

**MEMORANDUM**

**TO:** Grantees

**FROM:** Jonathan W. Vickery, Associate Director & Director of Grants

**SUBJECT:** 2015 – 2016 – 2017 Grant Administration

**DATE:** January 11, 2016

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**General Grants Provisions (GGP) for Grants Administration**

There are general grant provisions for each grant. The grant manuals cover what is allowable and required for the grants and includes most grant administration topics. Knowledge of and compliance with the general grant provisions that govern your grant(s) is required. The [general](#)

[grant provisions](#) (GGP) can be accessed on TAJF's website. Veteran grantees must comply with the IOLTA General Grant Provisions manual for compliance.

While the manuals have similar provisions, the BCLS and CVCLS manuals have additional and different provisions such as audit requirements and adherence to the compliance supplement. There are references to the state's [Uniform Grant Management Standards](#) regarding allowable costs, inventory, purchase of property, and required documentation for personnel expenses. You are required to be knowledgeable and in compliance with these provisions as well.

In addition to the grant manuals, each fund has a court order. [Court orders](#) can also be found on our website. CVCLS has an interagency cooperation contract between the office of Attorney General and the Supreme Court of Texas. Again, be knowledgeable and in compliance with all of governing documents for each of your grant funds.

### **Review & Update your Organization Profile in the Online WebGrants System**

All grantees must review and update their organization's profile in the WebGrants system. This includes making sure that all information including, but not limited to, the registered users, bank information, and contact information is *up to date*. Beginning in September, 2013, all funds are disbursed by direct deposit. Please log in to [WebGrants](#) and make sure your profile is current and accurate. Failure to do so could delay the receipt of your first quarter payment.

### **Financial Eligibility Guidelines**

TAJF has issued the latest [financial income guidelines](#). These guidelines establish maximum income levels for individuals and families eligible for legal assistance from TAJF-funded legal aid programs. IOLTA & BCLS guidelines are based on 125 % of the federal poverty level as established by the U.S. Department of Health and Human Services. CVCLS guidelines are based on 187½%, and Veteran grants are based on 200%. Grantees whose funds come from BCLS are limited to household incomes of 125% or less. If you are not certain of the income level for your veterans grant, please refer to your award letter and grant agreement or contact [Jessica Murray](#). Guidelines are updated every year.

### **Client Eligibility**

Grantees are required to conduct adequate screening and eligibility determination on all TAJF-funded clients and cases so that TAJF funds only support TAJF-eligible clients. All client eligibility should be documented and kept as records in case there are any questions or disputes regarding client eligibility. Each grantee should have a maximum asset policy. Your eligibility policy should include definitions as to how you define household for income eligibility assessment. Remember, CVCLS-funded clients MUST have a "CVCLS Intake Screening form" in client file.

## Annual Self-Assessment Reports (SAR)

TAJF grantees will provide programmatic and financial reports for the calendar year through [WebGrants](#). Your annual SAR is due by January 30, 2016. Each year you should collect and track all of required data in order to submit the report timely. *Do not copy and paste from a previous year.* Note, the statistical information requested regarding cases and clients in the case service report (CSR), counties services rendered, and client profiles sections should only include those cases and clients who:

- (1) Have been screened and determined to be eligible using TAJF income guidelines, Legal Services Corporation income guidelines, or a federal or state needs-based program for the poor.
- (2) Were provided free civil legal services and the client/applicant made no payment to the grantee that included appointment consultation administrative fees. This does not include court costs such as filing fees, service for process, and other litigation costs for which clients may be responsible.
- (3) The reported closed cases should meet the above requirements as well as the requirements below and comport with the definition of a case.

The CSR portion of the SAR is designed to capture all cases closed on behalf of an income-eligible client regardless of the funding source. Do not include assisted pro se or provision of legal information. There is a self-help section in which this data must be reported in. Make sure that your number reconcile with various sections where they should be the same, such as total of number of cases closed and total of number of cases closed broken down by county. This is just an example.

In the section regarding expenditures, if your program has other functions such as law school, bar association, domestic violence shelter for example, only include expenses supporting the free civil legal services component of your program.

Regarding revenue, if a bar association runs a fund raising campaign to help support your program, include the revenues received in the category “f. Private Bar”. If your program actually runs the fundraising event, even if a bar association supports it; place the revenue in the category “p. Fundraising”. If you are a university or law school, only include the actual revenue received to support the free civil legal aid program. Do not include revenues used to support other non-legal aid programs such as criminal clinics.

### *Accurately Reporting Case Statistics & Avoiding Duplicate Information*

TAJF requests case statistical data in the SAR that shows, among other things, closed cases by type, level of service, and county as well as client profiles and outcomes. All questions should be answered completely and data must be accurate to ensure accuracy of reporting by the Foundation to the Court, Texas Legislature, State Bar, Donors, and the public. It is imperative

that the information provided is accurate, reliable, and verifiable. Carefully review your statistics prior to submission. If there are any notable variances from case numbers, expenditure, revenues, or dollar outcomes reported from the previous year, you should explain in the narrative section the reasons for those variances.

