

***The program should update its online application to ensure it is fully accessible more broadly to all applicants, including applicants with limited English proficiency.***

**Engagement with and access by the low-income population**

***Finding 8. While most of LAA’s office locations are easily accessible to low-income people across the service area, there are some concerns with signage, wheelchair accessibility, office conditions, and confidentiality.***

The LSC team uniformly heard from stakeholders that LAA conducts its work in a way that affirms client dignity. Community agencies, judges, and other service providers indicated that LAA and its staff engage with the community, including in community action boards, targeted community projects, and statewide task forces.

LAA operates out of nine offices in Rogers, Springdale, Harrison, Jonesboro, West Memphis, Helena, Newport, a fair housing office, and a medical-legal partnership office. Technically, the fair housing office and the medical-legal partnership are located in Little Rock, outside of LAA’s service area. These initiatives are located in Little Rock because it is a central location that provides convenience to advocates and clients to have a reasonable drive, when necessary, to and from almost every area of Arkansas.

Within the service area, there is one office in each of the four most populated urban/suburban areas, and three in more rural areas. The urban offices (Jonesboro, Rogers, Springdale, and West Memphis) are all in central locations that are accessible via public transportation. There is ample parking at all locations. All offices have written materials (pamphlets, flyers, etc.) in the lobby on relevant legal topics.

Some offices are experiencing issues related to their physical appearances, such as the need for new furniture and paint. There are also a few structural concerns within some offices. For instance, in two locations, voices carried from one office to the next, which poses client confidentiality concerns, and one location had a room with a leaky roof and a dirty skylight. One office does not have an exterior sign on the building and is not accessible by wheelchair.

**Recommendation II.2.8.1**

***The program should ensure that all of its offices are ADA accessible, have appropriate signage, and regularly updated and maintained to promote the best experience for clients and staff.***

***Finding 9. LAA’s staff diversity adequately reflects the diversity of the client population, and LAA effectively communicates with non-English speakers.***

LAA’s staff is 68.9 percent Caucasian, 18.9 percent African-American, 5.1 percent Hispanic, 3.4 percent Asian or Pacific Islander and, 3.4 percent identify as “other.” By comparison, the poverty population is 70.9 percent Caucasian, 17.9 percent African American, 8.7 percent Hispanic, 2.9 percent Asian or Pacific Islander, and 6.7 percent identify as some other race or two or more races. There are seven African American attorneys, including one who is a managing attorney.

Most of the poverty population (91.1 percent) speak English only. Spanish ranks second (5.7 percent), and Asian and Pacific Island languages rank third (2.6 percent). Three staff attorneys and one clerical worker speak Spanish, the development director speaks Tagalog, and one intake worker speaks Marshallese. LAA staff use a telephone-based interpreter service as needed. The program uses a Google translate feature to translate most pages of the website into over 100 different languages.

***Finding 10. LAA conducts a substantial amount of outreach activities but may need to review its strategy to ensure it is reaching all parts of the service area.***

LAA has a consistent presence in the community. Management and staff attend community fairs and events and regularly scheduled outreach at community health centers, libraries, and social services agencies. During the last year, LAA exhibited at the annual Community Action Agency Conference, Federally Qualified Health Center Conference, Home Visiting Network Conference, and Southwest National Association of Housing and Redevelopment Officials Conference. The Fair Housing project distributed over 6,700 brochures in three languages that covered a variety of fair housing issues and gave 83 fair housing presentations throughout Arkansas.

LAA conducts outreach and community education specifically geared toward special populations through events like re-entry panels at probation and parole offices, a panel on sexual assault awareness for the LGBTQI community at a community college, and presentations on housing

discrimination in conjunction with the Consulate General of the Marshall Islands. Some staff reported that there should be more outreach in the southeastern part of the service area. In that region, many people believe that when the merger occurred, “legal aid” ceased to exist.

**Recommendation II.2.10.1\***

***For all workgroups, the program should review its outreach activities to ensure they are reaching all parts of the service area and develop a strategic outreach plan.***

**PERFORMANCE AREA THREE. Effectiveness of legal representation and other program activities intended to benefit the low-income population.**

**Legal Representation**

**Staffing and Expertise**

***Finding 11. LAA has experienced and highly effective advocates who are well-respected within the community by stakeholders.***

LAA has a mixture of seasoned and new attorneys. Of the program’s 31 attorneys, three have more than 30 years of experience, one has between 21 and 30 years of experience, seven have between 11 and 20 years of experience, nine have between six and ten years of experience, and 11 have five or fewer years of experience. There are 17 clerical/paralegal staff and four VISTAs. Of the program’s staff of 58, 31 have been with LAA for fewer than two years.

Collaborative partners, judges, and bar representatives interviewed onsite and by telephone stated that LAA’s advocates are highly proficient and obtain satisfactory results for their clients. LAA’s attorneys are leading experts in the state and nationally in their specific substantive areas. Leaders serve on state substantive task forces and serve as statewide and sometimes national trainers in their areas of expertise.

**Legal work management and supervision**

***Finding 12. While LAA utilizes a regional management structure and has highly skilled workgroup leaders, the program acknowledges the need for a litigation director to improve its advocacy efforts.***

There are three regional managers, two in the west region and one in the east. These managers oversee the day to day operations of the nine offices. Four attorneys with substantial experience lead the four substantive workgroups: domestic violence prevention, consumer protection, housing justice, and economic justice. Administrative and substantive managers are highly skilled, energetic, and effective. Workgroup meetings occur every week.

LAA has written file maintenance protocols. Advocates report that managers review their court documents and that their supervisors have accompanied them to court on at least one occasion. Some of the staff attorneys interviewed state that managers conduct regular reviews of open cases. The leaders of all substantive workgroups hold weekly meetings. These meetings allow advocates to discuss old and new cases.

Some workgroup leaders and the regional managers carry a high caseload, usually the most complex and impactful cases. As such, some are not able to devote much time to mentoring and oversight. In other instances, workgroup leaders and regional managers effectively mentor and manage, but are unable to engage in significant, impactful advocacy. Despite its efforts to hire a litigation director, LAA remains without a litigation director. The position has been vacant since 2016. Initially, LAA did not fill the position due to budgeting constraints; however, since then, they have not found a person who would be a good fit. The program acknowledged that a litigation director would help improve its advocacy efforts and has included the goal of hiring a litigation director in its current strategic plan.

**Recommendation III.1.12.1\***

***LAA should continue to make efforts to hire a litigation director.***

***Finding 13. LAA is not using its development plan for all new attorneys.***

One strategic planning goal is to “Continually Strengthen the Recruitment, Retention, and Professional Development of All Staff.” A related strategy is to train new attorneys using the “New Attorney Training Protocol.” This protocol is a professional development guide for staff attorneys during their first 12 months with LAA. The guide includes required training, meetings, case-handling goals, and advocacy goals. Management periodically updates this guide. The LSC team encountered new attorneys who were currently in the protocol, but some new attorneys were not.

LAA allows all new attorneys to attend the National Institute of Trial Attorneys trial practice training during their first three years with the organization. Managers and staff attorneys also regularly attend the Equal Justice Works and National Legal Aid and Defender Association conferences to learn about developments in legal services delivery. The consumer group sends one or two attorneys to the National Consumer Law Center conference annually. The housing group also attends annual national training. The economic justice group attends a National Health Law Program training each December and attends meetings at the Southeast Public Benefits Task Force Group twice each year. The domestic violence group sends attorneys to an annual day-long, family law training session at the Arkansas Bar Association.

In some workgroups, the leader is very hands-off and presumes that attorneys know what they are doing and will seek help when necessary. In some cases, the staff was not sure who was to supervise their work or who they should go to for help (regional manager or workgroup leader).

**Recommendation III.1.13.1**

***LAA should consistently implement the training protocol and employ a more structured and formal plan for mentoring new attorneys.***

***Finding 14. The lines of supervision are not clear to all staff.***

Workgroup leaders and staff attorneys enjoy their work and, for the most part, command the respect of the staff who report to them. However, the management structure and reporting lines remain confusing, frustrating, and burdensome to many staff, especially newer staff. The current



structure with workgroup leaders and regional managing attorneys means staff report to at least two supervisors.

While this management structure may be necessary given the statewide workgroup format, clarity on the lines of authority is an issue. The LSC team heard from some staff that they sought alternate advice from another manager if they disagree with the advice given by the first manager or because their primary manager is not immediately available, which results in a lack of uniformity across the organization.

**Recommendation III.1.14.1\***

***In conjunction with the hiring of a litigation director, LAA should evaluate its regional management structure to ensure that the structure is efficiently and effectively accomplishing its goals. Without deviating from the statewide substantive workgroup structure, LAA should explore ways to minimize the issues caused by having multiple managers or develop policies to ensure clarity and uniformity.***

**Quality of legal work**

***Finding 15. LAA's substantive workgroup approach to its legal service delivery model is serving the low-income population well.***

The program encourages affirmative litigation and advocacy and broad, impactful work that benefits the larger community, not only individual clients. Through its work, LAA has expanded the legal rights of low-income people in protecting and preserving exemptions, protective orders, evictions, foreclosures, consumer cases, predatory lenders of car loans, repossessions, and hospital collections.

The program engages in significant litigation to reach its advocacy goals. LAA worked with the National Health Law Program and the Southern Poverty Law Center in a case to invalidate the Medicaid work-reporting requirements. LAA also played an integral part in invalidating the algorithm-based system in operation from 2016 to 2018, which adversely impacted Medicaid recipients' home-and-community-based services. The housing workgroup was instrumental in eliminating the significance of a statute that attached criminal liability in certain cases when a person fails to pay rent.

LAA also has a vibrant and aggressive low-income taxpayer project that has the goal of increasing on-time, complete, and accurate tax filings. In 2018, the project opened 117 new cases, completed 204 consultations, including some for English as a Second Language (ESL) taxpayers, conducted more than 40 educational activities for persons with low income, and reached over 500 individuals.

LAA uses Westlaw for its online legal research, and all advocates use *LegalServer* to manage their cases and google calendar for court dates and other critical dates related to cases. The writing samples submitted to the LSC team reflected work in all program priority areas in a variety of forums, including local, state, and federal courts. While numerous samples demonstrated creative advocacy, others did not reflect the experience level of the author or needed a better review for errors.

## **Quantity of legal work**

***Finding 16: LAA is a highly productive organization that routinely exceeds the national medians for LSC grantees.***

In 2018, LAA closed 5,424 cases, which is an increase from 2017 when the program closed 5,060 cases. As discussed under Performance Area One, the majority of LAA's case closures are in family law. Of the 5,424 total closed cases in 2018, 2,417 (44.4 percent) are family law cases, 712 (13 percent) are housing cases, 570 (10.5 percent) are consumer cases, 304 (5.6 percent) are government benefits cases, and 178 (3.4 percent) are health cases. For the past five years, the percentages of case closings by substantive area have been fairly consistent. Health law case closures peaked in 2016 due to an increase in cases related to Medicaid expansion.

In 2018, LAA closed 254 cases per 10,000 poverty population compared to the national median of 155. Family law cases represented the largest increase from 2017 to 2018. LAA attributes the family law increase to its outreach efforts.

In 2018, LAA closed 4,148 of its cases (76.5 percent) as limited services cases. LAA closed 194 limited services cases per 10,000 poverty population compared to a national average of 112. The program closed 60 extended service cases per 10,000 poverty population compared to the national median of 32. In 2018, LAA closed over 975 non-LSC reportable cases.

## **Private Attorney Involvement**

***Finding 17. The PAI program uses a variety of volunteers and is multifaceted, assisting clients in many different substantive areas.***

LAA's in-house PAI staff includes a director, a staff attorney, and two coordinators. The PAI coordinator does not identify cases for PAI. Instead, the LAA advocates of the day in each office or a workgroup leader refers cases to the PAI unit. LAA usually sends cases to volunteers if there is a lack of staff capacity in a particular county, or if the volunteer is a subject matter expert. Although this referral process is consistent across the organization, other than a general discussion in the PAI plan and a list of case types in the case acceptance priorities, there seem to be no other official written procedures for PAI case referral, transfer, monitoring, and closure processes. Some staff attorneys maintain their own lists of volunteers and make referrals on their own.

LAA directs its PAI efforts primarily through three entities: The Equal Access to Justice Panel (EAJP), the Arkansas Volunteer Lawyers for the Elderly (AVLE), and two formal medical-legal partnerships. Volunteer attorneys often provide advice and counsel or direct representation in bankruptcy, guardianship, foreclosure, tax lien, and land loss cases. LAA also works with its *pro bono* partners to conduct regular *pro se* clinics, where *pro bono* attorneys provide clients with documents for advance planning and criminal record filings. Volunteers often provide community education at senior centers on wills, advanced health care directives, and beneficiary deeds. Law student and attorney volunteers also assist LAA attorneys with legal research related to complex litigation. LAA assigns some of this work to lawyers in the corporate legal departments of FedEx Freight and Tyson Foods, among others.

Members of Wal-Mart's corporate counsel department accept cases from the medical-legal partnership at the Children's Hospital of Arkansas in Little Rock. The work includes Medicaid, special education, and guardianship cases. LAA coordinates the second medical-legal partnership between Mid-Delta Health Systems and one of the largest law firms in Arkansas, Friday, Eldridge, and Clark.

Every year, along with law students from the University of Arkansas School of Law, LAA conducts "Spring Break on the Road to Justice." The program recruits law students to travel into the Delta counties (southeast) for a week in the spring. The 2019 "Spring Break on the Road to Justice" involved seven law students. The students, LAA staff, and volunteer attorneys visited three rural and isolated senior citizens centers over three days and prepared 207 documents for 74 low-income seniors. In other years, the students focused on employment and expungement issues.

***Finding 18. While LAA's Private Attorney Involvement cases closed have steadily declined in the past four years, the program is revamping its Private Attorney Involvement plan through a transformation grant from LSC's Pro Bono Innovation Fund grant program.***

Volunteer attorneys closed 438 cases in 2016 and 333 cases in 2017. In 2018 volunteers closed just 245 cases, falling slightly below the national median for the first time since at least 2014. LAA closed 11 PAI cases per 10,000 poverty population, compared to a national median of 13.

There are several contributing factors to the low *pro bono* case numbers. LAA reports that two times in the past three years, it experienced a 100 percent staff turnover in its *pro bono* program. LAA attributes the turnover to staff moving to other states or leaving for better-paying opportunities. LAA has fully staffed its *pro bono* program and is now poised to increase its recruiting and retention efforts.

Despite the staff turnover, LAA reports that the main cause of the decline in PAI cases is the lack of attorneys in Arkansas. Other than South Carolina, Arkansas has the lowest number of private attorneys per capita (per 10,000 residents) in the nation.<sup>11</sup> The low numbers make it challenging to recruit and retain volunteers. According to LAA, the population of attorneys currently residing in Arkansas's twenty-five most rural counties is aging and decreasing. LAA reports that 28 percent of these counties do not have attorneys licensed after 2001, and only 14 attorneys have moved into these counties since 2008. Also, LAA indicates that this lack of attorneys in Arkansas leads private attorneys to have a variety of local jobs and responsibilities that severely hinder an attorney's time to volunteer.

LAA finds that many volunteers prefer to work on the Access to Justice Foundation's legal advice line, "AR Free Legal Answers," instead of taking cases for full representation. AR Free Legal Answers is a website that allows a person to post a question about a *non-criminal* legal problem and have it answered for free by an attorney.

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<sup>11</sup> Number of Active and Resident Lawyers per capita, <https://www.lawyersofdistinction.com/lawyers-by-capita-per-state/>

LAA does not have streamlined *pro bono* attorney training materials, comprehensive policies to efficiently onboard new *pro bono* attorneys, or thorough case assignment and quality control policies. Through a PBIF transformation grant that was awarded in June 2019, LAA plans to update its volunteer database, using community asset mapping, and work with statewide partners to analyze and streamline *pro bono* policies and processes and improve volunteer support. LAA anticipates that its recruitment efforts will include an enhanced social media presence, will focus on approaching large law firms, and will use its existing corporate contacts to attract other attorneys.

**Recommendation III.3.18.1**

***LAA should follow the relevant guidance of LSC’s Pro Bono Innovation Fund team as it relates to the overall Private Attorney Involvement program improvement, including recruiting efforts, oversight, and policy updates.***

**Other services and program activities to and on behalf of the eligible client population**

***Finding 19: The program engages in high levels of creative advocacy and pro se assistance.***

LAA staffs weekly court self-help clinics at a law library. At that site, LAA assisted almost 1,000 consumers in the past 24 months. LAA also works with its *pro bono* partners to conduct regular *pro se* clinics, where *pro bono* attorneys provide clients with advanced planning documents or documents related to modifying a criminal record. LAA held 12 of these clinics over the past 24 months, including several wills/end of life clinics. They prepare over 100 documents at each event. Another example is a Saturday clinic where LAA partners with volunteer attorneys and the United Way’s Volunteer Income Tax Assistance program to provide tax services. There, LAA staff attorneys, private attorneys, and law students joined to produce almost 150 documents.

LAA’s domestic violence workgroup leader is on the board of directors and a chairman of the bylaws committee for a large domestic violence shelter. In that role, he assists the client-eligible population by helping to develop education and other resources about domestic violence.

Prior to invalidating the work requirement, LAA led the efforts to reduce the harm of the new work-reporting requirements in the Medicaid program. LAA worked with state-based public policy organizations, homeless service providers, community health clinics, libraries, hunger relief organizations, and others, to undertake a large public education campaign to help communities understand how to comply with the reporting requirements.

LAA identified adverse childhood experiences (ACEs) as a systemic factor that impacts the future success of a low-income family. In response, LAA sought and obtained funding to start projects around this issue. Through this effort, LAA is attempting to address generational poverty by providing coordinated services to families that experience high numbers of ACEs. Schools and clinics screen children for ACEs and then engage all the relevant service providers. LAA addresses legal matters for these families. The primary focus is on children under five-years-old.

The Department of Housing and Urban Development (HUD) awarded LAA a Fair Housing Initiative Project-Private Enforcement grant. LAA is using the award to enhance its housing

discrimination testing and enforcement program that began in January 2017. The unit pursues discrimination claims through administrative complaints and litigation.

***Finding 20: LAA maintains the statewide website, but some areas of the statewide website are out of date.***

In the past, LAA and CALS jointly maintained the statewide website, arlegalservices.org. The website has information on a wide range of substantive law topics, including consumer law, family law, health law, and many others. The website includes links to legal resources, a legal dictionary, self-help packets, model client letters, automated advocates, and guided interviews.

Starting in 2019, CALS and LAA agreed that LAA would take the lead on website maintenance and content management. Since taking on this new responsibility, LAA has not yet been able to allocate resources to fully explore and update some areas of the website that need attention. For instance, the website continues to display “upcoming” community events and clinics that occurred almost one year ago, expired job postings, and contains links to legal information, that when followed, say, “You are not authorized to access this page.”

**Recommendation III.4.20.1**

***LAA should review all content on the statewide website and remove or update information as needed.***

**PERFORMANCE AREA FOUR. Effectiveness of governance, leadership, and administration.**

**Board governance**

***Finding 21. LAA has a diverse, experienced board of directors who use a thoughtful and effective committee structure.***

The board is racially and geographically diverse. The tenure of the members ranges from less than a year to more than 17 years. The board is 74 percent women, 38 percent African-American, five percent Hispanic, and five percent Asian. This breakdown somewhat reflects the racial diversity of the client population. There are 13 attorneys, seven client-eligible members, and one person who is neither an attorney nor a client-eligible person. The LAA board chair is the associate general counsel for Walmart in charge of Walmart’s *pro bono* efforts. One of the attorneys is a certified public accountant, and one member is a former legal aid attorney.

