

ANNUAL REPORT FY 2008

FY 2008 provided terrific opportunities for growth at the District of Columbia Bar Foundation. Thanks to the District's first-ever appropriation of public funds for civil legal services in FY2007, over \$3 million was strategically granted to the legal services community. The result: providers brought in 31 new lawyers, opened legal services offices in underserved neighborhoods, and launched a project to develop a model legal services interpreter bank. In FY2008, the Foundation launched a comprehensive effort to support providers in assessing the impact of their programs, both to strengthen programs and to provide insight into funding decisions.

The economic downturn began to affect the IOLTA program, as interest rates starting dropping mid-way through the fiscal year. By the end of the fiscal year, monthly income was at half of FY2007 levels. Similarly, law firm contributions slowed, producing 6% less for the Foundation than in FY2007.

Because of windfall IOLTA income in the early part of the fiscal year, however, the Foundation was able to award a record \$2.2 million in grants in June, and awarded just over \$160,000 in privately-funded LRAP loans to DC poverty lawyers.

The Bar Foundation welcomed Olga Deyneko as the Foundation's Program and Development Associate.

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| Publicly Funded Grants FY2008 | |
|--|-----------|
| Interpreter Bank | |
| • Ayuda | \$285,000 |
| Housing Grants | |
| • Landlord-Tenant Court-Based Legal Services Collaborative (Bread for the City – Legal Aid Society – NLSP) | \$562,500 |
| • DC Law Students in Court | \$86,000 |
| Underserved Communities | |
| • Ayuda/APALRC (<i>multilingual intake & referral project</i>) | \$113,500 |
| • Bread for the City (<i>Ward 8 Community Lawyering</i>) | \$51,500 |
| • Children’s Law Center (<i>Southeast DC Health Access Project</i>) | \$233,000 |
| • Legal Aid Society of DC (<i>Ward 8 Neighborhood Access Project</i>) | \$452,000 |
| • Legal Counsel for the Elderly (<i>Project HELP</i>) | \$70,500 |
| • NLSP (<i>Wards 5 & 7 Service Expansion</i>) | \$390,000 |
| • University Legal Services (<i>DC Jail Disabled Inmates Project</i>) | \$117,000 |
| • WEAVE (<i>Ft. Totten Victim Services Center Legal Office</i>) | \$270,000 |
| • Whitman Walker Legal Clinic (<i>Ward 8 Service Expansion</i>) | \$159,000 |

PUBLICLY-FUNDED ACCESS TO JUSTICE GRANTS EXPAND THE SAFETY NET

In March 2008, the Bar Foundation awarded the second round of publicly-funded access to justice grants. The grant awards, listed above, supported important programs that are reaching across the city into neighborhoods that previously had no local legal services. The grants fund collaborative projects . such as the Court-Based Legal Services project, in which three legal services organizations jointly provide attorney-of-the-day support in Landlord-Tenant Court; innovative projects reaching special populations . such as LCE’s Project HELP, which provides lawyers to visit homebound elders; and a

breadth of community-based models for legal services.

LAW FIRM CONTRIBUTIONS DOWN SLIGHTLY IN FY2008

Just over 70 law firms and lawyers contributed to the Foundation’s annual private bar campaign for legal services. FY 2008 contributions totaled just over \$500,000, an amount that is 6% lower than in FY2007. Roughly one-third of contributions came from firms with 100 or more lawyers in their DC office. Contributing firms included a mix of local firms and local offices of firms headquartered elsewhere. A complete list of contributors is attached to this report. One-hundred percent of private contributions went to legal services providers in the form of direct, challenge, or conditional grants, or to support the Bar Foundation’s Loan Repayment Assistance Program. The Foundation is deeply grateful to the law firms and lawyers who continue to generously support legal services in the District of Columbia.

DC POVERTY LAWYERS GET HELP WITH EDUCATION LOANS

In December 2008, the Bar Foundation approved awards totaling \$419,420 in Loan Repayment Assistance Program (LRAP) loans to 61 poverty lawyers working in the District. Averaging \$8,000 each, and ranging from \$800 to the annual cap of \$12,000, the LRAP loans help make it possible for lawyers to take lower-paying poverty law jobs even while saddled with extraordinarily high educational debt. Funded in part under the DC Poverty Loan Assistance Repayment Act of 2007, the DC LRAP program has become a critical part of the District’s legal services infrastructure.