### *Attorney Fees*

Any cases accepted using TAJF funds that might reasonably be expected to result in payment of a fee for legal services from an award to an individual client, from public funds, or from an opposing party must have documentation in the client file that demonstrates the reasonable efforts that were made to obtain legal services from an attorney in private practice for the particular legal matter and were unsuccessful. BCLS grantees who obtain attorney fee awards by BCLS funded attorney(s) and or cases, in part or in whole, must account for the award by notifying TAJF immediately of the award and sending a check to TAJF in the amount of the attorney's fees made payable to *The Supreme Court of Texas*.

### *Legal Services versus Legal Information*

There is a difference between providing legal services and providing legal information which is often in the form of assisted pro se programs and tools. In order for client matters to be reported as a case, there must have been an attorney-client relationship established and legal advice provided. If cases do not fit into the definitions below, you must report in the section pertaining to self-represented assistance.

**Case:** A "case" is a distinct legal problem or a set of closely related legal problems of a client, and legal activities or processes used in resolving those problems. The case must have been accepted by the program and includes advice, counsel, and limited action, as well as other types of legal representation. A client with two or more closely related problems will be considered as presenting a single case if all of the problems will be resolved through a single legal process or forum. The provision of legal information solely, does not constitute a case.

**Legal Information:** Legal information is defined as the provision of substantive information not tailored to address a person's specific legal problem. As such, it is general and does not involve applying legal judgment and does not recommend a specific course of action. For example, providing only a pamphlet or brochure is classified as legal information and not legal assistance. The provision of legal information does not create an attorney-client relationship. Legal information alone is not legal assistance and the provision of legal information may not be reported as a CSR number. You may report it under the self-represented assistance section.

### *Duplicate Cases*

Many grantees collaborate with one another and some have even a closer relationship through a sub-grant agreement or co-sponsoring clinics or projects. Please remember that if you are partnering with another TAJF grantee, cases *must not* be reported twice. Be sure that only one partner is reporting the cases, whether open or closed. Jointly decide on the front end who will report cases to TAJF. This does not preclude the non-reporting partner(s) from referencing the cases in the appropriate narrative section.

## Quarterly Financial Expenditure Reports & Due Dates

Grantees must submit quarterly financial actual expenditures for each grant, as well as any approved carryover funds from the previous grant cycle.

### *Quarterly Reports for IOLTA, BCLS, Veterans, FPCR, New Project/Initiative due by:*

First Quarter: December 15, 2015  
Second Quarter: March 15, 2016  
Third Quarter: June 15, 2016  
Fourth Quarter: September 15, 2016  
First Quarter (year 2): December 15, 2016  
Second Quarter (year 2): March 15, 2017  
Third Quarter (year 2): June 15, 2017  
Fourth Quarter (year 2): September 15, 2017

### *Quarterly Reports for CVCLS due by:*

First Quarter: December 15, 2015  
Second Quarter: March 15, 2016  
Third Quarter: June 15, 2016  
Fourth Quarter: September 15, 2016

### *Quarterly Reports for LASSA due by:*

First Quarter: January 15, 2016  
Second Quarter: April 15, 2016  
Third Quarter: July 15, 2016  
Fourth Quarter: October 15, 2016

### *Quarterly Reports for DACA due by:*

First & Second Quarter: April 15, 2016  
Third Quarter: July 15, 2016  
Fourth Quarter: October 15, 2016  
First Quarter (year 2): January 15, 2017  
Second Quarter (year 2): April 15, 2017  
Third Quarter (year 2): July 15, 2017  
Fourth Quarter (year 2): October 15, 2017

You can find quarterly expenditures worksheet on our [website](#) and specific information within your award letter and grant agreement. You must timely submit a quarterly financial report for each grant showing **actual expenditures on a cash basis (unless otherwise noted) rather than estimates and have back up source documentation for all expenses (see GGP manual). Do not include expenditures from other grants or funds.** Submit reports online no later than the deadline.

Do not report expenses incurred under a grant that is in excess of the amount of funds you have received at that point (unless otherwise noted). You can only report actual expenses. Example, if you have only received seven months of funding (2 installments of 4 months + 3 months), you cannot report in the second quarter that you have spent an amount exceeding seven months of grant funds. If the quarterly release schedule does not fit your needs for spending down your grant, please let us know in advance.

### **CVCLS Grant Programmatic Reporting**

For grantees that have a CVCLS grant, there is an additional form for CVCLS grants online that includes programmatic statistics, as well as financial, and must be fully completed and submitted along with the above referenced quarterly financial expenditure report. Be concise and do not provide long lists. Please give summaries and provide numbers of instances or referrals. The Foundation has to report this information to the Office of Attorney General, so we must review and filter the reports to provide an executive summary. What you report is subject to any audit review.