The board currently has six standing committees: Executive, Audit/Finance, Personnel/Client Grievance, Search/Appointment/Nominations, Client Council, and Legal Oversight. The Audit and Finance and Search/Appointment/Nominations Committees are the most active. The client council is currently inactive. When necessary, the board establishes ad hoc committees to deal with new issues, such as firearms in the workplace and other safety conditions in the workplace.

***Finding 22: The board regularly achieves a quorum, but board members are not well-acquainted, pre-meeting information is voluminous, and client board members do not receive additional support.***

Although the board regularly has a quorum, because of the program's large service area, most board members attend telephonically, with only a few members attending the meetings in person. Those who do attend in person usually do because the meeting is at an office close to their home. Consequently, the board members are rarely, if ever, together in the same location as a group. As a result, most board members do not regularly interact with each other, and some have never met. Specifically, the LSC team found that some of the attorney board members did not know, nor had ever met the client-eligible board members.

When asked if client-eligible board members receive any additional information or special preparation for the meetings, the attorney members (including the present and past officers) did not know. They also did not know if client-eligible members actively participate in the board discussions. Many members call in, and everyone hears names, but do not check to see if it is a client member who is speaking.

Two weeks before each board meeting, LAA emails each member a packet that is 100 or more pages. The packet usually includes the agenda, minutes from the last meeting, the financial and executive director reports, and any attachments relevant to the discussion topics. Several board members admitted that due to the voluminous nature of the packet, they often skim the material, paying the most attention to the financial information and executive director reports. Concerning other details, some board members rely on the executive director's report and opinion when they vote on issues, including the nomination of new board members.

**Recommendation IV.1.22.1**

***The program should consider a board retreat to develop comradery and establish a recurring event that the board can use for future planning.***

**Recommendation IV.1.22.2\***

***The board should consider reinvigorating its client council to ensure that client-eligible members are appropriately integrated into the work of the board, fully understand the information in the board packets, and are fully prepared to participate in the board meeting.***

***Finding 23: The LAA board exercises oversight in several core areas; however, the board does not often act independently of LAA management.***

The board effectuates basic oversight and votes on major policy decisions. For example, the board reviews program audits on an annual basis, evaluates the executive director annually, and is minimally involved in strategic planning. Although the board is committed to the program and its mission, several board members indicated that they take a hands-off approach to governance and are not proactive in leading. Upon reviewing board minutes, it appears that management makes decisions that often lie within the board's responsibility, such as whether to take on new initiatives or seek certain funding. There is little evidence that board members are actively engaged in asking questions, providing significant input, or voting on whether to proceed with new initiatives.

Instead, they rely on the executive director and his team to determine the policies and direction of the program. For example, the program negotiated a lease for new office space, took the lease to the executive committee for approval, and simply reported that major move to the full board at the next meeting. Thereafter, the board decided to vote on the issue, but there was no advance discussion.

After the board votes on an issue, it does not provide much ongoing oversight or guidance. For instance, although there were meetings to discuss the strategic plan, no board members seem to have been intimately involved in creating the strategic plan, nor have they followed up with staff to ascertain the steps that LAA has taken to implement the plan, nor have they asked about the progress toward the plan goals. Although the board discussed a firearms policy, several board members did not recall the outcome.

**Recommendation IV.1.23.1\***

***LAA should evaluate the effectiveness and efficiency of its board operations to ensure it is proactive in leading the program in its work.***

***Finding 24. LAA's board is not proactively engaged in fundraising activities or other recognized board governance best practices.***

The board is not currently engaged in any significant fundraising, and despite a requirement in the by-laws to contribute, not all directors make monetary contributions to the organization, but as noted below, under resource development, this may soon change. Other than the board chair, the board members are not involved in any significant community engagement, nor do they help to develop other resources, such as recruiting attorneys for its PAI program. The board chair is the corporate point of contact for the Legal Aid Medical-Legal Partnership with Walmart at Arkansas Children's Hospital. She also serves on the Arkansas Access to Justice Foundation board.

LAA does not engage in the following board governance best practices: (1) a comprehensive orientation process for new members; (2) providing formal ongoing training to provide members with new innovations in board governance; (3) a proper system in place to appropriately vet all board member candidates before appointments to ensure diversity and commitment to the mission of the program; (4) term limits to encourage new perspectives, new energy, and new opportunities for increased resources into the program; and (5) a process for evaluating board effectiveness.

LAA attempts to have one agenda item geared toward board training at each meeting. For instance, in June of 2018, the Access to Justice Foundation held a detailed orientation for new board members at both LAA and CALS. At the September 2018 meeting, the executive director gave a detailed training on LSC restrictions. In June of 2019, the fiscal officer provided training on how to read financial reports.

**Recommendation IV.1.24.1\***

***The board should consider ways to increase board member involvement in resource development, including the development of a standing committee for resource development and develop goals for board member involvement in fundraising activities.***

**Recommendation IV.1.24.2\***

***The board should develop and implement a comprehensive standard board member orientation and a regular training protocol for all members.***

**Recommendation IV.1.24.3**

***Board members should take a more active role in promoting the program and engaging the community.***

**Recommendation IV.1.24.4**

***LAA should compile a board manual that includes, among other things, the program history, strategic plan, staff roster, and details about LAA programs, funding, regulations, and stakeholders.***

**Leadership**

***Finding 25. LAA has professional, experienced leadership.***

The LSC team found that the staff respects the leaders and that each leader is effective in their respective areas. Staff described them as brilliant, easy to talk to, professional, leaders by example, and good managers who have open-door policies. Although four of the leaders are fairly new to LAA (one to three years) and two have been with the organization for more than 20 years, the rest of the leaders have been with the organization for an average of 11 years. Most of the newer leaders have significant prior experience with other employers.

The executive director has been with the organization for 28 years. He is well-known and respected throughout the legal community in Arkansas. The leadership team also consists of (1) a deputy director/helpline manager who is an attorney who has been with the organization for 13 years and has been the deputy for 11 years, supervises regional managers and workgroup leaders and reviews advice and limited services cases for eligibility compliance and quality, (2) three regional managers who are experienced attorneys that handle local administrative responsibilities, review extended services cases for compliance and quality and carry a caseload, (3) four experienced workgroup leaders who manage the substantive legal units, including the attorneys, paralegals, and the related legal work, and carry a caseload (4) a fiscal officer with substantial non-profit finance experience, who is in charge of budgeting and accounting, (5) a human resources manager who has been with LAA for 17 years, (6) a director of mission engagement/chief information officer (CIO), who is an attorney that has several years of experience working with a poverty relief non-profit, who manages resource development, performs grant writing, oversees program-wide technology needs, serves as director of communications, and manages the AmeriCorps VISTAs, and (7) a director of private attorney engagement who started with LAA as staff attorney, left to work in government for several years, then returned to oversee pro bono efforts.

The executive director meets with all leadership, including regional managers, administrative staff, and workgroup leaders, on a biweekly basis. These regularly scheduled meetings occur via teleconference. LAA holds smaller meetings via video conferences or webinars. In-person meetings of all staff occur once or twice a year at staff retreats.



LAA has a succession plan for the executive director but does not have a succession plan for leadership positions other than the executive director. Furthermore, LAA is not formally training anyone in the organization to serve as a backup for any of the leadership roles. For example, the CIO is responsible for several key administrative areas. If she decided to depart, there is no indication that there is no transition plan in place for how LAA would immediately and efficiently continue to execute her duties.

**Recommendation IV.2.25.1**

***LAA should consider developing a succession plan that expands to all key leadership positions. The plan should include, among other things, naming an interim successor (temporary leader) or the methods to appoint an interim successor. Additionally, for each position, the organization may want to include a written document designed to capture some of the institutional knowledge, regular community contacts, weekly routines, regularly attended, routine reports and any other skills, knowledge or processes that will help an interim and ultimately permanent successor effectively step into his or her new role.***

**Technology**

***Finding 26. LAA uses up to date technology in nearly all aspects of its operations.***

LAA uses innovative technology for all aspects of the program’s work, including intake, meetings, supervision, timekeeping, research, training, document preparation, funding, fiscal compliance, board materials, PAI, file maintenance, and case management.

Each staff person’s computer has the full Microsoft Office Suite (2016 or newer) installed for word processing needs, including Excel, PowerPoint, Publisher, etc. LAA maintains a Google Drive with pleadings, letters, and other forms for staff to easily access. LAA has a presence on Facebook and Twitter and has a social media use policy in place for all staff.

LAA uses *LegalServer* as its CMS, and LAA has integrated the CMS with the *HelpLine* (intake system). Staff uses all relevant CMS features, including case notes, contemporaneous timekeeping by activity and funding code, calendaring, and tickler functions. LAA stores all case-related documents, including compliance documents, pleadings, motions, etc., in the CMS. The CMS also generates timesheets. As discussed under Performance Area Three, LAA maintains the statewide website on behalf of both LSC grantees in Arkansas.

LAA does not have an information technology staff, but a few staff members appear to have the knowledge and skill to “troubleshoot” many minor technology issues. A staff attorney, the deputy director, the human resources manager, the mission engagement director/CIO are the “go-to” staff members. There is a staff technology committee, and staff members contribute to the program’s comprehensive technology plan. Maintenance issues related to the case management system, e-mail, phones, and data protection appear to be minimal. If such an issue occurs, LAA utilizes a technology vendor company to handle the issues.

## **Financial Administration**

### ***Finding 27. An experienced fiscal officer handles LAA's financial administration.***

The current fiscal officer has 28 years of experience working in nonprofit financial management, including budgeting, payroll, supervising finance staff, preparing tax reports, and assisting with external audits. Outside of LAA, he has 14 years of nonprofit finance experience. The fiscal officer is strong in terms of skills and seems dedicated to the program. He is serving his second term with the organization. The officer had been with the organization from 2002 to 2012, left the firm, and returned in 2016.

The executive director and the fiscal officer work together on the budget. LAA projects its budget two years in advance, then monitors financial developments monthly. The board's audit/finance committee is one of its most active committees. The executive director is an "ex-officio" member of the committee. LAA recently submitted a new charter to LSC that clarified the roles of the committee.

LAA has a current accounting manual that was updated in August of 2019 and approved by the board in September of 2019. After its 2018 audit, LAA's independent public accountant did not make any fiscal-related findings and did not identify any material weaknesses or significant deficiencies in LAA's internal controls. The board approves financial statements at each meeting and approves the organization's yearly budget.

LAA evaluates their audit provider options every five years, but despite efforts cannot find another qualified auditing firm in its service area. LAA has used the same auditing firm since at least 2011.

### **Recommendation IV.4.27.1**

***LAA should investigate other options, including options outside of the service area, for accounting firms to conduct the annual audit.***

## **Human resources administration**

### ***Finding 28. The organization has some inconsistencies in its onboarding process, has not provided some key training, and routinely struggles with retention.***

The human resource manager has worked with LAA for 17 years. The manager regularly attends local human resource law training and has also attended the national Management Information Exchange (MIE) training.

The training that LAA provides during onboarding is sometimes scarce and varies significantly from workgroup to workgroup. Administrative and paralegal staff in one workgroup report that they receive very little training on things like Legal Server, or interviewing techniques and that they had to learn those things on their own. Staff in other workgroups reported that they had lots of training on how to interview people, that training was very hands-on, with excellent mentoring, and written materials to guide their work early on.

LAA expects supervisors to complete annual evaluations two weeks before the employee's anniversary date. Although the strategic plan has goals and strategies related to organization-wide professional development, beyond the New Attorney Training Protocol, LAA does not use individual professional development plans or training plans. Not all lawyers experience the New Attorney Training Protocol.-The human resource manager has had equal employment opportunity (EEO) training, but the organization does not regularly provide discrimination or cultural sensitivity training.

There was a staff turnover of more than 20 percent between 2017 and 2018. LAA attributes the turnover to the expiration of specific short-term grants that funded several positions and to the coming and going of various VISTAs and summer law student interns. LAA acknowledges that its low salaries contribute to attorney and administrative staff turnover. The two 100 percent turnovers of LAA's PAI staff mentioned above was a partial example of its salary driven turnover.

In the summer of 2019, LAA evaluated the salary scale of its administrative staff. LAA plans to implement a salary increase in 2020. The increase will raise the hourly rate of all administrative staff. To attract and retain attorneys, LAA offers a loan repayment assistance plan for all full-time attorneys with law school loans. LAA also reimburses bar exam fees on a case-by-case basis and, when necessary, allows adjusted schedules for bar-study time. LAA offers all staff flexible schedules and compensatory time to promote flexibility and work-life balance.

**Recommendation IV.5.28.1\***

***LAA should review its onboarding regimen for all positions and develop training/development plans for all staff.***

**Recommendation IV.5.28.2**

***The organization should evaluate all of its training offerings and ensure staff receive appropriate training uniformly by position type and that the organization is providing appropriate training to all staff routinely on cultural sensitivity and other topics to enhance skill sets.***

**Overall management and administration**

***Finding 29. Management communicates with staff consistently and ensures that it educates staff on LSC rules and regulations.***

LAA holds bi-weekly management meetings, and the executive director attempts to visit each office at least once every ninety days. Regional managers try to visit each office at least every thirty days. Management distributes significant proposed policy changes to the staff and board for review. Every week, the executive director distributes updates to the entire organization called "Monday Morning Updates." The substantive workgroups meet weekly. In those meetings, the staff discuss issues regarding cases, emerging issues, and share administrative reminders.

The deputy director oversees LSC compliance matters. LAA management provides staff members with digital access to the LSC handbooks, policies, and regulations.

## **General resource development and maintenance**

***Finding 30. LAA has a productive resource development team and is working on a resource development plan; however, the person primarily responsible often has many other critical responsibilities.***

LAA has been successful in securing a wide variety of grants, limited foundation funding, and various other funding streams. LAA uses a team approach to resource development. The team includes the executive director, mission engagement director/CIO, a part-time community education/communications specialist, a part-time attorney/law school professor, and one full-time VISTA. Most of the responsibility falls on the mission engagement director. She cultivates donors, organizes events, writes grants, and prepares reports. In 2018, the development director attended a one-week grant writing training from a nationally accredited program. As mentioned earlier, currently, the board is not strategically involved in resource development efforts; however, this will change soon.

The organization's resource development plan is awaiting board approval. The resource development plan includes, among other things, the intent to assess funding sources annually to ensure that the sources are achieving strategic plan goals, develop new and sustainable funding sources through marketing, and train relevant staff on grant writing and resource development. The plan also explicitly lists the board of directors as part of the fundraising team and would have board members acting as ambassadors of the organization, involved in cultivating relationships with community partners and donors and participating in fundraising events. The plan has been in a draft form since 2015.

LSC is LAA's largest source of funding at \$1,557,645, which is 49.5 percent of LAA's total funding. In 2018 LAA's non-LSC funding was \$1,581,821. The non-LSC funding included a Violence Against Women Act grant, Interest on Lawyer Trust Account distributions, private grants from entities like the United Way, individual and corporate donations, and many other sources.

LAA started using social media in 2018 to cultivate new donors. To facilitate this new approach, LAA participated in a nationally recognized event called "Giving Tuesday." On that day, LAA staff went "live" on Facebook throughout the day, explaining the work LAA does and asking for support. Almost 100 individual donors gave money to LAA based on that campaign.

The mission engagement director also serves as the program's communications director, which includes updating the statewide website and developing the use of social media. She also spends a significant amount of time coordinating special events like the 2019 annual statewide meeting. These other tasks distract from cultivating more private revenue.

### **Recommendation IV.7.30.1\***

***LAA should reassign some of the duties of the mission engagement director/CIO to preserve more time for resource development activities.***

### **Recommendation IV.7.30.2\***

***LAA should finalize and then begin to operationalize its resource development plan.***

## **Participation in an integrated legal services delivery system**

***Finding 31: Arkansas does not have a robust statewide network for legal services, but LAA participates appropriately in the existing network.***

The state's two law school legal clinics, the statewide disability rights center, and the statewide ACLU are the only other providers of free legal assistance in the service area, but the services they provide are very limited. LAA involves CALS and the Access to Justice Foundation in its strategic planning. LAA and CALS hold a joint annual statewide legal aid conference. The Access to Justice Foundation also participates in that conference.

LAA advocates work closely with the Arkansas Access to Justice Foundation in preparing *pro se* and *pro bono* resources for the public. LAA works with other state agencies, social services agencies, and healthcare providers to leverage efforts to serve similar client populations. Through its medical-legal partnerships, re-entry programs, and collaborations with consumer credit counselors, LAA helps ensure that its clients and other low-income people in Arkansas receive holistic services.

LAA also interacts with local bar associations in several ways. For instance, the Washington County Law Library Committee of the Bar Association provides financial support for LAA to staff a courthouse help desk every week. Also, to recruit volunteers, LAA makes a presentation at the bar association annual meeting. Lastly, LAA consults with the Arkansas Bar Association on its PAI plan.

## **CONCLUSION**

LAA provides high quality, effective, and efficient legal services to the eligible low-income people in its 31-county service area. The program operates an effective intake system and conducts outreach throughout the service area. LAA is committed to creative advocacy and impact litigation that is affecting the lives of millions of people locally and across the country. The program is performing well financially and is committed to effecting better resource development. The program's needs assessment requires attention, and its board should be more engaged in the best-practices for a non-profit board. With a new LSC Pro Bono Innovation Fund transformation grant, the program is committed to expanding its *pro bono* efforts through a comprehensive review of its current *pro bono* program, so soon, LAA will have more capacity to help even more individuals who need civil legal aid.

**Office of Program Performance  
Draft Report  
for  
Program Quality Visit  
to  
Legal Aid of Arkansas, Inc. #604020  
Tier One Recommendations**

Recommendations that are indicated with an asterisk are Tier One recommendations and are seen as having a greater impact on program quality and/or program performance. In its next Application or Renewal, the program will be asked to report on its implementation of Tier One recommendations.

***Recommendation I.1.1.110\****

***LAA should conduct a new comprehensive needs assessment to determine the most pressing legal needs of the low-income population in its service area and design it using methods that will produce a strong response from the client population.***

***Recommendation I.2.3.1\****

***Through its upcoming strategic planning process, the organization should consider assigning tasks to individuals to monitor and facilitate the steps to accomplish LAA's goals, including a schedule for the board and management to regularly review and consult the plan.***

***Recommendation II.1.6.1\****

***LAA should consider implementing a written policy on the methods for providing advice, requiring personal contact with clients by telephone in all or certain cases.***

***Recommendation II.1.7.1\****

***The program should update its online application to ensure it is fully accessible more broadly to all applicants, including applicants with limited English proficiency.***

***Recommendation II.2.10.1\****

***For all workgroups, the program should review its outreach activities to ensure they are reaching all parts of the service area and develop a strategic outreach plan.***

***Recommendation III.1.12.1\****

***LAA should continue to make efforts to hire a litigation director.***

***Recommendation III.1.14.1\****

***In conjunction with the hiring of a litigation director, LAA should evaluate its regional management structure to ensure that the structure is efficiently and effectively accomplishing its goals. Without deviating from the statewide substantive workgroup structure, LAA should explore***

*ways to minimize the issues caused by having multiple managers or develop policies to ensure clarity and uniformity.*

***Recommendation IV.1.22.2\****

*The board should consider reinvigorating its client council to ensure that client-eligible members are appropriately integrated into the work of the board, fully understand the information in the board packets, and are fully prepared to participate in the board meeting.*

***Recommendation IV.1.23.1\****

*LAA should evaluate the effectiveness and efficiency of its board operations to ensure it is proactive in leading the program in its work.*

***Recommendation IV.1.24.1\****

*The board should consider ways to increase board member involvement in resource development, including the development of a standing committee for resource development and develop goals for board member involvement in fundraising activities.*

***Recommendation IV.1.24.2\****

*The board should develop and implement a comprehensive standard board member orientation and a regular training protocol for all members.*

***Recommendation IV.5.28.1\****

*LAA should review its onboarding regimen for all positions and develop training/development plans for all staff.*

***Recommendation IV.7.30.1\****

*LAA should reassign some of the duties of the mission engagement director/CIO to preserve more time for resource development activities.*

***Recommendation IV.7.30.2\****

*LAA should finalize and then begin to operationalize its resource development plan.*

**AUDIT FINANCE COMMITTEE  
MEETING MINUTES  
February 12, 2020**

The Audit/Finance Committee of the Legal Aid of Arkansas Board of Directors in conjunction with the Staff Salary Study Committee met by conference call at 2:00 p.m. Wednesday, February 12, 2020. Participating were Jason Auer, David Bowman, Lori Chumbler, Teresa Franklin, Blane Swain, Elizabeth King and Lee Richardson.