SANDRA BERNSTEIN WINS JERROLD SCOUTT PRIZE

The 16th annual Jerrold Scoutt Prize of \$2,500 was awarded to Sandra Bernstein, who has worked for over 12 years on behalf of people with disabilities in the District as an attorney with University Legal Services.

The Jerrold Scoutt Prize is made possible by an endowment and annual gift from the law firm of Zuckert, Scoutt & Rasenberger in honor of its founding partner, Jerrold Scoutt, a longtime supporter of legal services for the poor.

The recipient of the Jerrold Scoutt Prize is chosen annually by the Scoutt Prize Committee from among lawyers nominated by community organizations and individuals. Nominees must be attorneys employed by organizations that provide direct, hands-on legal services to poor or disadvantaged persons in the Washington area who have demonstrated compassionate concern for their clients while exhibiting a high degree of skill in acting on their behalf. The prize is presented at the District of Columbia Judicial and Bar Conference.

IOLTA REVENUES INCREASE MODESTLY

IOLTA revenues for Fiscal Year 2008 reflected the general downward turn in the economy between July 2007 and June 2008. The benchmark Federal Funds Rate was cut 7 times during the 12-month fiscal year, dropping from 5.25% to 2%. As a result, DCBF monthly IOLTA revenues had dropped over 50% by the end of the fiscal year. Nonetheless, because of one attorney's attention to his firm's IOLTA account, the Bar Foundation ended the year with IOLTA revenues slightly above those in FY2007. One law firm, expecting a sizable payout in a case, negotiated a favorable rate for its IOLTA

account. As a result, IOLTA revenues to the Bar Foundation doubled for several months, until the funds were fully disbursed to clients.

Rules changes to the IOLTA program were sent to the Bar's Board of Governors in November 2007. Action on the rules was pending at the end of the fiscal year.

DC-IOLTA PREFERRED BANKS AS OF APRIL 2009

The DC Bar Foundation acknowledges with special appreciation its **DC-IOLTA Preferred Banks:**

**Adams National Bank
American Bank
BB&T
Citibank
CityFirst Bank of DC
Colombo Bank
Congressional Bank
PNC
SunTrust**

We encourage lawyers to look to these banks for their banking needs. *Other banks authorized to hold DC IOLTA accounts are listed on the Foundation website.*

WWW.DCBARFOUNDATION.ORG

\$2.2 MILLION AWARDED TO LOCAL LEGAL SERVICES

Thanks to the generosity of area law firms and to the strengthened DC . IOLTA program, the Foundation awarded a record \$2.2 million to support local legal services. Grant awards of IOLTA and private funds increased slightly from FY2007, reflecting the slight increase in IOLTA revenue.

A list of grants awarded follows. Foundation grantees provide services to clients on matters relating to housing & homelessness, immigration, family issues,

domestic violence, employment, special education, individual rights, and income maintenance. In addition, some of the grantees provide legal services to discrete, vulnerable populations, including the elderly, people who are HIV-positive or living with AIDS, current or recently-released prisoners, and various immigrant communities in the District.

The Bar Foundation supports all of its grantees with training and technical assistance that is designed to strengthen the providers' organizational capacity. More information about DCBF's grant process is available online.