Mr. Richardson stated that this is a blended committee of staff and board. He stated that Ms. Haun is the chair of the Audit Finance Committee and Mr. Auer is the head of the staff part of the committee. He stated that Ms. Haun is unable to join so he will proceed.

Mr. Richardson stated that we are looking at a salary scale revision and at the last board meeting he included a packet for the board to review and the Audit Finance Committee had previously reviewed it regarding a study we did and some proposals we made.

He stated that the board had asked Ms. King to compile some information on attorneys that have left and why they left. He stated that we looked at January 2016 forward and anyone that did not leave by their choice was not included. He stated that we do exit interviews and we had 23 attorneys leave and most filled out information on the exit interview talking about the salary which all committee members should have. He stated there were just a few who felt the salary was adequate. Mr. Richardson reviewed the comments from the exit interviews.

He stated that the majority left for higher paying jobs. He stated that he also sent out some data on where people went when they left and what their salary is now. He stated that we know people are leaving for more money in the three to five year range so keeping that in mind, we had a staff committee consistent of Jason Auer, Fair Housing Manager and Housing Workgroup Leader; Blane Swain, Domestic Violence Workgroup Leader and Teresa Franklin, Regional Manager of the Delta Region. He stated that all three are members of management and have different levels of experience. He stated that in July they submitted the proposed salary scale which he has modified a bit. He then compared the first proposed scale to the current scale. He stated that he is satisfied with this proposed scale except that we do not do additional stipends for Workgroup Leaders or Regional Managers as they are built into our new scale. He stated that he would like to build in a automatic COLA increase every year that would be adjusted at the end of each year. He stated that we could use the Consumer Price Index or the Social Security Administration formula for cost of living but he would like to add that in as well so we do not have to keep revisiting this.

He stated that he has included several examples of what other programs are doing for comparison.

He stated that obviously we have to be able to pay for this to implement it. He stated that to keep our current staffing level and adopt this pay scale it would cost us a little over \$156,000 in 2020 and if you look at our budget that would put us \$292,000 in the red if we go back to January 1<sup>st</sup>. He stated that if it were to go in effect after the March board meeting then it would cost closer to \$100,000. He stated that there is one funding source of \$50,000 that we have not heard from as of yet but he is confident that will come through and bring the deficit down even more. He stated



that for 2019 the board approved a budget that was \$250,000 in the red and then we are ending up the year more like \$13,000 in the red. He stated that we have \$1.27 million in the bank and his goal would be to still have \$1 million in the bank even if we are not able come up with additional funding to pay for current operations as opposed to new positions.

Ms. Chumbler inquired that we have \$1 million in the bank that carries over from year to year to cover any deficient? Mr. Richardson stated that was correct. He stated that we have come out in the black 5-6 years now and we projected to be in the red significantly more than we will end up being. He stated that if we did this salary change we would project to have about 2.7 months of operating reserve in the bank at the end of the year and then we would have to budget for 2021. He stated that we cannot continue to budget in the red beyond one or two years.

Ms. Chumbler inquired as to how much additional the proposed pay scale will cost?  
Mr. Richardson stated for the current year it will cost about \$157,000.

She stated that personally she thinks this is a good idea and it is important for us to stay competitive and we don't want to be training folks for three years and have them leave us to go somewhere else and we have to start over again. She stated that is important for us to be able to retain good attorneys and good help overall. She asked about the benefits and what could we do to compensate with comp time, etc.

Mr. Richardson stated that we pay 80% of the health insurance, 50% of the dental and we have fairly liberal leave time.

Ms. Chumbler inquired about leave time.

Mr. Richardson stated that annual leave is accrued at 9 hours a month for the first 5 years and then 5-10 year you get 13 hours and then 10 plus you get 16.5 hours per month. He stated that we do a 5% match on the retirement plan as well.

Ms. Chumbler stated that for attorneys in particular, they have to get the work done no matter what, but what if we provide additional vacation time, that might be attractive to staff. She stated that to a lot of folks that time off is really important.

Mr. Richardson stated that we have flex schedules and we have comp time for when they work over 90 hours in a pay period. He stated that last summer he proposed a 4 day work week but some staff were not in favor of that so he may try to propose something again.

Ms. Chumbler stated that maybe we could look at starting everyone off with a bank of PTO and then they accrue from there. She stated that she was looking for non-monetary incentives.

Mr. Richardson stated that fronting some leave time is definitely something to consider.

Ms. Chumbler stated that she thinks to the younger generation leave time is almost as important as pay.

Mr. Richardson asked for comments from the staff on the call.

Mr. Swain stated that he thinks that fringe benefits like allowing people to work from home/telecommute is something that would be beneficial. He stated that he does believe that starting the scale out higher would be beneficial in trying to recruit new talent and then having the incentives as well. He stated that we want to get them in and then keep them and not have them leave after a couple of years.

Mr. Auer stated that he thinks the pay adjustment is badly needed at this point and the benefits thing is an important question. He read a benefit package for a non LSC program just as a point of reference.

Mr. Richardson stated that in regard to the benefit package he does think front loading some vacation would be a good thing to consider and he does think people are more productive sometimes if they are able to take more time off but there is a point where you have to keep the doors open and do business.

Mr. Richardson asked Ms. Franklin if she had anything to add.

Ms. Franklin stated that what she hears from staff is the salary is too low for the amount of work folks had to do.

Mr. Richardson stated that the bottom line is he would ask the board to have faith in us to project in the red that much, particularly if we finish in the black for 2019. Ms. Chumber stated that she thinks the board will question long term how are we going to account for this and we need to be prepared to talk about what that looks like and are there other areas we could cut back. She stated that we can present other cost savings coming up down the road that would help offset the cost. Mr. Richardson stated that he thinks we could get to a point where we don't have to have a full office in some places and you have someone like Blane that you could trust to work from home if there was a two room rented space that would cost a lot less to maintain to meet clients in.

Ms. Chumbler asked if there are very many courthouses that have rooms to meet clients in. Mr. Richardson stated that it is kind of hit and miss.

Ms. Chumbler stated that if we can come up with some ideas outside the box it would most likely ease the board's mind to committ to a salary increase.

Mr. Richardson stated that he would like to have the members consider what has been discussed today and then after the audit next week we will have some firm financial number and he and David can do a rolling budget for year two and year three but we would have that and then convene another call prior to the March board meeting.

All were in favor and the meeting was adjourned.

Current Salary Scale

<b>Attorneys</b>		<b>Paralegals #</b>		<b>Administrative *</b>		<b>Clerical</b>	
1	42,000	1	26,000	1	33,000	1	22,000
2	45,000	2	27,500	2	35,000	2	23,000
3	48,000	3	29,000	3	37,000	3	24,000
4	51,000	4	31,500	4	39,000	4	25,000
5	54,000	5	33,000	5	41,000	5	26,000
6	56,000	6	34,200	6	42,500	6	26,800
7	58,000	7	35,400	7	44,000	7	27,600
8	60,000	8	36,600	8	45,500	8	28,400
9	62,000	9	37,800	9	47,476	9	29,200
10	64,000	10	39,000	10	48,500	10	30,000
11	66,000	11	40,200	11	50,000	11	30,800
12	68,000	12	41,400	12	51,500	12	31,600
13	70,000	13	42,600	13	53,000	13	32,400
14	72,000	14	43,800	14	54,500	14	33,200
15	74,000	15	45,000	15	56,000	15	34,000

New Salary Scale with COLA Adjustment

<b>Attorneys</b>		<b>Paralegals #</b>		<b>Administrative *</b>		<b>Clerical</b>	
1	44616.6	1	27619.8	1	35055.9	1	23370.6
2	47803.5	2	29213.25	2	37180.5	2	24432.9
3	50990.4	3	30806.7	3	39305.1	3	25495.2
4	54177.3	4	33462.45	4	41429.7	4	26557.5
5	57364.2	5	35055.9	5	43554.3	5	27619.8
6	59488.8	6	36330.66	6	45147.75	6	28469.64
7	61613.4	7	37605.42	7	46741.2	7	29319.48
8	63738	8	38880.18	8	48334.65	8	30169.32
9	65862.6	9	40154.94	9	50433.75	9	31019.16
10	67987.2	10	41429.7	10	51521.55	10	31869
11	70111.8	11	42704.46	11	53115	11	32718.84
12	72236.4	12	43979.22	12	54708.45	12	33568.68
13	74361	13	45253.98	13	56301.9	13	34418.52
14	76485.6	14	46528.74	14	57895.35	14	35268.36
15	78610.2	15	47803.5	15	59488.8	15	36118.2

0.0623

**APPENDIX C: Salary Structure**  
**Updated 3-14-2020**

<b>Administrative *</b>		<b>Legal Support</b>	
<u>Years</u>	<u>Salary</u>	<u>Years</u>	<u>Salary</u>
Entry	35,308	Entry	24,000
1-3	39,000	1-3	27,000
4-5	44,000	4-5	30,000
6-8	49,000	6-8	33,000
8-10	54,000	8-10	36,000
Above 10	58,000	Above 10	40,000

Law student interns will be paid \$15.00 per hour or an amount specified by funding source. The executive director may hire temporary help as necessary at rates other than reflected above.

New employees hired in a job class shall be hired at the first pay grade step; however, credit may be given as follows for relevant experience, weighted in order:

- A. Experience in that job classification with another Legal Services program or public interest law firm
- B. Legal experience in that job classification other than with another Legal Services program or public interest law firm
- C. Non-legal experience in that job classification

Those employees whose evaluations are rated satisfactory or better shall receive a step pay increase when appropriate consistent with the salary schedules, if funding is available.

Employees who reach the final step of their pay grade cannot receive a salary increase but may continue to receive cost of living increases if awarded.

Current staff will be placed on the new scale as determined by the management team. No current staff member will suffer a pay reduction as a result of this salary scale revision.

Part-time attorney salaries are negotiable. The scale does not apply to special fellowship, AmeriCorps, or other specially funded projects.

The salary scale will be adjusted annually in December consistent with the cost of living formula used by the Social Security Administration, subject to funds availability and board approval.

\* includes Development Specialists, Human Resources Specialist, Communications Director, Web Developer, Technology Director, Fair Housing Testing Coordinator, Fair Housing Investigator and other administrative staff (some positions or duties may be combined) where a degree is required. Any staff deemed "exempt" by the Executive Director that is not an attorney will be placed on the administrative scale. The Fiscal Officers salary is negotiable with the Executive Director and Board. The Executive Directors salary is set by the board.

**APPENDIX C: Salary Structure**  
**Updated 3-14-2020**

<b>Attorney</b>		<b>Paralegal</b>	
<u>Position</u>	<u>Salary</u>	<u>Position</u>	<u>Salary</u>
Transitional Attorney	45,000	Entry	33,000
Associate	54,000	II	38,000
Senior Associate	61,000	III	44,000
Partner	68,000	IV	50,000
Managing Partner	75,000		

**Managing Partner:** An attorney must meet 3 of the following qualifications.

- Deputy Director or Litigation Director
- 10 years' experience as a public interest law attorney or 15 years as a practicing attorney (counts as 2)
- Regional Manager, Work Group leader or Managing attorney of a major program, grant, or special project (such as Helpline, LITC, MLP, Pro Bono, Fair Housing)

**Partner:** An attorney must meet 2 of the following qualifications.

- Deputy Director or Litigation Director
- 6 years' experience as a public interest law attorney or 10 years' experience as a practicing attorney
- 10 years' experience as a public interest law attorney or 15 years as a practicing attorney (counts as 2)
- Regional Manager, Work Group leader or Managing attorney of a major program, grant, or special project (such as Helpline, LITC, MLP, Pro Bono, Fair Housing)

**Senior Associate:** An attorney must meet 2 of the following qualifications.

- 3 years' experience as a public interest law attorney or 5 years' experience as a practicing attorney
- Regional Manager, Work Group leader or Managing attorney of a major program, grant, or special project (such as Helpline, LITC, MLP, Pro Bono, Fair Housing)
- Carries and succeeds with a full caseload (unless in a non-case handler position) and satisfactorily complies with all program and workgroup requirements

**Associate:** An attorney must currently meet the following requirements.

- Carries an appropriate case load and satisfactorily complies with all program and workgroup requirements
- 18 months' experience as a public interest law attorney or 3 years' experience as a practicing attorney

**Transitional Attorney:** An attorney must currently meet the following requirements.

- Licensed to practice law in Arkansas with less than three years' experience as a practicing attorney, or a graduate of an accredited law school awaiting admission.

**Paralegal IV -** A paralegal must currently meet the following requirements as determined by management:

- Demonstrated ability to draft complex pleadings, briefs, written discovery and assist in trial preparation with little supervision
- Demonstrated ability to successfully handle administrative hearings if within their purview

## **APPENDIX C: Salary Structure**

### **Updated 3-14-2020**

- Excellent investigative and interviewing skills
- At least 7 years' experience as a public interest paralegal or 12 years' legal experience
- Bachelors' degree or above, or graduate of a comprehensive paralegal program

**Paralegal III** - A paralegal must currently meet the following requirements as determined by management:

- Developing ability to meaningfully assist in drafting complex pleadings, briefs, written discovery, and trial preparation
- Demonstrated ability to draft simple pleadings, briefs, and written discovery
- Developing ability to successfully handle administrative hearings
- Adequate investigative and interviewing skills
- At least 3.5 years' experience as a public interest paralegal or 7 years' legal experience
- Bachelors' degree or above, or graduate of a comprehensive paralegal program

**Paralegal II**- A paralegal must currently meet the following requirements as determined by management:

- Developing ability to meaningfully assist in drafting complex pleadings, briefs, written discovery, and trial preparation
- Developing ability to draft simple pleadings, briefs, and written discovery
- Developing ability to successfully handle administrative hearings
- Developing investigative and interviewing skills
- At least 1.5 years' experience as a public interest paralegal or 3 years' legal experience
- Bachelors' degree or above, or graduate of a comprehensive paralegal program

**Entry Level Paralegal (\$33,000)** – All other paralegals

- Bachelors' degree or above, graduate of a comprehensive paralegal program, or at least 3 years legal experience

2020 Salary Scale Increase Impact

<u>Salary</u>	<u>Prorated 4-5-2020&lt;</u>	<u>Current Hourly Rate</u>	<u>New Salary Scale 4-6-2020</u>	<u>New Hourly Rate</u>	<u>Prorated 4-6-2020&gt;</u>	<u>Alternative COLA Update</u>	<u>Difference</u>
\$28,800.00	\$7,747.20	\$26.61	\$32,400.00	\$27.69	\$23,684.40	\$22,364.3894	1,320.01
\$35,400.00	\$9,522.60	\$18.15	\$44,000.00	\$22.56	\$35,382.00	\$27,489.5620	7,892.44
\$60,000.00	\$16,140.00	\$30.76	\$68,000.00	\$34.87	\$49,708.00	\$46,592.4780	3,115.52
\$26,000.00	\$6,994.00	\$13.33	\$30,000.00	\$15.38	\$21,930.00	\$20,190.0738	1,739.93
\$45,000.00	\$12,105.00	\$23.07	\$45,000.00	\$23.07	\$32,895.00	\$34,944.3585	-2,049.36
\$66,675.00	\$17,935.58	\$31.19	\$68,009.00	\$34.88	\$49,714.58	\$49,714.5800	0.00
\$34,000.00	\$9,146.00	\$17.43	\$36,000.00	\$18.46	\$26,316.00	\$26,402.4042	-86.40
\$45,000.00	\$12,105.00	\$23.08	\$45,000.00	\$23.08	\$32,895.00	\$34,944.3585	-2,049.36
\$60,000.00	\$16,140.00	\$30.76	\$61,000.00	\$31.28	\$44,591.00	\$46,592.4780	-2,001.48
\$29,000.00	\$7,801.00	\$14.87	\$33,000.00	\$16.92	\$24,123.00	\$22,519.6977	1,603.30
\$74,000.00	\$19,906.00	\$37.94	\$74,000.00	\$37.94	\$54,094.00	\$57,464.0562	-3,370.06
\$62,000.00	\$16,678.00	\$31.79	\$68,000.00	\$34.87	\$49,708.00	\$48,145.5606	1,562.44
\$62,000.00	\$16,678.00	\$31.79	\$68,000.00	\$34.87	\$49,708.00	\$48,145.5606	1,562.44
\$42,000.00	\$11,298.00	\$21.53	\$45,000.00	\$23.08	\$32,895.00	\$32,614.7346	280.27
\$64,000.00	\$17,216.00	\$32.82	\$68,000.00	\$34.87	\$49,708.00	\$49,698.6432	9.36
\$70,000.00	\$18,830.00	\$35.89	\$70,000.00	\$35.89	\$51,170.00	\$54,357.8910	-3,187.89
\$68,000.00	\$18,292.00	\$34.87	\$75,000.00	\$38.46	\$54,825.00	\$52,804.8084	2,020.19
\$28,400.00	\$7,639.60	\$14.56	\$30,000.00	\$15.38	\$21,930.00	\$22,053.7729	-123.77
\$72,000.00	\$19,368.00	\$36.92	\$75,000.00	\$38.46	\$54,825.00	\$55,910.9736	-1,085.97

2020 Salary Scale Increase Impact

<u>Salary</u>	<u>Prorated 4-5-2020&lt;</u>	<u>Current Hourly Rate</u>	<u>New Salary Scale 4-6-2020</u>	<u>New Hourly Rate</u>	<u>Prorated 4-6-2020&gt;</u>	<u>Alternative COLA Update</u>	<u>Difference</u>
\$24,000.00	\$6,456.00	\$15.38	\$24,000.00	\$15.38	\$17,544.00	\$18,636.9912	-1,092.99
\$47,706.00	\$12,832.91	\$24.46	\$50,000.00	\$25.64	\$36,550.00	\$37,045.6793	-495.68
\$51,500.00	\$13,853.50	\$26.41	\$54,000.00	\$27.69	\$39,474.00	\$39,991.8770	-517.88
\$60,000.00	\$16,140.00	\$30.76	\$68,000.00	\$34.87	\$49,708.00	\$46,592.4780	3,115.52
\$45,000.00	\$12,105.00	\$23.07	\$54,000.00	\$27.69	\$39,474.00	\$34,944.3585	4,529.64
\$39,000.00	\$10,491.00	\$20.00	\$21,000.00	\$20.00	\$12,000.00	\$12,000.0000	0.00
\$48,000.00	\$12,912.00	\$24.62	\$54,000.00	\$27.69	\$40,805.00	\$37,273.9824	3,531.02
\$25,011.00	\$6,727.96	\$18.15	\$31,088.00	\$22.56	\$22,725.33	\$19,422.0745	3,303.25
\$62,000.00	\$16,678.00	\$31.79	\$68,000.00	\$34.87	\$49,708.00	\$48,145.5606	1,562.44
\$51,500.00	\$13,853.50	\$26.41	\$54,000.00	\$27.69	\$39,474.00	\$39,991.8770	-517.88
\$54,000.00	\$14,526.00	\$27.69	\$54,000.00	\$27.69	\$39,474.00	\$41,933.2302	-2,459.23
\$35,000.00	\$9,415.00	\$17.94	\$39,000.00	\$20.00	\$28,509.00	\$27,178.9455	1,330.05
\$33,000.00	\$8,877.00	\$16.92	\$33,000.00	\$16.92	\$24,123.00	\$25,625.8629	-1,502.86
\$35,000.00	\$9,415.00	\$17.94	\$36,000.00	\$18.46	\$26,316.00	\$27,178.9455	-862.95
\$54,000.00	\$14,526.00	\$27.69	\$29,152.00	\$31.28	\$29,152.00	\$29,152.0000	0.00
\$60,000.00	\$16,140.00	\$30.76	\$68,000.00	\$34.87	\$49,708.00	\$46,592.4780	3,115.52
\$33,000.00	\$8,877.00	\$16.92	\$35,308.00	\$18.11	\$25,810.15	\$25,625.8629	184.29
\$64,000.00	\$17,216.00	\$32.82	\$68,000.00	\$34.87	\$49,708.00	\$49,698.6432	9.36



2020 Salary Scale Increase Impact

<u>Salary</u>	<u>Prorated 4-5-2020&lt;</u>	<u>Current Hourly Rate</u>	<u>New Salary Scale 4-6-2020</u>	<u>New Hourly Rate</u>	<u>Prorated 4-6-2020&gt;</u>	<u>Alternative COLA Update</u>	<u>Difference</u>
\$35,000.00	\$9,415.00	\$17.94	\$35,308.00	\$18.11	\$27,649.50	\$27,178.9455	470.55
\$18,200.00	\$4,895.80	\$35.00	\$18,200.00	\$35.00	\$13,304.20	\$14,133.0517	-828.85
\$74,000.00	\$19,906.00	\$37.94	\$75,000.00	\$37.94	\$54,825.00	\$57,464.0562	-2,639.06
\$39,000.00	\$10,491.00	\$20.00	\$44,000.00	\$22.56	\$32,164.00	\$30,285.1107	1,878.89
\$62,000.00	\$16,678.00	\$31.79	\$68,000.00	\$34.87	\$49,708.00	\$48,145.5606	1,562.44
\$108,925.00	\$29,300.83	\$55.85	\$111,104.00	\$56.98	\$81,217.02	\$81,217.0200	0.00
\$51,000.00	\$13,719.00	\$26.15	\$61,000.00	\$31.28	\$44,591.00	\$39,603.6063	4,987.39
\$64,406.94	\$17,325.47	\$33.03	\$64,406.94	\$33.03	\$47,081.47	\$50,014.6489	-2,933.18
\$54,000.00	\$14,526.00	\$27.69	\$61,000.00	\$31.28	\$44,591.00	\$41,933.2302	2,657.77
\$46,760.00	\$12,578.44	\$23.97	\$50,000.00	\$25.64	\$36,550.00	\$36,311.0712	238.93
\$37,001.00	\$9,953.27	\$37.94	\$37,001.00	\$37.94	\$27,047.73	\$28,732.8046	-1,685.07
\$27,000.00	\$7,263.00	\$13.85	\$27,000.00	\$13.85	\$19,737.00	\$20,966.6151	-1,229.62
\$70,000.00	\$18,830.00	\$35.89	\$75,000.00	\$37.94	\$54,825.00	\$54,357.8910	467.11
\$34,133.00	\$9,181.78	\$32.82	\$34,133.00	\$32.82	\$24,951.22	\$26,505.6842	-1,554.46
	\$0.00		\$44,000.00	\$22.56	\$32,164.00	\$32,164.0000	0.00
<b>\$2,515,417.94</b>	<b>\$676,647.43</b>		<b>\$2,681,109.94</b>		<b>\$1,970,770.61</b>	<b>\$1,948,994.52</b>	<b>21,776.08</b>
<u>2020 With New Scale</u>							
<u>Change over Current Scale</u>		<b>\$2,647,418.03</b>					
		<b>\$132,000.09</b>					

2020 Salary Scale Increase Impact

<u>Salary</u>	<u>Prorated 4-5-2020&lt;</u>	<u>Current Hourly Rate</u>	<u>New Salary Scale 4-6-2020</u>	<u>New Hourly Rate</u>	<u>Prorated 4-6-2020&gt;</u>	<u>Alternative COLA Update</u>	<u>Difference</u>
<u>Benefits/New Scale</u>		\$481,446.00	<u>Total New Scale</u>		\$3,128,864.03		
<u>Benefits /Old Scale</u>		\$459,291.00	<u>Total Old Scale</u>		\$2,974,708.94		
			<u>Difference</u>		\$154,155.09		
			Raises old scale & benefits		\$90,326.00		
			New Scale 2020 Cost		<u>\$63,829.09</u>		

## Staff Turnover 2016 – Present

Over the last 4 years we had 23 attorneys leave. Of those, 21 left for higher paying jobs and 2 retired.

### Exit Interview Comments:

How would you evaluate your salary in comparison to the work you performed?

- My salary was not sufficient compared to the work I performed (and really for any attorney for that matter). I understand that nothing can be done about that but when some of our clients make more than us that seems to be a problem.
- I feel like I was under-compensated but that is to be expected in working for a non-profit.
- I did not accept this position because of the salary alone. However, I do feel like my past experiences and current workload would warrant a higher salary.
- When busy and clients didn't respect time I felt underpaid compared to other attorneys, but I felt for a temp thing it could have been worse
- I was fine with my salary on a temporary basis
- I would say that the salary was on point with the work I performed
- I think the salary is fair. I have always worked in the public sector and I feel it's comparable to other jobs. As a teacher I made \$37,000. As a prosecutor I made \$63,000. Here, I made \$51,000 so in the middle. I feel like Legal Aid overpaid me because so much time was used chasing clients down for intakes which was not legal work.
- The salary is pretty low here given the varied case types and extra hospital responsibilities.
- Extremely unfair. I feel like staff attorneys are underpaid, especially compare to full time public defenders.
- While I understand that this is a non-profit, the pay for an attorney, especially in a management position like regional manager, is far too low for the level of work required.
- The salary is very low for the amount of hours worked and the amount of work performed. In combination with bad benefits, it's hard to justify staying in a position where I'm working tons of hours, but living paycheck to paycheck. I understand that the salary has to be low, but the organization should consider putting in place something to help retain employees. If we have to be paid low salaries with low benefits, maybe give a bigger end of year bonus, or give more comp time. Even something as small as making sure you are giving motivating positive feedback.

- That's hard for me to answer because this was my first job as a licensed attorney. I do know that we are paid considerably less than other public service employees (like state employees). And I would add that if employees are expected to work more than 40 hours a week, compensation should be higher.
- I feel that my salary did not match my level of experience. I took a major pay cut and I feel if my pay were matched initially that would have made the position a better experience.
- I think the salary scale here is exactly what one expects from and Legal Aid organization
- I think it was fair
- Higher pay would be great, but I know LAA tries to do the best with the limited resources it has. Fringe benefits may help make up for lower pay in relation to similar positions elsewhere. Glassdoor estimates I'm making about \$8,500/year less than I am worth in in the Northwest Arkansas nonprofit market and about \$30,000 less than the Northwest Arkansas private practice marketplace. LAA would be wise to stay up on these things and address them for future staff retention. Part of the reason we chose to move out of state was for more and more financially fulfilling opportunities
- Far too low, especially for a managing attorney. While I had peers that made double my salary, my expectations were tempered because I understood that's certainly not possible for a non-profit firm. The issue I had is that there were attorneys making much more than me that made less impact on the firm and had less responsibilities.

Attorneys Leaving Legal Aid since 1/1/2016  
Where They Landed

Spencer Bowling	University of Arkansas School of Law	Salary Increase
Robyn Brown	New Orleans-School	N/A
Kristen Callahan	Texarkana Public Defender	Salary Increase
Taylor Dugan	Arkansas Dept. of Education	Salary Increase (64,506)
Giana Messore	Private Practice	Salary Increase
Marshall Prettyman	Retired	N/A
Magaret Reger	Retired	N/A
Makenzie Arnold	Private Practice	Salary Increase
Rachael Bakowicz	Tennessee DHS	Salary Increase (66,264)
Sarah Barnett	Relocated to Texas-Husband Job	N/A
Kelsey Boggan	Private Practice	Salary Increase
Tyler Farrar	University of Arkansas	Salary Increase (72,100)
Jennifer Goodwin	Disability Rights Arkansas	Fellowship ended
Heather Hersh	Private Practice	Salary Unknown
Mary Claire Hyatt	Arkansas Dept. of Education	Salary Increase (65,972)
Kesia Morrison	Arkansas Attorney General	Salary Increase (68,000)
Casey Trzcinski	Colorado Legal Services (spouse move)	Salary Increase
Riley Cross	US Bankruptcy Court	Salary Increase
Brittany Edwards	Arkansas Attorney General	Salary Increase (68,000)
Robert Ginnaven	Private Practice	Salary Unknown
Summer McCoy	Lindsey Management	Salary Increase
Kevin Rogers	Private Practice (was part-time)	Salary Increase
Lauren Graham	Public Defender	PT/Salary Unknown
Blane Swain	Private Practice	No Drive/Salary Increase

**Check Signer Changes request March 14, 2020**

**First Security General Account and IOLTA Account**

Add:

- Angela Foster
- Anaicka Ortiz-Reed
- Morgan O'Neil

Remove

- Lauren Graham
- Jordan Meador

## DIRECTOR'S REPORT

March 2, 2020

### National Developments

In December Congress passed a funding bill that gave LSC \$440,000,000, their biggest appropriation in actual dollars in program history.

Budget Category	FY 2019 Enacted	FY 2020 House Passed	FY 2020 Senate Passed	FY 2020 Final Agreement
Basic Field Grants	\$380,500,000	\$509,500,000	\$388,200,000	\$402,700,000
Technology Initiative Grants	\$4,000,000	\$5,000,000	\$4,000,000	\$4,000,000
Pro Bono Innovation Fund	\$4,500,000	\$5,000,000	\$4,500,000	\$4,500,000
Loan Repayment Assistance Program	\$1,500,000	\$2,000,000	\$1,500,000	\$1,500,000
Management and Grants Oversight	\$19,400,000	\$23,400,000	\$22,000,000	\$22,000,000
Office of Inspector General	\$5,100,000	\$5,100,000	\$5,300,000	\$5,300,000
<b>Total</b>	<b>\$415,000,000</b>	<b>\$550,000,000</b>	<b>\$425,500,000</b>	<b>\$440,000,000</b>

Legal Aid of Arkansas received \$1,564,261 in funding, an increase of \$83,106, or 5.6%. We receive 11 payments annually, with the January and November payment made at the same time and the others paid monthly. The breakdown for Arkansas is below.

Legal Aid of Arkansas, Inc.	AR-6 Basic Field	\$1,564,261.00	177,309 (poverty pop)
Center for Arkansas Legal Services	AR-7 Basic Field	\$2,487,766.00	281,988 (poverty pop)

LSC requested an appropriation of \$652,600,000 for FY 2021. Nearly 95% of the request would fund 132 local legal aid organizations in all 50 states, the District of Columbia, and the Territories. LSC estimates that this would enable LSC grantees to provide assistance with 60% more civil legal problems than they currently serve. If funding is passed at the level requested by LSC, this would mean an \$800,582 increase for Legal Aid of Arkansas.

The President has again called for the elimination of LSC, saying in part, “This proposed elimination would encourage nonprofit organizations, businesses, law firms, and religious institutions to develop new models for providing legal aid, such as pro bono work, law school clinics, and innovative technologies.” The administration’s [one page proposal](#) is attached. In the past, Congress has shown no inclination towards giving serious consideration to the administration’s budget.

Jim Sandman resigned as LSC president effective in October after nine years of brilliant service. Ron Flagg has been appointed President while the LSC board conducts a national search for a replacement. Mr. Flagg (pictured below) was previously the Vice President for Legal Affairs and General Counsel at LSC. He attended our recent Opioid Symposium in Jonesboro.



**Program and Statewide Developments**

We closed 6,670 cases in 2019, a 3.9% increase over 2018. A case statistical report is attached, along with a detailed statistical sheet about Age/Race and Amounts Avoided/Recovered by problem type. We avoided/recovered \$5,620,313 for clients in 2019. There were 1,324 cases open as of January 1st, compared to 1,161 on that date in 2019.

Below is the top 15 request for assistance by problem code in 2019.

<u>PNAME</u>	<u>Work Group</u>	<u>% Overall</u>
Divorce / Sep. / Annul.	Domestic Violence	16.31%
Domestic Abuse	Domestic Violence	13.83%
Custody / Visitation	Domestic Violence	8.39%
Private Landlord/Tenant	Housing	7.46%
Minor Guardian/Conservatorship	Domestic Violence	5.81%
Collect/Repo/Def/Garnsh	Consumer	5.35%
Wills and Estates	Housing	3.95%
Bankruptcy/Debtor Relief	Consumer	3.17%
Adult Guardian/Conservatorship	Domestic Violence	3.01%
SSI	Economic Justice	2.13%
Home & Com Based Care	Economic Justice	1.94%
Homeownership/Real Prop. (Not Foreclosure)	Housing	1.88%
Contracts / Warranties	Consumer	1.87%
Taxes Not EITC	Consumer	1.70%
Housing Discrimination	Housing	1.43%

I am attaching detailed statistics by county. To get the penetration rate, I divide the number of primary clients served by the number below poverty. While this is not an exact science, it gives us sufficient information to know where our services are being accessed and where our presence is lacking. For



example, we have offices in four of the five highest penetrated counties, while the bottom five are rural and remote, three in the 16<sup>th</sup> Judicial District and two in the 1<sup>st</sup> Judicial District.

<b>Top Five</b>	<b><u>Penetration Rate</u></b>
Boone County, Arkansas	4.94%
Craighead County, Arkansas	4.63%
Jackson County, Arkansas	4.48%
Crittenden County, Arkansas	4.31%
Greene County, Arkansas	4.13%

<b>Bottom Five</b>	<b><u>Penetration Rate</u></b>
Fulton County, Arkansas	1.18%
Stone County, Arkansas	1.54%
Izard County, Arkansas	1.65%
Lee County, Arkansas	1.66%
Woodruff County, Arkansas	1.86%

We will develop a plan to enhance services in these two Judicial Districts over the course of 2020.

After polling staff and getting an 86.2% favorable response, for the summer of 2020 from Memorial Day to Labor Day, the Legal Aid work schedule will be 7:45 a.m. to 5:00 p.m. Monday-Thursday and 7:45-12:00 on Friday. If someone has Court or necessary work on Friday afternoon, they will consult their Regional Manager to work out an alternate day to leave at noon, or not come in until after lunch. The week of July 4th we will take off at noon on Thursday, July 2nd, and July 3rd will be a paid holiday. After evaluating how this goes, management may approach the board and request this or some similar permanent schedule change.

### **Case/Outreach/Education Examples**

#### **Pro Bono-Outreach and Education**

There were two major pro bono events in February. This is the 2nd year for the Single Parent Scholarship Fund of Benton County Estate Planning Clinic partnered with the Benton County Bar Association. Legal Aid had 11 private attorneys and 9 law students help 24 single parents prepare wills, powers of attorney and advanced directives. Over 82 documents were prepared to help parents feel secure with their families’ future.

On “Super Saturday” in Helena-West Helena, we assisted 15 clients, produced 44 documents and provided advice. We had 9 attorneys assist along with two law students who drove from Fayetteville to participate. The CEOs of both Southern Bancorp Bank and Southern Bancorp, Inc. participated in drafting documents and providing advice. After the event, Attorney Bill Waddell of the Friday Firm in Little Rock took the attorneys and the law students to see the Elaine Memorial. (Super Saturday participants pictured below)



## **Pro Bono Cases**

A grandmother was told that she needed to seek guardianship to get her grandchild enrolled in school. The mother was murdered and the father was incarcerated for Domestic Battery II. His probation was revoked and he was sentenced to prison for committing Domestic Battery II (subsequent offense) against the same child. The father, who was set to be released soon, threatened to come and take the child from the client's home, despite the no contact order. With the help of Legal Aid and Pro Bono Attorney Jodi Strother, the child was able to enroll in school and the grandmother was able to obtain permanent guardianship.

Our client's wife recently passed away and he found out he had \$14,000 in debt turned over to a collection agency along with other bills and pending lawsuits. He is on disability and could not afford to pay all of the bills on just his income. He had dialysis 3 days a week and needed his vehicle for transportation. With the help of Pro Bono Attorney Neal Burns, he was able to discharge \$ 34,785.62 in bankruptcy and keep his vehicle to get to and from dialysis.

## **Legal Aid as a Response to the Opioid Crisis (LAROCA) Symposium**

We had over 100 people attend the "Evicting the Monster in the Cave" Symposium in Jonesboro on January 29. Speakers included Ronald Flagg, interim President at Legal Services Corporation; Kirk Lane, Arkansas Drug Director; Brandon George, Indiana Addiction Issues Coalition; Legal Aid Attorneys; and community partners. The response to this event approved for five CLE hours was overwhelmingly positive. We have received many comments about its success, including a greater understanding of the legal issues that can arise from substance use disorder and how civil legal aid attorneys can help. The LAROCA team was diligent and organized to make this one of our most successful events. Watch this [short video](#) with highlights from the day.

## **Consumer**

A Washington County father of three was sued on a salvage car that he bought without the necessary disclosures being made at the time of sale. Legal Aid filed a counterclaim on his behalf for his damages and loss of use. The client avoided a judgment for \$9,500 and recovered damages of \$2,670 which allowed him to purchase replacement transportation and keep his job.

A Poinsett County client contacted Legal Aid because she was trying to get a job as a pharmacy tech and her record was showing as a felony instead of a misdemeanor on faulty background checks. Legal Aid got the problem corrected and helped her seal her misdemeanor record so that she could have access to a pharmacy technician job.

## **Low Income Taxpayer Clinic**

A disabled, delinquent taxpayer who lives in Garland County came to Legal Aid because she had received notices from another state insisting that she file income tax returns for prior years. The Low Income Taxpayer Clinic prepared her federal and state returns and secured a \$10 offer to forgive \$32,000 federal tax debt. The state where she formerly lived has quit pursuing her for taxes.

## **Fair Housing**

A disabled tenant of a Public Housing Authority (PHA) contacted Legal Aid because he needed his son to be added to his lease so that the son could provide the tenant with affordable in-home care. The tenant reported having his verbal requests denied by the Executive Director of the PHA. Upon obtaining doctors documentation verifying the tenant's need for his son to be added to his lease, Legal Aid sent a request for reasonable accommodation to the PHA requesting that the tenant's son be promptly added to the lease and permitted to move in. Despite some initial protestations, the Executive Director of PHA granted the request in writing, and the tenant has since had the in-home care he desperately needed.