| DC Bar Foundation FY 2008 Grants Awarded | | |
|---|---|--|
| Advocates for Justice in Education - \$70,000* | Disability Rights Project . Washington Lawyers Committee for Civil Rights & Urban Affairs - \$40,000 | Mid-Atlantic Innocence Project - \$40,000 |
| Archdiocesan Legal Network - \$60,000 | DV LEAP - \$50,000 | Neighborhood Legal Services Program - \$75,000* |
| Asian Pacific American Legal Resource Center - \$40,000 | EEO Intake Project . Washington Lawyers Committee for Civil Rights & Urban Affairs - \$20,000 | Our Place, D.C. . Legal Services Clinic - \$50,000 |
| Ayuda - \$75,000 | Immigrant & Refugee Rights Project . Washington Lawyers Committee for Civil Rights & Urban Affairs - \$60,000 | SAFE - \$30,000 |
| Bread for the City Legal Clinic - \$125,000* | Human Rights First . Washington, D.C. Asylum Representation Project - \$40,000 | University of the District of Columbia School of Law Housing Clinic - \$43,000* |
| Capital Area Immigrants' Rights Coalition - \$101,000 | Legal Aid Society of D.C. . General Support - \$100,000 | University of the District of Columbia School of Law Low-Income Taxpayer Clinic - \$57,500 |
| Central American Resource Center - \$40,000* | Legal Aid Society of D.C. . Appellate Litigation Project - \$75,000* | University Legal Services - \$70,000 |
| Children's Law Center - \$75,000 | Legal Counsel for the Elderly - \$40,000 | Washington Legal Clinic for the Homeless - \$150,000 |
| Columbus Community Legal Services, Family Abuse Project - \$35,000* | Legal Counsel for the Elderly . Alternatives to Eviction Project - \$36,000* | Washington Legal Clinic for the Homeless . Access Employment Project - \$50,000 |
| D.C. Employment Justice Center - \$75,000 | | Whitman-Walker Clinic Legal Services Program - \$175,000 |
| D.C. Law Students In Court - \$70,000 | | Women Empowered Against Violence - \$50,000 |
| D.C. Prisoners' Project - Washington Lawyers Committee for Civil Rights & Urban Affairs - \$132,000 | | |
| CROSS-CUTTING GRANTS: | | |
| Probono.net/dc | | \$30,000 |
| <i>* Indicates full or partial challenge or conditional grant</i> | | |

DC BAR FOUNDATION SUMMARIZED FINANCIAL INFORMATION
Year ending June 30, 2008

ASSETS

| | |
|-------------------------|-------------|
| Cash & cash equivalents | \$1,041,092 |
| Accounts receivable | 221,386 |
| Investments | 663,392 |
| Prepaid expenses | 7,212 |
| Fixed assets, net | 10,468 |
| Deposits | 5,255 |
| Total Assets | \$1,948,805 |

LIABILITIES & NET ASSETS

| | |
|-------------------------------------|-----------|
| Current Liabilities | |
| Accounts payable & accrued expenses | \$28,449 |
| Grants payable | 421,500 |
| Deferred Liabilities | 37,372 |
| Total Current Liabilities | \$487,321 |

Net Assets

| | |
|--------------------------------|-------------|
| Unrestricted | |
| Undesignated | \$817,132 |
| Board designated | 541,211 |
| Total Unrestricted Assets | \$1,358,343 |
| Temporarily Restricted | |
| Total Net Assets | \$103,141 |
| Total Liabilities & Net Assets | \$1,461,484 |
| | \$1,948,805 |

REVENUE

| | |
|--|-------------|
| Contributions | \$571,453 |
| IOLTA Program | 2,438,114* |
| Grants received | 2,950,000 |
| Interest | 74,019 |
| Net assets released from purpose restriction | 2,765 |
| Total Revenue (excluding released assets) | \$6,033,586 |

EXPENSES

| | |
|--|---------------|
| Grants and LRAP Awards | \$5,299,903** |
| Grantmaking/Program Support & Gen& Admin | \$141,491 |
| Fundraising | \$24,308 |
| Total Expenses | \$5,465,702 |

**This figure does not include IOLTA income earned in June 2008, but received in July 2008, although estimated income for June 2008 was allocated for conditional and challenge grants.*

***FY2008 Grant expenses include payments of FY2007 conditional and challenge grants that were met during FY2008. The Foundation records conditional and challenge grant awards only when met and paid out.*

THE DISTRICT OF COLUMBIA BAR FOUNDATION

Thanks Its FY 2008 Donors

DIAMOND DONORS (\$35,000 - \$55,000)

Skadden, Arps, Slate, Meagher & Flom, LLP*

PLATINUM DONORS (\$25,000 - \$34,999)

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THE DISTRICT OF COLUMBIA BAR FOUNDATION

The D.C. Bar Foundation, a tax-exempt, nonprofit corporation, was established in 1977 to provide a vehicle for attorneys and law firms to support organizations that provide direct hands-on legal services to people in the District of Columbia who cannot afford legal help. In 1985, the D.C. Court of Appeals gave the Foundation responsibility for managing the District's Interest on Lawyers' Trust Accounts (IOLTA) program. IOLTA funds that come to the Foundation are the result of interest earned on pooled client trust funds. Funds that are nominal in amount or to be held for a short period of time, and that otherwise would not earn interest for the client. Foundation revenues thus depend upon law firm participation in the IOLTA program, the interest rates paid on IOLTA accounts, and, separately, upon direct support from law firms, individuals, and others.

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www.dcbbarfoundation.org