## **Housing**

Appeal, Due Process - We received a positive Arkansas Supreme Court decision affirming that tenants have a property interest in their tenancies that is equal to that of their landlords. The appeal stemmed from the City of Little Rock's attempted closure of an apartment complex in December 2015. Instead of following proper procedures, the City used an order from the fire chief to close the complex. The fire chief's order provided no mechanisms for an appeal or a hearing. Legal Aid represented a tenant at the complex who faced homelessness due to the fire chief's order. The Arkansas Supreme Court held that due process requires that tenants get notice and an opportunity to appeal or challenge a municipality's order before they can be forced from their rental properties.

Landlord/Tenant - A tenant contacted Legal Aid because he faced eviction due to an unpaid water bill. Upon reviewing his lease, Legal Aid determined that the tenant's landlord was the party responsible for the bill and that the tenant had only fallen behind because, unknown to him, he was actually paying the water bill for both his unit and his neighbor's unit. Investigation uncovered that the landlord had scammed this tenant, and other tenants, by having one water meter cover both units in his duplexes. The landlord would have one tenant pay the water bill to the city. He would then tell the tenant in the other

unit to pay a fee directly to the landlord for water. Of course, he would not reimburse the first tenant. Legal Aid threatened to sue the landlord and quickly negotiated a settlement reimbursing our tenant for the extra water expense he had incurred, stopping the eviction, and making the landlord install separate water meters.

### **Economic Justice**

In 2013, DHS claimed that our client was overpaid food stamp benefits all the way back in 1993. After Legal Aid got involved, DHS dropped the claim. Then, in 2016, DHS again claimed that our client was overpaid food stamp benefits in 1993. The client was confused because she thought it had all been dealt with and did not appeal. As a result, DHS finalized the overpayment and intercepted her tax refunds, all while the client was going through kidney dialysis several times per week. Once the client came to Legal Aid, we were able to re-open the appeal and, at trial, proved that our client was not overpaid at all. Our client won and received the money that DHS previously intercepted.

Our client was a long-time restaurant waitress until she experienced a catastrophic leg injury related to previously unknown vein blockage. The injury caused her great pain and limited her ability to stand, walk, sit, and do other basic work activities needed for any job. She lost her job and couldn't find anything else she could reliably do. Her husband then filed for divorce. Working together, we were able to qualify her for Social Security Disability Insurance benefits, which now provides almost \$1100 per month to her and nearly \$300 more month for her two minor daughter.

We received a favorable ruling in our DC District Court litigation challenging the Medicaid expansion work requirement. The U.S. Court of Appeals found the approval of the work requirement to be “arbitrary and capricious” and upheld the lower court’s ruling striking it down. The opinion is attached.

### **Domestic Violence**

The client, grandfather, came to us seeking assistance with getting a guardianship over his granddaughter. The parents of the child were often absent leaving the child alone or with the grandfather. The parents were also into drugs often leaving paraphernalia or even drugs themselves out in the reach of the child. We were able to help the client get a guardianship over his granddaughter so that she could properly be cared for.

The husband tried to have our client murdered. She was able to escape and he was charged with 20 felonies, including conspiracy to commit capital murder against client. Divorce granted on grounds that he has been convicted of a felony.

### **Medical-Legal Partnership**

Our client is the grandmother of a three-year-old boy suffering from cystic fibrosis and malnourishment; his long-term prognosis is not good and he was in serious danger due to his parents' refusal to provide his g-tube feeds and other necessary medical care. At one point he was admitted to the hospital on an emergency hold because despite being so starved, his parents refused to consent to his admission. A permanent guardianship was awarded to the client for him and his four-year-old brother after two hearings in which three expert witnesses testified. Doctors testified at the final hearing that without

question his health has drastically improved since our client was first awarded emergency and then temporary guardianship and that he "finally had cheeks" and was "the healthiest he'd ever been."

Attached you will find the MLP Core Team full year report, showing services provided by our Medical-Legal Partnership at ACH in 2019.

### **Grants/Contracts/Fundraising**

We will receive \$130,000 in IOLTA Funding from the Access to Justice Foundation in 2020, to be used as follows:

- Grants Manager \$52,900
- Director of Mission Engagement, Communications Specialist, Summer Intern \$42,516
- Upgrade to Office 365 and SharePoint, Purchase Grant Management Software \$13,004
- Upgrade seven older Windows 7 computers \$ 6,580
- Migration of statewide website to new platform \$15,000

Our Low Income Taxpayers clinic was funded for \$64,000 for 2020. The notice of grant award is attached.

Continued health partnership funding from NHeLP is still pending. Each of the previous two years we received \$50,000 for a period consistent with the Federal Fiscal year. This funding helps support education and litigation focused on healthcare. We continue to be confident this funding will come through.

We submitted a grant application to Equal Justice Works with a focus on elder abuse victims from a seven-county rural area with the some of the highest concentration of elderly population in Arkansas: Cleburne, Fulton, Independence, IZard, Jackson, Sharp, and Stone. If funded, the grant will provide approximately \$115,000 funding provided by the Department of Justice to sustain the position for 24 months starting on June 1, 2020. We anticipate the attorney will work from our Newport office.

We submitted our United Way of the Mid-South grant application for 2020-2022. This source typically provides \$4,000-\$6,000 in funding annually.

We are applying for a Rural Communities Opioid Response Program-Implementation grant that is due on April 24<sup>th</sup>. This grant would provide \$1,000,000 funding spread over three years with a focus on enhancing substance use disorder, including opioid use disorder, service delivery. Our unique service delivery approach of integrating civil legal aid into the treatment scheme should have a good shot of being funded.

We submitted a Fair Housing EOI grant to HUD for \$125,000. This would be in addition to our current PEI grant for \$281,396 annually that has now been renewed for the period 6-3-2020 to 6-2-2021. If we receive the EOI grant, those funds will be focused on education and outreach while the PEI grant is primarily focused on enforcement.

Bank of America funds held by the Access to Justice Foundation are steadily depleting. There is currently \$966,000 left for the base funding and \$551,000 left for special projects. That's roughly another three semi-annual payments from the base funding and another round or two of special projects, although the Foundation Board may consider reallocating some of the special project funds depending on program needs. Combined, this is currently our second largest funding source. We are planning for these funds to be depleted by the end of 2021.

### **Staff Changes**

We have had six staff members leave Legal Aid and three join us since the last Directors Report, with other vacancies being advertised.

**Amanda Capps** who joined us in late 2019 in West Memphis as an Intake Worker/Legal Support Specialists, resigned suddenly because of transportation problems. She has been replaced by **Shauntesse Walton**. Ms. Walton is a graduate of Philander Smith and has a Master's Degree from the University of Mississippi. She has previous experience as a school counselor and in Human Resources.

**Deedra Thomas** left her part-time Intake Worker position in the Jonesboro office after more than a decade of service. Her replacement is **MyKayla Ladd** who has an Associate's Degree from ASU-Beebe and has been working as a quality assurance specialist for Caremark and TTEC.

**Lauren Graham** left her staff attorney position in Jonesboro in late January to join the Mississippi County Public Defender office. She was replaced by **Angie Foster**, who transferred from the Harrison office. We are currently conducting interviews for the vacant Harrison position.

**Blane Swain**, staff attorney in our Newport office and leader of our Domestic Violence Work Group, departed for private practice in Searcy where he resides at the end of February, after almost five years in Newport. This open position is being advertised, and **Ashley Norman** from the Springdale office has been named interim Work Group leader. **Jim McLarty**, a local Newport attorney, will be working part-time handling litigation for our Domestic Violence group.

**Candice Kellogg** left her position as an Equal Justice Works Fellow working on Campus Sexual Assault issues in February, three months prior to the end of the fellowship. Since this position is expiring soon, it will not be refilled.

**Andrea Hope Howard** completed her service as a VISTA member in our Helena-West Helena office in January. Her project was focused on Adverse Childhood Experiences in the First Judicial District.

**Adam Rose**, a 3L law student at Bowen School of Law, will be clerking at our Arkansas Children's Hospital office this semester.

A current office directory and organizational chart are attached.

**Non-priority, non-emergency case types-** None

**ELIMINATION: LEGAL SERVICES CORPORATION**  
*Other Independent Agencies*

The Budget proposes to end the one-size-fits-all model of providing legal services through a single Federal grant program, the Legal Services Corporation (LSC). This proposed elimination would put more control in the hands of State and local governments that better understand the needs of their communities.

**Funding Summary**  
 (In millions of dollars)

	2020 Enacted	2021 Request	2021 Change from 2020
Budget Authority.....	440	18	-422

**Justification**

Established in the Legal Services Corporation Act of 1974, LSC is an independent 501(c)(3) nonprofit corporation that awards funding to legal services providers to promote civil legal assistance to low-income persons. The program supports mostly family law and housing matters, including evictions and foreclosures. This proposed elimination would encourage nonprofit organizations, businesses, law firms, and religious institutions to develop new models for providing legal aid, such as pro bono work, law school clinics, and innovative technologies. The proposal would also put more control in the hands of State and local governments that better understand the needs of their communities.

Further, LSC is not subject to the same accountability measures as other agencies, such as the Antideficiency Act and certain public reporting requirements, leading to potential areas of vulnerability in how Federal funds are ultimately disbursed.

LSC's own Office of the Inspector General (OIG) has identified several instances of waste, fraud, and abuse involving grant recipients. In the October 2017 Semiannual Report to the Congress, the OIG reported a number of unallowable expenses incurred by grantees, including \$17,896 in unjustified expenditures for floral arrangements, musical entertainment, and cake orders made as part of efforts to recruit private attorneys; multiple cases of unreasonable travel reimbursements for mileage between offices and personal residences; and unlawful bonuses derived from LSC funds for one grantee's chief operating officer.<sup>1</sup>

The OIG later in 2017 revealed allegations that employees from one grantee—including three members of the board of directors of a nonprofit entity—had participated in lobbying activities in violation of Federal regulations. This same nonprofit entity contracted with a registered lobbyist, who shared office space with the LSC grantee.<sup>2</sup>

LSC's indefinite appropriation authorization expired in 1980.

**Citations**

<sup>1</sup> Legal Services Corporation, Office of the Inspector General, *Semiannual Report to Congress, October 1, 2016 - March 31, 2017* (2017).

<sup>2</sup> Legal Services Corporation, Office of the Inspector General, *Semiannual Report to Congress, April 1, 2017 - September 30, 2017* (2017).

Legal Problem Code	A - Counsel and Advice	B - Limited Action	F - Negotiated Settlement w/out Litigation	G - Negotiated Settlement with Litigation	H - Administrative Agency Decision	IA - Uncontested Court Decision	IB - Contested Court Decision	IC - Appeals	L - Extensive Service	Totals
01 Bankruptcy/Debtor Relief	178	8	0	1	0	24	1	0	0	111
02 Collect/Repo/Def/Garnish	231	60	4	19	0	13	3	0	3	333
03 Contract/Warranties	89	16	3	4	0	0	2	0	6	120
04 Collection Practices / Creditor Harassment	12	3	0	0	0	0	0	0	0	15
06 Loans/Installment Purchases (Not Collections)	4	0	0	0	0	0	0	0	1	5
07 Public Utilities	13	0	0	0	0	0	0	0	0	13
08 Unfair and Deceptive Sales Practices (Not Real Property)	10	0	0	0	0	0	0	0	1	11
09 Other Consumer/Finance	27	0	1	0	0	1	0	0	0	29
12 Discipline (Including Expulsion and Suspension)	3	0	0	0	0	0	0	0	0	3
13 Special Education/Learning Disabilities	20	2	1	0	0	0	0	0	3	26
16 Student Financial Aid	2	0	0	0	0	0	0	0	0	2
19 Other Education	24	1	0	0	0	0	0	0	2	27
21 Employment Discrimination	25	1	0	0	0	0	0	0	0	26
22 Wage Claims and Other FLSA Issues	10	1	0	0	0	0	0	0	0	11
23 EITC (Earned Income Tax Credit)	1	0	4	5	2	0	0	0	0	12
24 Taxes (Not EITC)	15	25	63	7	2	0	0	0	4	116
25 Employee Rights	59	2	0	0	0	0	0	0	0	61
29 Other Employment	16	1	0	0	0	0	0	0	0	17
30 Adoption	33	0	0	1	0	8	0	0	3	45
31 Custody/Mistaken	491	14	0	21	0	12	10	0	9	557
32 Divorce/Sep./Annul.	830	37	0	60	0	132	14	1	49	1,123
33 Adult Guardianship / Conservatorship	141	10	0	2	0	39	1	0	5	198
34 Name Change	12	6	0	0	0	5	0	0	0	23
35 Parental Rights Termination	10	1	0	0	0	0	0	0	0	11
36 Paternity	11	1	0	3	0	1	1	0	0	17
37 Domestic Abuse	111	8	1	184	0	193	172	0	345	1,014
38 Support	31	1	0	0	0	0	1	0	1	34
39 Other Family	27	1	0	0	0	0	1	0	1	30
41 Delinquent	2	0	0	0	0	0	0	0	0	2
42 Neglected/Abused	17	0	0	0	0	0	0	0	0	17
43 Emancipation	4	0	0	0	0	0	0	0	1	5
44 Minor Guardianship / Conservatorship	294	9	0	3	0	41	13	0	9	369
49 Other Juvenile	38	0	0	1	0	1	1	0	0	41
51 Medicaid	67	11	0	0	2	0	0	0	0	80
52 Medicare	12	0	0	0	0	0	0	0	0	12
54 Home and Community Based Care	42	7	0	12	4	0	9	0	7	81



Legal Problem Code	A - Counsel and Advice		B - Limited Action		F - Negotiated Settlement w/out Litigation		G - Negotiated Settlement with Litigation		H - Administrative Agency Decision		IA - Uncontested Court Decision		IB - Contested Court Decision		IC - Appeals		L - Extensive Service		Totals
55 Private Health Insurance	2	1																	3
56 Long Term Health Care Facilities	1	1	0	1															3
57 State and Local Health	4	0	0	0															4
59 Other Health	20	22	0	0															43
61 Federally Subsidized Housing	52	6	2																64
62 Homeownership/Real Property	106	14	1	1															129
63 Private Landlord/Tenant	462	47	0	10															524
64 Public Housing	28	3	0	0															33
65 Mobile Homes	1	0	0	0															1
66 Housing Discrimination	44	10	4	4															67
67 Mortgage Foreclosures (Not Predatory Lending/Practices)	32	4	2	1															42
68 Mortgage Predatory Lending/Practices	3	0	0	0															3
69 Other Housing	36	1	0	0															37
71 TANF	1	0	0	0															1
72 Social Security (Not SSDI)	12	1	0	0															13
73 Food Stamps	17	7	0	0															26
74 SSDI	59	9	0	0															72
75 SSI	117	16	1	0															151
76 Unemployment Compensation	13	1	0	0															15
77 Veterans Benefits	3	0	0	0															4
81 Immigration/Naturalization	2	0	0	0															3
82 Mental Health	1	0	0	0															1
84 Disability Rights	3	0	0	0															3
85 Civil Rights	4	0	0	0															4
87 Criminal Record Expungement	258	49	0	0															359
89 Other Individual Rights	18	0	0	0															18
93 Licenses (Drivers, Occupational, and Others)	10	0	0	0															10
94 Torts	15	1	0	0															17
95 Wills and Estates	203	55	0	2															271
96 Advanced Directives/Powers of Attorney	22	18	0	0															40
99 Other Miscellaneous	9	2	0	0															11
	4,470	494	87	346	35	523	238	2	475										6,670

<u>Gender</u>	<u>#</u>	<u>%</u>	<u>Race</u>	<u>#</u>	<u>%</u>	<u>Total Value</u>	<u>Problem Code</u>
Not Recorded	13	0	Asian / Pacific Islander	165	2.5	\$1,484,178.76	01 Bankruptcy/Debtor Relief
Female	4986	75	Black	1,466	22	\$134,488.85	02 Collect/Repo/Def/Garnsh
Male	1652	25	Hispanic / Latino	301	4.5	\$113,686.78	03 Contract/Warranties
Other	1	0	Multiple Races	24	0.3	\$700.77	04 Collection Practices / Creditor Harassment
Transgender (Female-to-Male)	7	0	Native American	34	0.6	\$5,000.00	08 Unfair and Deceptive Sales Practices (Not F
Transgender (Male-to-Female)	1	0	Not Entered	13	0.2	\$2,283.47	09 Other Consumer/Finance
			Other	23	0.3	\$58,563.00	23 EITC (Earned Income Tax Credit)
			White	4634	69.6	\$1,586,282.98	24 Taxes (Not EITC)
						\$78,608.36	31 Custody/Visitation
						\$403,804.20	32 Divorce/Sep./Annul.
						\$3,840.00	36 Paternity
						\$29,200.00	37 Domestic Abuse
						\$162,598.00	44 Minor Guardianship / Conservatorship
						\$13,872.00	51 Medicaid
						\$793,419.36	54 Home and Community Based Care
						\$16,197.00	56 Long Term Health Care Facilities
						\$66,365.00	59 Other Health
						\$5,638.00	61 Federally Subsidized Housing
						\$24,800.00	62 Homeownership/Real Property (Not Forecl
						\$32,212.71	63 Private Landlord/Tenant
						\$20,635.10	66 Housing Discrimination
						\$145,273.50	67 Mortgage Foreclosures (Not Predatory Len
						\$9,758.00	73 Food Stamps
						\$92,405.62	74 SSDI
						\$100,336.20	75 SSI
						\$711.00	76 Unemployment Compensation
						\$235,454.34	95 Wills and Estates
						<b>\$5,620,313.00</b>	<b>Total Recovered/Avoided</b>

<u>Age at Intake</u>	<u>Less than 18</u>	<u>18-35</u>	<u>36-59</u>	<u>60+</u>
#	153	2,536	2,746	1,225
%	2.3	38	41.2	18.4

NAME	<u>People below</u>	<u>Poverty</u>	<u>Cases Closed</u>	<u>Cases Open</u>	<u>Penetration</u>	<u>Order of</u>						<u>Extended %</u>	NAME
	<u>poverty level</u>	<u>rate</u>	<u>2019</u>	<u>1/1/2020</u>	<u>Rate</u>	<u>Closed</u>	<u>Consumer %</u>	<u>Housing %</u>	<u>DV %</u>	<u>EJ %</u>	<u>(not OP)</u>		
Baxter County, Arkansas	5,117	12.6	190	25	3.71%	8	19.47%	17.89%	48.42%	14.21%	8.42%	Baxter County, Arkansas	
Benton County, Arkansas	26,096	10.5	707	130	2.71%	89	22.91%	18.10%	49.93%	11.03%	17.96%	Benton County, Arkansas	
Boone County, Arkansas	5,767	15.8	285	39	4.94%	32	16.14%	22.11%	56.84%	7.02%	9.82%	Boone County, Arkansas	
Carroll County, Arkansas	4,331	15.7	106	16	2.45%	9	24.53%	21.70%	41.51%	12.26%	16.04%	Carroll County, Arkansas	
Clay County, Arkansas	3,339	22.3	97	8	2.91%	31	7.22%	6.19%	81.44%	5.15%	12.37%	Clay County, Arkansas	
Cleburne County, Arkansas	3,829	15.4	102	13	2.66%	7	13.73%	17.65%	64.71%	6.86%	12.75%	Cleburne County, Arkansas	
Craighead County, Arkansas	18,298	18.3	848	134	4.63%	153	17.10%	22.41%	53.30%	7.90%	7.31%	Craighead County, Arkansas	
Crittenden County, Arkansas	11,422	23.5	492	128	4.31%	68	28.46%	28.46%	35.37%	9.35%	9.96%	Crittenden County, Arkansas	
Cross County, Arkansas	3,041	18	66	16	2.17%	11	9.09%	6.06%	69.70%	16.67%	6.06%	Cross County, Arkansas	
Fulton County, Arkansas	2,718	23	32	2	1.18%	2	9.38%	21.88%	65.63%	3.13%	6.25%	Fulton County, Arkansas	
Greene County, Arkansas	6,879	15.9	284	34	4.13%	81	9.15%	9.51%	69.72%	12.68%	8.45%	Greene County, Arkansas	
Independence County, Arkansas	6,628	18.5	206	30	3.11%	65	14.08%	6.80%	72.82%	8.74%	8.25%	Independence County, Arkansas	
Izard County, Arkansas	2,238	17.7	37	13	1.65%	1	16.22%	27.03%	54.05%	5.41%	18.92%	Izard County, Arkansas	
Jackson County, Arkansas	3,592	25.1	161	29	4.48%	28	16.15%	12.42%	63.98%	9.32%	10.56%	Jackson County, Arkansas	
Lawrence County, Arkansas	2,976	18.4	104	15	3.49%	34	8.65%	10.58%	74.04%	8.65%	4.81%	Lawrence County, Arkansas	
Lee County, Arkansas	2,173	27.3	36	13	1.66%	10	16.67%	8.33%	44.44%	30.56%	2.78%	Lee County, Arkansas	
Madison County, Arkansas	2,797	17.8	62	11	2.22%	3	16.13%	17.74%	54.84%	11.29%	12.90%	Madison County, Arkansas	
Marion County, Arkansas	3,165	19.5	82	21	2.59%	8	19.51%	15.85%	60.98%	4.88%	13.41%	Marion County, Arkansas	
Mississippi County, Arkansas	10,921	25.6	275	44	2.52%	55	17.45%	16.36%	54.18%	12.36%	10.91%	Mississippi County, Arkansas	
Monroe County, Arkansas	2,098	28.6	73	20	3.48%	11	20.55%	21.92%	46.58%	17.81%	15.07%	Monroe County, Arkansas	
Newton County, Arkansas	1,392	17.8	34	9	2.44%	2	11.76%	14.71%	64.71%	14.71%	23.53%	Newton County, Arkansas	
Phillips County, Arkansas	6,363	33	137	38	2.15%	25	16.79%	13.87%	55.47%	13.87%	9.49%	Phillips County, Arkansas	
Poinsett County, Arkansas	5,036	21.4	164	31	3.26%	29	15.85%	10.98%	66.46%	6.71%	11.59%	Poinsett County, Arkansas	
Randolph County, Arkansas	3,557	20.9	76	7	2.14%	19	13.16%	6.58%	67.11%	13.16%	7.89%	Randolph County, Arkansas	
Searcy County, Arkansas	1,364	17.4	42	32	3.08%	3	4.76%	11.90%	61.90%	19.05%	14.29%	Searcy County, Arkansas	
Sharp County, Arkansas	3,904	23.3	100	12	2.56%	53	8.00%	7.00%	82.00%	3.00%	3.00%	Sharp County, Arkansas	
St. Francis County, Arkansas	6,363	27.5	150	14	2.36%	23	18.67%	19.33%	50.00%	12.67%	8.00%	St. Francis County, Arkansas	
Stone County, Arkansas	2,983	24.2	46	7	1.54%	2	17.39%	19.57%	45.65%	17.39%	6.52%	Stone County, Arkansas	
Van Buren County, Arkansas	3,250	19.6	65	6	2.00%	1	23.08%	21.54%	52.31%	4.62%	13.85%	Van Buren County, Arkansas	
Washington County, Arkansas	38,855	18	1075	234	2.77%	67	31.81%	23.07%	36.09%	11.07%	16.56%	Washington County, Arkansas	
Woodruff County, Arkansas	1,721	26	32	6	1.86%	1	15.63%	15.63%	56.25%	12.50%	6.25%	Woodruff County, Arkansas	

United States Court of Appeals  
FOR THE DISTRICT OF COLUMBIA CIRCUIT

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Argued October 11, 2019

Decided February 14, 2020

No. 19-5094

CHARLES GRESHAM, ET AL.,  
APPELLEES

v.

ALEX MICHAEL AZAR, II, SECRETARY, UNITED STATES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES IN HIS  
OFFICIAL CAPACITY, ET AL.,  
APPELLANTS

STATE OF ARKANSAS,  
APPELLEE

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Consolidated with 19-5096

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Appeals from the United States District Court  
for the District of Columbia  
(No. 1:18-cv-01900)

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*Alisa B. Klein*, Attorney, U.S. Department of Justice,  
argued the cause for federal appellants. With her on the briefs

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were *Mark B. Stern*, Attorney, *Robert P. Charrow*, General Counsel, U.S. Department of Health and Human Services, and *Brenna E. Jenny*, Deputy General Counsel.

*Leslie Rutledge*, Attorney General, Office of the Attorney General for the State of Arkansas, *Nicholas J. Bronni*, Solicitor General, *Vincent M. Wagner*, Deputy Solicitor General, and *Dylan L. Jacobs*, Assistant Solicitor General, were on the brief for appellant State of Arkansas.

*Ian Heath Gershengorn* argued the cause for plaintiff-appellees. With him on the brief were *Jane Perkins*, *Thomas J. Perrelli*, *Devi M. Rao*, *Natacha Y. Lam*, *Zachary S. Blau*, and *Samuel Brooke*.

*Kyle Druding* was on the brief for *amici curiae* American College of Physicians, et al. in support of plaintiffs-appellees.

*Edward T. Waters*, *Phillip A. Escoriaza*, and *Charles J. Frisina* were on the brief for *amici curiae* Deans, Chairs, and Scholars in support of plaintiffs-appellees.

*Judith R. Nemsick*, *Jon M. Greenbaum*, and *Sunu Chandy* were on the brief for *amici curiae* Lawyers Committee for Civil Rights Under Law, et al. in support of appellees and affirmance.

Before: PILLARD, *Circuit Judge*, and EDWARDS and SENTELLE, *Senior Circuit Judges*.

Opinion for the Court filed by *Senior Circuit Judge* SENTELLE.

SENTELLE, *Senior Circuit Judge*: Residents of Kentucky and Arkansas brought this action against the Secretary of

Health and Human Services. They contend that the Secretary acted in an arbitrary and capricious manner when he approved Medicaid demonstration requests for Kentucky and Arkansas. The District Court for the District of Columbia held that the Secretary did act in an arbitrary and capricious manner because he failed to analyze whether the demonstrations would promote the primary objective of Medicaid—to furnish medical assistance. After oral argument, Kentucky terminated the challenged demonstration project and moved for voluntary dismissal. We granted the unopposed motion. The only question remaining before us is whether the Secretary’s authorization of Arkansas’s demonstration is lawful. Because the Secretary’s approval of the plan was arbitrary and capricious, we affirm the judgment of the district court.

## I. Background

Originally, Medicaid provided health care coverage for four categories of people: the disabled, the blind, the elderly, and needy families with dependent children. 42 U.S.C. § 1396-1. Congress amended the statute in 2010 to expand medical coverage to low-income adults who did not previously qualify. *Id.* at § 1396a(a)(10)(A)(i)(VIII); *NFIB v. Sebelius*, 567 U.S. 519, 583 (2012). States have a choice whether to expand Medicaid to cover this new population of individuals. *NFIB*, 567 U.S. at 587. Arkansas expanded Medicaid coverage to the new population effective January 1, 2014, through their participation in private health plans, known as qualified health plans, with the state paying premiums on behalf of enrollees. Appellees’ Br. 14; *Gresham v. Azar*, 363 F. Supp. 3d 165, 171 (D.D.C. 2019).

Medicaid establishes certain minimum coverage requirements that states must include in their plans. 42 U.S.C. § 1396a. States can deviate from those requirements if the

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Secretary waives them so that the state can engage in “experimental, pilot, or demonstration project[s].” 42 U.S.C. § 1315(a). The section authorizes the Secretary to approve “any experimental, pilot, or demonstration project which, in the judgment of the Secretary, is likely to assist in promoting the objectives” of Medicaid. *Id.*

Arkansas applied to amend its existing waiver under § 1315 on June 30, 2017. Arkansas Administrative Record 2057 (“Ark. AR”). Arkansas gained approval for its initial Medicaid demonstration waiver in September 2013. In 2016, the state introduced its first version of the Arkansas Works program, encouraging enrollees to seek employment by offering voluntary referrals to the Arkansas Department of Workforce Services. Dissatisfied with the level of participation in that program, Arkansas’s new version of Arkansas Works introduced several new requirements and limitations. The one that received the most attention required beneficiaries aged 19 to 49 to “work or engage in specified educational, job training, or job search activities for at least 80 hours per month” and to document such activities. *Id.* at 2063. Certain categories of beneficiaries were exempted from completing the hours, including beneficiaries who show they are medically frail or pregnant, caring for a dependent child under age six, participating in a substance treatment program, or are full-time students. *Id.* at 2080–81. Nonexempt “beneficiaries who fail to meet the work requirements for any three months during a plan year will be disenrolled . . . and will not be permitted to re-enroll until the following plan year.” *Id.* at 2063.

Arkansas Works included some other new requirements in addition to the much-discussed work requirements. Typically, when someone enrolls in Medicaid, the “medical assistance under the plan . . . will be made available to him for care and

services included under the plan and furnished in or after the third month before the month in which he made application.” 42 U.S.C. § 1396a(a)(34). Arkansas Works proposed to eliminate retroactive coverage entirely. Ark. AR 2057, 2061. It also proposed to lower the income eligibility threshold from 133% to 100% of the federal poverty line, meaning that beneficiaries with incomes from 101% to 133% of the federal poverty line would lose health coverage. *Id.* at 2057, 2060–61, 2063. Finally, Arkansas Works eliminated a program in which it used Medicaid funds to assist beneficiaries in paying the premiums for employer-provided health care coverage. *Id.* at 2057, 2063, 2073. Arkansas instead used Medicaid premium assistance funds only to help beneficiaries purchase a qualified health plan available on the state Health Insurance Marketplace, requiring all previous recipients of employer-sponsored coverage premiums to transition to coverage offered through the state’s Marketplace. *Id.* at 2057, 2063, 2073.

On March 5, 2018, the Secretary approved most of the new Arkansas Works program via a waiver effective until December 31, 2021, but with a few changes. He approved the work requirements but under the label of “community engagement.” *Id.* at 2. The Secretary authorized Arkansas to limit retroactive coverage to thirty days before enrollment rather than a complete elimination of retroactive coverage. *Id.* at 3, 12. He also approved Arkansas’s decision to terminate the employer-sponsored coverage premium assistance program. *Id.* at 3. The Secretary did not, however, permit Arkansas to limit eligibility to persons making less than or equal to 100% of the federal poverty line. *Id.* at 3 n.1, 11. Instead, the Secretary kept the income eligibility threshold at 133% of the federal poverty line. *Id.* at 3 n.1, 11.

In the approval letter, the Secretary analyzed whether Arkansas Works would “assist in promoting the objectives of



Medicaid.” *Id.* at 3. The Secretary identified three objectives that he asserted Arkansas Works would promote: “improving health outcomes; . . . address[ing] behavioral and social factors that influence health outcomes; and . . . incentiviz[ing] beneficiaries to engage in their own health care and achieve better health outcomes.” *Id.* at 4. In particular, the Secretary stated that Arkansas Works’s community engagement requirements would “encourage beneficiaries to obtain and maintain employment or undertake other community engagement activities that research has shown to be correlated with improved health and wellness.” *Id.* Further, the Secretary thought the shorter timeframe for retroactive eligibility would “encourage beneficiaries to obtain and maintain health coverage, even when they are healthy,” which, in turn, promotes “the ultimate objective of improving beneficiary health.” *Id.* at 5. The letter also summarized concerns raised by commenters that the community engagement requirement would “caus[e] disruptions in care” or “create barriers to coverage” for beneficiaries who are not exempt. *Id.* at 6–7. In response, the Secretary noted that Arkansas had several exemptions and would “implement an outreach strategy to inform beneficiaries about how to report compliance.” *Id.*

The new work requirements took effect for those aged 30 to 49 on June 1, 2018, and for those aged 20 to 29 on January 1, 2019. *Gresham*, 363 F. Supp. 3d at 172. Charles Gresham along with nine other Arkansans filed an action for declaratory and injunctive relief against the Secretary on August 14, 2018. The district court on March 27, 2019, entered judgment vacating the Secretary’s approval, effectively halting the program. *Gresham*, 363 F. Supp. 3d at 176–85. In its opinion supporting the judgment, the district court relied on *Stewart v. Azar*, 313 F. Supp. 3d 237 (D.D.C. 2018) (*Stewart I*), which is the district court’s first opinion considering Kentucky’s similar demonstration, *Gresham*, 363 F. Supp. 3d at 176. In *Stewart I*,

the district court turned to the provision authorizing the appropriations of funds for Medicaid, 42 U.S.C. § 1396-1, and held that, based on the text of that appropriations provision, the objective of Medicaid was to “furnish . . . medical assistance” to people who cannot afford it. *Stewart I*, 313 F. Supp. 3d at 260–61.

With its previously articulated objective of Medicaid in mind, the district court then turned to the Secretary’s approval of Arkansas Works. First, the district court noted that the Secretary identified three objectives that Arkansas Works would promote: “(1) ‘whether the demonstration as amended was likely to assist in improving health outcomes’; (2) ‘whether it would address behavioral and social factors that influence health outcomes’; and (3) ‘whether it would incentivize beneficiaries to engage in their own health care and achieve better health outcomes.’” *Gresham*, 363 F. Supp. 3d at 176 (quoting Ark. AR 4). But “[t]he Secretary’s approval letter did not consider whether [Arkansas Works] would reduce Medicaid coverage. Despite acknowledging at several points that commenters had predicted coverage loss, the agency did not engage with that possibility.” *Id.* at 177. The district court also explained that the Secretary failed to consider whether Arkansas Works would promote coverage. *Id.* at 179. Instead, the Secretary considered his alternative objectives, primarily healthy outcomes, but the district court observed that “‘focus on health is no substitute for considering Medicaid’s central concern: covering health costs’ through the provision of free or low-cost health coverage.” *Id.* (quoting *Stewart I*, 313 F. Supp. 3d at 266). “In sum,” the district court held:

the Secretary’s approval of the Arkansas Works Amendments is arbitrary and capricious because it did not address—despite receiving substantial comments on the matter—whether and how the

project would implicate the “core” objective of Medicaid: the provision of medical coverage to the needy.

*Id.* at 181. The district court entered final judgment on April 4, 2019, and the Secretary filed a notice of appeal on April 10, 2019.

This case was originally a consolidated appeal from the district court’s judgment in both the Arkansas and Kentucky cases. The district court twice vacated the Secretary’s approval of Kentucky’s demonstration for the same failure to address whether Kentucky’s program would promote the key objective of Medicaid. *Stewart v. Azar*, 366 F. Supp. 3d 125, 156 (D.D.C. 2019) (*Stewart II*); *Stewart I*, 313 F. Supp. 3d at 274. On December 16, 2019, Kentucky moved to dismiss its appeal as moot because it “terminated the section [1315] demonstration project.” Intervenor-Def.-Appellant’s Mot. to Voluntarily Dismiss Appeal 1–2 (Dec. 16, 2019), ECF No. 1820334. Neither the government nor the appellees opposed the motion. Gov’t’s Resp. (Dec. 18, 2019), ECF No. 1820655; Appellees’ Resp. (Dec. 20, 2019), ECF No. 1821219.

Although the Secretary has considerable discretion to grant a waiver, we reject the government’s contention that such discretion renders his waiver decisions unreviewable. The Administrative Procedure Act’s (APA) exception from judicial review for an action committed to agency discretion is “very narrow,” *Citizens to Preserve Overton Park, Inc. v. Volpe*, 401 U.S. 402, 410 (1971); *see also Dep’t of Commerce v. New York*, 139 S. Ct. 2551, 2568 (2019), barring judicial review only in those “rare instances” where “there is no law to apply,” *Overton Park*, 401 U.S. at 410 (internal quotation marks and citation omitted). The Medicaid statute provides the legal standard we apply here: The Secretary may only approve

“experimental, pilot, or demonstration project[s],” and only insofar as they are “likely to assist in promoting the objectives” of Medicaid, 42 U.S.C. § 1315(a). Section 1315 approvals are not among the rare “categories of administrative decisions that courts traditionally have regarded as committed to agency discretion.” *Dep’t of Commerce*, 139 S. Ct. at 2568.

Additionally, the government asked that we address “the reasoning of the district court’s opinion in *Stewart* and the underlying November 2018 HHS approval of the Kentucky demonstration,” and second that we vacate the district court’s judgment against the federal defendants in the Kentucky case *Stewart II*, 66 F. Supp. 3d 125. Gov’t’s Resp. 1–2. The appellees opposed both of those additional requests. Appellees’ Resp. 1–4. We granted the motion to voluntarily dismiss but declined to vacate the district court’s judgment against the federal defendants in *Stewart II*. As to the government’s first request, we do not rely on the Secretary’s reasoning in the November 2018 approval of Kentucky’s demonstration when considering the Secretary’s approval of Arkansas’s demonstration.

“We review *de novo* the District Court’s grant of summary judgment, which means that we review the agency’s decision on our own.” *Castlewood Prods., L.L.C. v. Norton*, 365 F.3d 1076, 1082 (D.C. Cir. 2004). Therefore, we will review the Secretary’s approval of Arkansas Works in accordance with the Administrative Procedure Act and will set it aside if it is “arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.” 5 U.S.C. § 706(2)(A); *see also C.K. v. New Jersey Dep’t of Health & Human Servs.*, 92 F.3d 171, 181–82 (3d Cir. 1996) (applying the arbitrary and capricious standard of review to a waiver under § 1315); *Beno v. Shalala*, 30 F.3d 1057, 1066–67 (9th Cir. 1994) (same); *Aguayo v. Richardson*, 473 F.2d 1090, 1103–08 (2d Cir. 1973) (same).

An agency action that “entirely failed to consider an important aspect of the problem, offered an explanation for its decision that runs counter to the evidence before the agency, or is so implausible that it could not be ascribed to a difference in view or the product of agency expertise” is arbitrary and capricious. *Motor Vehicle Mfrs. Ass’n of U.S., Inc. v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983).

## II. DISCUSSION

### A. Objective of Medicaid

The district court is indisputably correct that the principal objective of Medicaid is providing health care coverage. The Secretary’s discretion in approving or denying demonstrations is guided by the statutory directive that the demonstration must be “likely to assist in promoting the objectives” of Medicaid. 42 U.S.C. § 1315. While the Medicaid statute does not have a standalone purpose section like some social welfare statutes, *see, e.g.*, 42 U.S.C. § 601(a) (articulating the purposes of the Temporary Assistance for Needy Families program); 42 U.S.C. § 629 (announcing the “objectives” of the Promoting Safe and Stable Families program), it does have a provision that articulates the reasons underlying the appropriations of funds, 42 U.S.C. § 1396-1. The provision describes the purpose of Medicaid as

to furnish (1) medical assistance on behalf of families with dependent children and of aged, blind, or disabled individuals, whose income and resources are insufficient to meet the costs of necessary medical services, and (2) rehabilitation and other services to help such families and individuals attain or retain capability for independence or self-care.

*Id.* In addition to the appropriations provision, the statute defines “medical assistance” as “payment of part or all of the cost of the following care and services or the care and services themselves.” 42 U.S.C. § 1396d(a). Further, as the district court explained, the Affordable Care Act’s expansion of health care coverage to a larger group of Americans is consistent with Medicaid’s general purpose of furnishing health care coverage. *See Stewart I*, 313 F. Supp. 3d at 260 (citing Pub. L. No. 111-148, 124 Stat. 119, 130, 271 (2010)). The text consistently focuses on providing access to health care coverage.

Both the First and Sixth Circuits relied on Medicaid’s appropriations provision quoted above in concluding that “[t]he primary purpose of Medicaid is to enable states to provide medical services to those whose ‘income and resources are insufficient to meet the costs of necessary medical services.’” *Pharm. Research & Mfrs. of Am. v. Concannon*, 249 F.3d 66, 75 (1st Cir. 2001) (quoting 42 U.S.C. § 1396 (2000)), *aff’d*, 538 U.S. 644 (2003); *Price v. Medicaid Dir.*, 838 F.3d 739, 742 (6th Cir. 2016). Similarly, the Ninth Circuit relied on both the appropriations provision and the definition of “medical assistance” when describing Medicaid as “a federal grant program that encourages states to provide certain medical services” and identifying a key element of “medical assistance” as the spending of federally provided funds for medical coverage. *Univ. of Wash. Med. Ctr. v. Sebelius*, 634 F.3d 1029, 1031, 1034–35 (9th Cir. 2011).

Beyond relying on the text of the statute, other courts have consistently described Medicaid’s objective as primarily providing health care coverage. For example, the Third Circuit succinctly stated, “We recognize, of course, that the primary purpose of medicaid is to achieve the praiseworthy

social objective of granting health care coverage to those who cannot afford it.” *W. Va. Univ. Hosps., Inc. v. Casey*, 885 F.2d 11, 20 (3d Cir. 1989), *aff’d*, 499 U.S. 83 (1991). Likewise, the Supreme Court characterized Medicaid as a “program . . . [that] provides joint federal and state funding of medical care for individuals who cannot afford to pay their own medical costs.” *Ark. Dep’t of Health & Human Servs. v. Ahlborn*, 547 U.S. 268, 275 (2006); *see also Virginia ex rel. Hunter Labs., L.L.C. v. Virginia*, 828 F.3d 281, 283 (4th Cir. 2016) (quoting *Ahlborn* in the section of the decision explaining the important aspects of Medicaid).

The statute and the case law demonstrate that the primary objective of Medicaid is to provide access to medical care. There might be secondary benefits that the government was hoping to incentivize, such as healthier outcomes for beneficiaries or more engagement in their health care, but the “means [Congress] has deemed appropriate” is providing health care coverage. *MCI Telecomms. Corp. v. Am. Tel. & Tel. Co.*, 512 U.S. 218, 231 n.4 (1994). In sum, “the intent of Congress is clear” that Medicaid’s objective is to provide health care coverage, and, as a result, the Secretary “must give effect to [that] unambiguously expressed intent of Congress.” *Chevron, U.S.A., Inc. v. Nat. Res. Def. Council, Inc.*, 467 U.S. 837, 842–43 (1984).

Instead of analyzing whether the demonstration would promote the objective of providing coverage, the Secretary identified three alternative objectives: “whether the demonstration as amended was likely to assist in improving health outcomes; whether it would address behavioral and social factors that influence health outcomes; and whether it would incentivize beneficiaries to engage in their own health care and achieve better health outcomes.” Ark. AR 4. These three alternative objectives all point to better health outcomes

as the objective of Medicaid, but that alternative objective lacks textual support. Indeed, the statute makes no mention of that objective.

While furnishing health care coverage and better health outcomes may be connected goals, the text specifically addresses only coverage. 42 U.S.C. § 1396-1. The Supreme Court and this court have consistently reminded agencies that they are “bound, not only by the ultimate purposes Congress has selected, but by the means it has deemed appropriate, and prescribed, for the pursuit of those purposes.” *MCI Telecomms.*, 512 U.S. at 231 n. 4; *see also Waterkeeper All. v. EPA*, 853 F.3d 527, 535 (D.C. Cir. 2017); *Colo. River Indian Tribes v. Nat’l Indian Gaming Comm’n*, 466 F.3d 134, 139–40 (D.C. Cir. 2006). The means that Congress selected to achieve the objectives of Medicaid was to provide health care coverage to populations that otherwise could not afford it.

To an extent, Arkansas and the government characterize the Secretary’s approval letter as also identifying transitioning beneficiaries away from governmental benefits through financial independence or commercial coverage as an objective promoted by Arkansas Works. Ark. Br. 14, 37–42; Gov’t Br. 24–25, 32. This argument misrepresents the Secretary’s letter. The approval letter has a specific section for the Secretary’s determination that the project will assist in promoting the objectives of Medicaid. Ark. AR 3–5. The objectives articulated in that section are the health-outcome goals quoted above. That section does not mention transitioning beneficiaries away from benefits. The district court’s discussion of the Secretary’s objectives confirms our interpretation of this letter. It identifies the Secretary’s alternative objective as “improv[ing] health outcomes.” *Gresham*, 363 F. Supp. 3d at 179. There is no reference to commercial coverage in the Secretary’s approval letter, and



the only reference to beneficiary financial independence is in the section summarizing public comments. In response to concerns about the community engagement requirements creating barriers to coverage, the Secretary stated, “Given that employment is positively correlated with health outcomes, it furthers the purposes of the Medicaid statute to test and evaluate these requirements as a means to improve beneficiaries’ health and to promote beneficiary independence.” Ark. AR 6. But “[n]owhere in the Secretary’s approval letter does he justify his decision based . . . on a belief that the project will help Medicaid-eligible persons to gain sufficient financial resources to be able to purchase private insurance.” *Gresham*, 363 F. Supp. 3d at 180–81. We will not accept post hoc rationalizations for the Secretary’s decision. *See State Farm*, 463 U.S. at 50.

Nor could the Secretary have rested his decision on the objective of transitioning beneficiaries away from government benefits through either financial independence or commercial coverage. When Congress wants to pursue additional objectives within a social welfare program, it says so in the text. For example, the purpose section of TANF explicitly includes “end[ing] the dependence of needy parents on government benefits by promoting job preparation, work, and marriage” among the objectives of the statute. 42 U.S.C. § 601(a)(2). Also, both TANF and the Supplemental Nutrition Assistance Program (SNAP) condition eligibility for benefits upon completing a certain number of hours of work per week to support the objective of “end[ing] dependence of needy parents on government benefits.” 42 U.S.C. §§ 601(a)(2), 607(c) (TANF); 7 U.S.C. § 2015(d)(1) (SNAP). In contrast, Congress has not conditioned the receipt of Medicaid benefits on fulfilling work requirements or taking steps to end receipt of governmental benefits.

The reference to independence in the appropriations provision and the cross reference to TANF cannot support the Secretary's alternative objective either. The reference to "independence" in the appropriations provision is in the context of assisting beneficiaries in achieving functional independence through rehabilitative and other services, not financial independence from government welfare programs. 42 U.S.C. § 1396-1. Medicaid also grants states the "[o]ption" to terminate Medicaid benefits when a beneficiary who receives both Medicaid and TANF fails to comply with TANF's work requirements. *See* 42 U.S.C. § 1396u-1(b)(3)(A). The provision gives states, therefore, the ability to coordinate benefits for recipients receiving both TANF and Medicaid. It does not go so far as to incorporate TANF work requirements and additional objectives into Medicaid.

Further, the history of Congress's amendments to social welfare programs supports the conclusion that Congress did not intend 42 U.S.C. § 1396u-1(b)(3)(A) to incorporate TANF's objectives and work requirements into Medicaid. In 1996, SNAP already included work requirements to maintain eligibility. 7 U.S.C. § 2015(d)(1) (1994). Also in 1996, Congress passed the Personal Responsibility and Work Opportunity Reconciliation Act, which replaced Aid to Families with Dependent Children with TANF and added work requirements. Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, sec. 103, § 407, 110 Stat. 2105, 2129–34. At the same time, it added 42 U.S.C. § 1396u-1(b)(3)(A) to Medicaid. *Id.* at sec. 114, § 1931, 110 Stat. at 2177–80. The fact that Congress did not similarly amend Medicaid to add a work requirement for all recipients—at a time when the other two major welfare programs had those requirements and Congress was in the process of amending welfare statutes—demonstrates that

Congress did not intend to incorporate work requirements into Medicaid through § 1396u-1(b)(3)(A).

In short, we agree with the district court that the alternative objectives of better health outcomes and beneficiary independence are not consistent with Medicaid. The text of the statute includes one primary purpose, which is providing health care coverage without any restriction geared to healthy outcomes, financial independence or transition to commercial coverage.

### **B. The Approvals Were Arbitrary and Capricious**

With the objective of Medicaid defined, we turn to the Secretary's analysis and approval of Arkansas's demonstration, and we find it wanting. In order to survive arbitrary and capricious review, agencies need to address "important aspect[s] of the problem." *State Farm*, 463 U.S. at 43. In this situation, the loss of coverage for beneficiaries is an important aspect of the demonstration approval because coverage is a principal objective of Medicaid and because commenters raised concerns about the loss of coverage. *See, e.g.*, Ark. AR 1269–70, 1277–78, 1285, 1294–95.

A critical issue in this case is the Secretary's failure to account for loss of coverage, which is a matter of importance under the statute. The record shows that the Arkansas Works amendments resulted in significant coverage loss. In Arkansas, more than 18,000 people (about 25% of those subject to the work requirement) lost coverage as a result of the project in just five months. Ark. Dep't of Human Servs., Arkansas Works Program 8 (Dec. 2018), [https://humanservices.arkansas.gov/images/uploads/011519\\_AWReport.pdf](https://humanservices.arkansas.gov/images/uploads/011519_AWReport.pdf). Additionally, commenters on the Arkansas Works amendments detailed the potential for substantial

coverage loss supported by research evidence. Ark. AR 1269–70, 1277–78, 1285, 1294–95, 1297, 1307–08, 1320, 1326, 1337–38, 1341, 1364–65, 1402, 1421. The Secretary’s analysis considered only whether the demonstrations would increase healthy outcomes and promote engagement with the beneficiary’s health care. *Id.* at 3–5. The Secretary noted that some commenters were concerned that “these requirements would be burdensome on families or create barriers to coverage.” *Id.* at 6. But he explained that Arkansas would have “outreach and education on how to comply with the new community engagement requirements” and that Centers for Medicare and Medicaid Services could discontinue the program if data showed that it was no longer in the public interest. *Id.* The Secretary also concluded that the “overall health benefits to the [a]ffected population . . . outweigh the health-risks with respect to those who fail to” comply with the new requirements. *Id.* at 7. While Arkansas did not have its own estimate of potential coverage loss, the estimates and concerns raised in the comments were enough to alert the Secretary that coverage loss was an important aspect of the problem. Failure to consider whether the project will result in coverage loss is arbitrary and capricious.

In total, the Secretary’s analysis of the substantial and important problem is to note the concerns of others and dismiss those concerns in a handful of conclusory sentences. Nodding to concerns raised by commenters only to dismiss them in a conclusory manner is not a hallmark of reasoned decisionmaking. *See, e.g., Am. Wild Horse Pres. Campaign v. Perdue*, 873 F.3d 914, 932 (D.C. Cir. 2017) (critiquing an agency for “brush[ing] aside critical facts” and not “adequately analyz[ing]” the consequences of a decision); *Getty v. Fed. Savs. & Loan Ins. Corp.*, 805 F.2d 1050, 1055 (D.C. Cir. 1986) (analyzing whether an agency actually considered a concern rather than merely stating that it considered the concern).

True, the Secretary's approval letter is not devoid of analysis. It does contain the Secretary's articulation of how he thought the demonstrations would assist in promoting an entirely different set of objectives than the one we hold is the principal objective of Medicaid. In some circumstances it may be enough for the agency to assess at least one of several possible objectives. *See Fresno Mobile Radio, Inc. v. FCC*, 165 F.3d 965, 971 (D.C. Cir. 1999). But in such cases, the statute lists several objectives, some of which might lead to conflicting decisions. *Id.*; *see also Melcher v. FCC*, 134 F.3d 1143, 1154 (D.C. Cir. 1998). For example, in both *Fresno Mobile Radio* and *Melcher*, the statute at issue included five separate objectives for FCC to consider when creating auctions for licenses, including "the development and rapid deployment of new technologies," "promoting economic opportunity and competition," and the "efficient and intensive use of the electromagnetic spectrum." 47 U.S.C. § 309(j)(3). In *Fresno Mobile Radio*, we recognized that these objectives could point to conflicting courses of action, so the agency could give precedence to one or several objectives over others without acting in an arbitrary or capricious manner. *Fresno Mobile Radio*, 165 F.3d at 971; *see also Melcher*, 134 F.3d at 1154; *Rural Cellular Ass'n v. FCC*, 588 F.3d 1095, 1101–03 (D.C. Cir. 2009) (explaining that an agency may not "depart from" statutory principles "altogether to achieve some other goal"). The crucial difference in this case is that the Medicaid statute identifies its primary purpose rather than a laundry list. The primary purpose is

to furnish (1) medical assistance on behalf of families with dependent children and of aged, blind, or disabled individuals, whose income and resources are insufficient to meet the costs of necessary medical services, and (2) rehabilitation

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and other services to help such families and individuals attain or retain capability for independence or self-care.

42 U.S.C. § 1396-1. Importantly, the Secretary disregarded this statutory purpose in his analysis. While we have held that it is not arbitrary or capricious to prioritize one statutorily identified objective over another, it is an entirely different matter to prioritize non-statutory objectives to the exclusion of the statutory purpose.

### **III. CONCLUSION**

Because the Secretary's approval of Arkansas Works was arbitrary and capricious, we affirm the district court's judgment vacating the Secretary's approval.



Medical-Legal Partnership Monthly Report  
Calendar Year 2019 Final Report

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	YEAR TOTAL
<b>Referral Location</b>													
ACH - Jonesboro	1	4	0	1	0	5	1	1	3	1	0	0	17
ACNW	0	1	2	3	0	0	1	1	0	2	0	0	10
Circle of Friends	9	10	9	17	14	14	13	9	11	13	2	15	136
GPC	7	1	6	2	8	10	8	14	13	8	4	13	94
NICU	1	4	1	2	0	0	1	0	1	1	1	0	12
Other/Specialty Clinic	13	9	16	14	14	10	11	19	15	18	7	20	166
Self-Referral	10	3	2	4	1	2	1	2	0	2	5	4	36
Social Work	4	5	0	1	3	8	3	11	6	13	7	12	73
SWLR Clinic	1	1	4	6	1	0	0	0	9	4	3	5	34
<b>Total Referrals</b>	<b>46</b>	<b>38</b>	<b>40</b>	<b>50</b>	<b>41</b>	<b>49</b>	<b>39</b>	<b>57</b>	<b>58</b>	<b>62</b>	<b>29</b>	<b>69</b>	<b>578</b>
<b>Cases Opened by Type</b>													
Advanced Planning	0	0	0	0	0	2	0	0	0	2	1	1	6
SSI	3	1	6	3	2	0	1	0	1	5	0	5	27
Education	5	2	8	5	1	0	0	5	7	6	6	5	50
Employment	0	0	1	0	0	1	1	0	0	0	1	1	5
Adult Guardianship	3	2	2	8	2	4	4	5	5	6	1	4	46
Minor Guardianships/Adoptions/POA	3	4	1	2	3	3	4	5	3	3	1	1	33
Name Change	2	3	3	0	0	0	1	0	2	0	1	1	13
Divorce/Custody/Domestic Violence/Support	3	3	3	4	5	5	6	7	5	4	4	5	54
Health Insurance	1	0	0	1	2	1	1	0	1	2	0	1	10
Housing	1	3	1	7	5	1	3	5	8	4	1	3	42
OTHER	2	0	0	0	0	1	3	0	0	0	2	1	9
<b>TOTAL CASES OPENED</b>	<b>23</b>	<b>18</b>	<b>25</b>	<b>30</b>	<b>20</b>	<b>18</b>	<b>24</b>	<b>27</b>	<b>32</b>	<b>32</b>	<b>18</b>	<b>28</b>	<b>295</b>
<b>Cases Closed by Level of Service</b>													
Legal Advice	3	11	15	4	5	10	2	37	8	5	31	43	174
Brief Representation	0	2	2	0	1	4	0	11	2	1	6	2	31
Extended Representation	9	3	1	5	6	3	8	7	2	8	0	12	64
<b>TOTAL CLOSED Cases</b>	<b>22</b>	<b>22</b>	<b>21</b>	<b>9</b>	<b>14</b>	<b>18</b>	<b>10</b>	<b>62</b>	<b>14</b>	<b>15</b>	<b>40</b>	<b>64</b>	<b>311</b>
Rejected	10	6	3	0	2	1	0	7	2	1	3	7	42
<b>Outreach</b>													
Walk-in consults/provider meetings/on-site presence	2	2	1	0	2	5	2	2	0	2	1	1	20
Trainings	1	2	2	1	1	3	1	1	2	2	2	1	19
<b>Financial Benefit</b>													
<b>CLIENT NUMBER</b>	<b>BILL AMOUNT</b>	<b>BILL LENGTH</b>											<b>TOTALS</b>
17-0180965	\$ 4,620	1											\$ 4,620
18-0197305	\$ 312	12											\$ 3,744
19-0203766	\$ 500	12											\$ 6,000
18-0191756	\$ 771	12											\$ 9,252
19-0203559	\$ 320	12											\$ 3,840
19-0206570	\$ 320	12											\$ 3,840
<b>TOTAL savings of closed cases for 2019</b>													<b>\$31,296</b>



## Low Income Taxpayer Clinic Notice Of Award

<b>1. RECIPIENT NAME AND ADDRESS:</b>  LEGAL AID OF ARKANSAS  714 S MAIN ST JONESBORO, AR 72401-3546	3. GRANT NUMBER: 20-LITC0332-03-00	4. AMENDMENT NO: 0	
	5. PROJECT PERFORMANCE PERIOD: FROM: 01/01/2018 TO: 12/31/2020		
	6. FUNDING PERIOD: FROM: 01/01/2020 TO: 12/31/2020		
	7. GRANT TERM: 3		
	8. GRANT AMOUNT	THIS ACTION	BUDGET PERIOD
1A.DUNS #: 098574502	TOTAL	\$64,000.00	\$64,000.00
2. CFDA: 21.008 - Low Income Taxpayer Clinics			

**9. PURPOSE:**  
 The purpose of this award is to develop, expand, or continue a Low-Income Taxpayer Clinic (LITC) as defined in 26 U.S.C. Sec. 7526. An LITC is an organization that represents low-income individuals who have a tax dispute with the Internal Revenue Service (IRS) and educates individuals who speak English as a second language (ESL) about their rights and responsibilities as U.S. taxpayers. Services are provided for free or for a nominal fee. This is not a research and development grant.

**10. TERMS AND CONDITIONS:**  
 See Next Page

**11. REMARKS:**  
 See next page

AWARDING AGENCY		GRANTEE ACKNOWLEDGEMENT	
12. NAME (print): Tamara Borland		14. NAME (print): Ms. JENNIFER G Gardiner	
13. SIGNATURE: Electronically Signed	13A. DATE SIGNED: 02/12/2020	15. SIGNATURE: Electronically Signed	15A. DATE SIGNED: 02/12/2020

**16. CONTACT INFORMATION:**  
  
 LITC Grants Office  
  
 1111 Constitution Ave, NW, Room1034  
 Washington, DC 20224  
 Phone: 202-317-4711



**REMARKS:**

This is the Notice of Award (NOA) for grant year 2020. The amount noted in box 8 under "THIS ACTION" is the total amount of your 2020 award. To complete processing of this award:

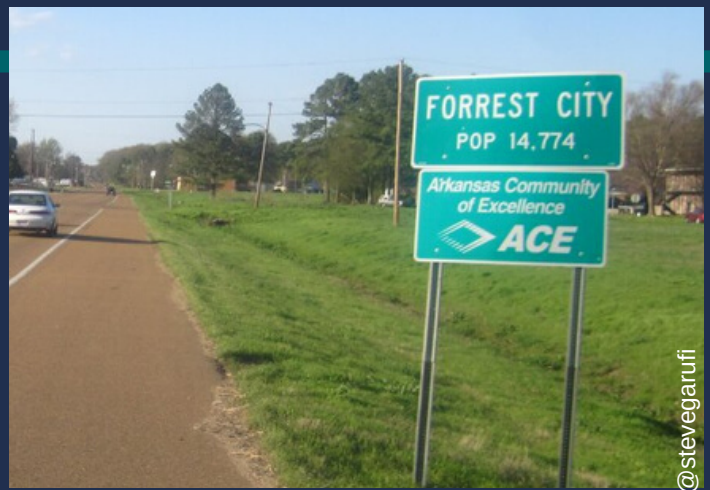
1. Your Authorizing Official must first accept this NOA in GrantSolutions; and
2. Your organization must then complete and submit the application amendment package in Grant Solutions.

In the project abstract of your amendment you must list the four numerical goals (new cases, consultations, educational activities, taxpayers to be reached) whether they have changed or not. If you were advised by the LITC Program Office when notified of your award that you needed to change your goals, be sure to change the goals to those upon which you and the Program Office had agreed. You must explain any anticipated changes to your program plan including numerical goals, budget, and key personnel as your award amount was determined by the information you provided in your initial application and any follow-up discussions held with LITC Program Office staff.

Item 1 above should be completed by no later than February 18, 2020. Item 2 above should be completed by no later than February 28, 2020. If your organization anticipates any problems with meeting either of the deadlines, contact your assigned Advocacy Analyst as soon as possible.

## Terms and Conditions

1. By accepting funds under this grant, the Grantee agrees to comply with the following terms and conditions for the grant:
  - (1) 26 U.S.C. Section 7526;
  - (2) IRS Publication 3319 (2020) found at [www.IRS.gov](http://www.IRS.gov);
  - (3) Assurances and Certifications found in part in Publication 3319, pages 59-65, and which must be acknowledged and agreed to as a part of registration with Sam.gov;
  - (4) The Grantee authorizes the LITC Program Office to take steps to de-obligate funds without the need for the clinic to execute a new NOA, budget, or reporting forms if the amount involved is less than \$25. The clinic will be notified via email of the planned action 30 days prior to the Program Office taking the action and a de-obligation will not be initiated any earlier than September 1 of the year following the close of the budget period;
  - (5) Program income, if any, may be utilized to meet cost sharing or matching requirements. See 2 C.F.R. Sections 200.80 and 200.307 for a definition and discussion of program income, respectively; and
  - (6) Any requirements, prohibitions, or restrictions imposed by the legislation appropriating federal funds for this award. Failure to comply with the above terms and conditions may result in restriction of grant funds and ultimately suspension or termination of the grant.
  - (7) Definitions
    - (a) For purposes of 2 C.F.R. 200.77 and 200.210, the "Period of Performance" is found in box 6 and is titled "FUNDING PERIOD. In general, the Funding Period (Period of Performance) provides the time period during which the grantee may incur new expenditures to carry out the work of the grant. Please note that upon notification of receipt of a grant for the next calendar year, a clinic may obligate and expend the next calendar year's funds to attend the LITC Grantee Conference in the event the conference takes place in the year immediately preceding the new funding period. Any other advance expenditures must be approved in writing by the LITC Program Director. See 2 C.F.R. 200.309.
    - (b) The "PROJECT PERFORMANCE PERIOD" in box 5 will show a one, two, or three calendar year span. Although the LITC Program Office may award grants for up to a three-year period, note that funding is only provided for a one-year period. The funding level for subsequent years will be reviewed annually and may be increased or decreased at the discretion of the Program Office. Grantees must submit a new budget each year based on the amount awarded. Clinics beginning year one of two, year one of three, or year two of three are in a non-competition cycle and will submit a Non-Competing Continuation



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- Legal clinics to seal criminal records will be held on March 24th-26th in Woodruff, Cross, Lee and/or Monroe Counties
- Finish by 3 PM on March 26th
- 20 hours minimum pro bono service opportunity
- Expenses paid include mileage, lodging, and per diem per Legal Aid of Arkansas policies.
  - Dinner Monday evening at [Central BBQ](#) in Memphis
  - Tour of [Sun Studio](#), the birthplace of rock and roll.
- Our first spring break project was filmed. [Find it here!](#)



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**MARCH**  
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**Arkansas Children's Hospital**

11 Children's Way		501-364-1541 – Phone
Little Rock, AR 72202		501-978-6479 - Fax
Mailing: One Children's Way, Slot 695, Little Rock, AR 72202		
<b>Clark, Nikki</b>	Staff Attorney	6317
<b>Ramos, Sara</b>	Paralegal	4310
<b>Roe, Hannah</b>	Supervising Attorney	6306
<b>Rose, Adam</b>	Law Clerk	

**Harrison**

205 W. Stephenson Avenue		800-967-9224 – Fax
Harrison, AR 72601		
<b>Davis, Samantha</b>	Legal Support Specialist	5304
<b>Haley, Kat</b>	VOCA Attorney	5301
<b>Vacant</b>	Staff Attorney	

**Little Rock**

711 Towne Oaks Dr.,		Little Rock, AR 72227
<b>Abrams, Pamela</b>	Staff Attorney	6319
<b>Auer, Jason</b>	Housing WG Leader	6318
<b>Bowden, Cameron</b>	Fair Housing Attorney	6603
<b>Ostowari, Nima</b>	Fair Housing Investigator	6601

**Helena-West Helena**

622 Pecan		Helena-West Helena, AR 72342
<b>Goldsberry, Kiara</b>	Intake Specialist	1301

**Jonesboro**

714 S. Main St., Jonesboro, AR 72401		870-910-5562 – Fax
<b>Foster, Angie</b>	Staff Attorney	5303
<b>Franklin, Teresa</b>	Regional Manager	6310
<b>Hawkins, Trevor</b>	Staff Attorney	6313
<b>Henry, Matt</b>	Opioid Paralegal	6314
<b>Ladd, MyKayla</b>	Intake Specialist	6312
<b>McKenzie, Billy</b>	Pro Bono Coordinator	6315
<b>Meador, Jordan</b>	Opioid Attorney	6311
<b>Ortiz-Reed, Anaicka</b>	Staff Attorney	6316
<b>Shoupe, Beth</b>	Dom. Violence Paralegal	6307
<b>Walker, Andrea</b>	Deputy Director/HelpLine	6303

**Newport**

202 Walnut St., Newport, AR 72112		870-523-9892 – Fax
<b>Grady, Kathy</b>	Economic Justice Paralegal	3301
<b>McLarty, James</b>	Staff Attorney	3302
<b>Wilson, Hollie</b>	Staff Attorney	3304

**Rogers**

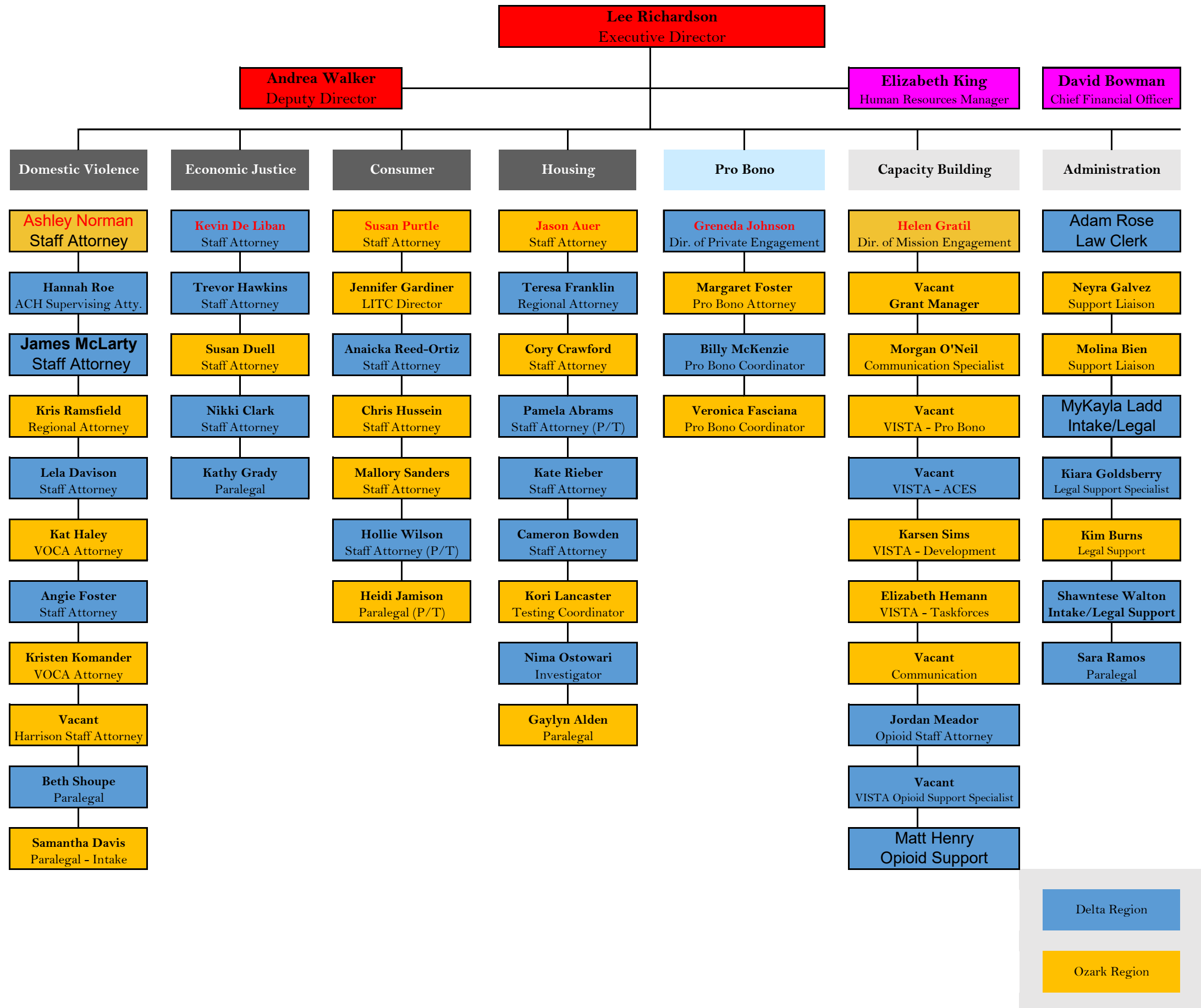
1200 W Walnut, Suite 3101		800-967-9224 – Fax
Rogers, AR 72756		
<b>Bowman, David</b>	Fiscal Officer	4308
<b>Gratil, Helen</b>	Mission Engagement/CIO	6302
<b>Hemann, Elizabeth</b>	Capacity Building VISTA	4316
<b>King, Elizabeth</b>	Human Resources	4311
<b>O'Neil, Morgan</b>	Communications/Community Ed	4325
<b>Richardson, Lee</b>	Executive Director	6305
<b>Sims, Karsen</b>	Development VISTA	4303
<b>Grants Manager</b>	Vacant	

**Springdale**

1200 Henryetta		479-751-0002 Fax
Springdale, AR 72762		
<b>Alden, Gaylynn</b>	Housing Paralegal	4315
<b>Bien, Molina</b>	Marshallese Liaison	7303
<b>Burns, Kim</b>	Operator-Reception	4319
<b>Crawford, Cory</b>	Staff Attorney	4323
<b>Duell, Susan</b>	Staff Attorney	4321
<b>Fasciana, Veronica</b>	Pro Bono Coordinator	4324
<b>Foster, Margaret</b>	Pro Bono Project Attorney	4307
<b>Galvez, Neyra</b>	Spanish Interpreter	4317
<b>Gardiner, Jennifer</b>	Tax Clinic Director	6304
<b>Hussein, Chris</b>	Staff Attorney	4306
<b>Jamison, Heidi</b>	Consumer Paralegal	4318
<b>Komander, Kristen</b>	VOCA Attorney	4314
<b>Lancaster, Kori</b>	Fair Housing Testing Coordinator	4320
<b>Norman, Ashley</b>	Regional Manager	4302
<b>Purtle, Susan</b>	Consumer WG Leader	4301
<b>Ramsfield, Kris</b>	Staff Attorney	4304
<b>Sanders, Mallory</b>	Staff Attorney	4309

**West Memphis**

310 Mid-Continent Plaza, Suite 420		870-732-6373 – Fax
West Memphis, AR 72301		
<b>Davison, Lela</b>	Staff Attorney	2207
<b>De Liban, Kevin</b>	Economic Justice WG Leader	2206
<b>Johnson, Greneda</b>	Pro Bono Director	2202
<b>Rieber, Kate</b>	Staff Attorney	2203
<b>Walton, Shauntese</b>	Intake Specialist	2201



**LEGAL AID OF ARKANSAS**

**2020-2021 PROJECTIONS**

Line#	Revenue:	2020 Projections	2021 Projections
1	LSC BASIC GRANT	\$1,564,261.00	\$1,564,261.00
2	Ark Adm Justice Funds (FY19 Appropriation decrease-\$51,326)	\$153,978.00	\$153,978.00
3	HUD	\$281,396.00	\$281,396.00
4	STOP/VAWA/VOCA	\$292,196.00	\$292,196.00
5	IRS-LITC	\$64,000.00	\$64,000.00
6	IOLTA	\$130,000.00	\$130,000.00
7	IOLTA-Housing Foreclosure	\$250,000.00	\$250,000.00
8	AATJF-Special Grant Projects	\$42,208.00	\$42,208.00
9	MLP-EJW & ACH	\$182,250.00	\$182,250.00
10	Equal Justice Works CVJC	\$6,967.50	\$0.00
11	AAA-White River	\$2,500.00	\$2,500.00
12	AAA-East Arkansas	\$35,000.00	\$35,000.00
13	AAA NWA	\$10,118.00	\$10,118.00
14	<b>UW-Boone Cnty</b>	<b>\$2,000.00</b>	<b>\$2,000.00</b>
15	UW-Bly	\$3,000.00	\$3,000.00
16	UW-NW Ark	\$50,000.00	\$50,000.00
17	UW-NE Ark	\$13,125.00	\$13,125.00
18	UW-Independence Cnty	\$4,000.00	\$4,000.00
19	UW-Mid South	\$4,781.00	\$4,781.00
20	Donations	\$100,000.00	\$100,000.00
21	Interest income	\$20,000.00	\$16,500.00
22	Attorney fees	\$31,000.00	\$7,500.00
23	Other - Ark Adv-Child/Families, CALS, Tyson, EJW-AMC,N Wonders	\$32,000.00	\$32,000.00
24	Washington County Law Library	\$18,000.00	\$18,000.00
25	National Health Law Program	\$0.00	\$0.00
26	Race	\$0.00	\$0.00
27	LSC - Midwest Legal Disaster Coordination Project	\$64,400.00	\$64,400.00
28	LSC - Private Attorney Involvement Innovation	\$120,656.00	\$120,656.00
29	Rural Communities Opioid Response (Planning)	\$75,000.00	\$0.00
<b>30</b>	<b>Revenue (excludes carryOver)</b>	<b>\$3,552,836.50</b>	<b>\$3,443,869.00</b>



**LEGAL AID OF ARKANSAS**

**2020-2021 PROJECTIONS**

	<b>Expenses:</b>	<b>2020 Projections</b>	<b>2021 Projections</b>
31	Total-Attny plus Bonus (\$7,8500)	\$1,853,023.06	\$1,908,613.75
32	Total-Paralegals plus Bonus (\$2,450)	\$411,868.40	\$424,224.46
33	Total-Other plus Bonus (\$2,175)	\$474,532.47	\$488,768.45
34	Benefits Budgeted (includes Americorp & EJW benefits)	<b>\$561,581.91</b>	<b>\$578,429.36</b>
<b>32</b>	<b>Grand Total of All Payroll</b>	<b>\$3,301,005.84</b>	<b>\$3,400,036.02</b>
33	<b>Space Rent</b>	<b>\$59,476.44</b>	<b>\$59,476.44</b>
34	Space Other Expenses	\$29,500.00	\$30,500.00
35	Equipment Rental&Maint	\$19,000.00	\$19,500.00
36	Office Supplies	\$75,500.00	\$76,500.00
37	Postage /Printing	\$15,000.00	\$15,000.00
38	Communication Expense	<b>\$62,500.00</b>	<b>\$62,500.00</b>
39	Travel Board Members & Mtg Supplies	\$2,500.00	\$2,500.00
40	Travel Staff & Others	<b>\$88,000.00</b>	<b>\$88,000.00</b>
41	Training-Board Members	\$1,500.00	\$1,500.00
42	Training-Staff & Other	<b>\$78,000.00</b>	<b>\$78,000.00</b>
43	Library	\$15,000.00	\$16,000.00
44	Insurance-Prof Liab, Prop & Gen Liab	\$31,500.00	\$33,000.00
45	Dues & fees	\$18,500.00	\$19,000.00
46	Audit	\$15,000.00	\$15,000.00
47	Litigation	<b>\$10,000.00</b>	<b>\$10,000.00</b>
48	Advertising	\$3,500.00	\$4,500.00
49	<b>Property Acquisition</b>	<b>\$15,000.00</b>	<b>\$15,000.00</b>
50	Depreciation ( no affect on Cash)	\$15,825.00	\$16,225.00
51	Other (Contract Labor)	\$9,500.00	\$10,000.00
52	SPG Bldg Loan Pmts ( interest Exp )	<b>\$5,238.96</b>	<b>\$5,238.96</b>
<b>53</b>	<b>Total Non-Personnel Exp</b>	<b>\$570,040.40</b>	<b>\$577,440.40</b>
<b>54</b>	<b>TOTAL EXPENSES</b>	<b>\$3,871,046.24</b>	<b>\$3,977,476.42</b>
<b>55</b>	<b>Revenues over(under)Exp(excluding carryover)</b>	<b>(\$318,209.74)</b>	<b>(\$533,607.42)</b>
<b>56</b>	<b>Net Assets Beginning of Year</b> (includes PROPERTY & Carryover/Reserves)	<b>1,365,023.12</b>	<b>1,046,813.38</b>
<b>57</b>	<b>Net Assets at End of Year</b> (includes PROPERTY & carryover/Reserves)	<b>1,046,813.38</b>	<b>513,205.96</b>
<b>58</b>	<b>Monthly Average Expenses &gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>\$322,587.19</b>	<b>\$331,456.37</b>
<b>59</b>	<b>Avr Monthly Exp in Unrestricted CarryOver(Reserves)</b>	<b>3.42</b>	<b>2.37</b>
	<b>2022 Projections based on current funding and an increase of 3% for both Revenue and Expenses</b>		