### **BCLS Certifications**

BCLS funds require submission of annual and quarterly signed certifications. You completed the annual certification when you finalized your application. You will submit the quarterly certifications along with your quarterly financial reports. While you can review the [template](#) on our website, the actual submission must be done online through WebGrants at the time you submit your quarterly report.

### **Grant Releases**

Grant funds will be released according to the schedule in your award letter. Grants \$5,000 or less will be released in on lump sum payment.

The untimely receipt of quarterly financial expenditure reports as well as large variances in spending could also factor a delay. BCLS & CVCLS funds could vary depending upon their release by the Court who then sends a request to the State for release. The untimely receipt of quarterly financial expenditure reports as well as over-spending or under-spending could also factor a delay. If for some reason the funds are not going to be available, we will notify you as soon as possible. All grant awards are contingent upon the availability of funds from TAJF. TAJF administers BCLS and CVCLS funds, but does not possess at any times said funds. We rely on the Court and Comptroller for information and cooperation for timely information about the availability of said funds and their release to grantees. Grantees understand that TAJF is not responsible or liable for any losses, claims or damages, special or consequential losses or damages, loss of anticipated revenue, recoveries or collections, or any other financial or economic loss caused from non-payment of an award, or any portion thereof.

## **Budget Revisions**

During the grant year, you should closely monitor grant expenditures and may have reason to consider submitting a budget revision request. You must comply with Article VI concerning budget variances. Please refer to GGP Manual and the [budget revision form](#) found on our website.

Grantees shall not materially deviate from the Approved Budget without first obtaining the prior written consent from TAJF. A material deviation will be deemed to have occurred in the event of the following: anticipated or actual expenses of Grant Funds that (1) are materially greater or less than that set forth in the Approved Budget, whether in total or by individual line item; (2) materially alter the ratio of Program to Administrative Costs; (3) involve a disposition of property acquired with Grant Funds; or (4) no budget line item has been approved by the Foundation.

A material deviation will occur if it meets either of the following tests:

- A. The individual deviation is in excess of \$1000 and the lesser of \$10,000 or 10% of the Grant during the Grant Period.
- B. The accumulated total of all budget deviations since the beginning of the Grant Period exceeds the lesser of \$10,000 or 10% of the Grant for that Grant Period.

In the event of a material budget deviation, the Grantee shall request a revision of its approved budget via email to TAJF. The request must fully delineate the request the reasons for it, why it is necessary, and its effect on the Grantee. TAJF may request additional information. Send requests to TAJF via email.

## **Carryover Reporting**

If you received approval to carry over funds, you must provide quarterly reports on these funds, which must be fully spent (unless you have been notified of a sooner date) no later than February 29, 2016. Any unspent funds must be returned.

## **Requests to Carry Over Projected Unspent Funds**

If you project unspent grant funds towards the end of a grant cycle consider asking permission to carry over unspent funds past the grant duration. Review GGP and submit requests to carry over funds no later than June 15, 2016 (for one-year grant) and June 15, 2017 (for two-year grant).

Carryover requests in excess of 10% of the grant amount require Board approval, and failure to submit timely requests will prevent board consideration. To be considered for carryover, grantees must submit a written explanation as to why funds may not be spent during the grant period. If approved, grantees may carry over up to, but not more than 25% of total grant

amount. If you request an excess of 10%, your explanation should include extraordinary circumstances that occurred resulting in the failure to spend the grant in allotted time.

## **Audit**

All grantees must submit a financial audit to TAJF by the 1<sup>st</sup> day of the 5<sup>th</sup> month after the end of your fiscal year. Upload the document to your organization's profile within WebGrants and include the year in the file name. If you will not submit your audit by the due date, notify Jessica Murray *prior* to your due date. Grantee's annual fiscal audit for BCLS & CVCLS grantees **must include a supplemental schedule of TAJF grant revenues and expenditures under each grant compared with the approved budget.** Grantee agrees to provide any independent auditor a copy of the BCLS/CVCLS **Grant Compliance Supplement** provided at the end of the GGP Manual found on our website and specifically: "SECTION II: SUGGESTED AUDITING PROCEDURES".

## **IRS Form 990**

Grantees must provide the Foundation with a completed copy of their Form 990 filed with the IRS. Submit your Form 990 to the Foundation on or before the 15<sup>th</sup> day of the 5<sup>th</sup> month after the end of your fiscal year. Notify us of any extension you have with the IRS prior to your due date.

If you have any questions, please feel free to contact Jonathan Vickery, 512-320-0099 ext. 110 or [jvickery@tajf.org](mailto:jvickery@tajf.org), or Jessica Murray, 512-320-0099 ext. 103 or [jmurray@tajf.org](mailto:jmurray@tajf.org).

## **Advocates Should Subscribe to Statewide Legal Aid Listserv**

Pursuant to your grant agreement, all grantee advocates should join the statewide listserv. There are three ways people can join the LS\_Texas listserv.

- (1) Join the group website: [http://groups.yahoo.com/group/LS\\_TEXAS/](http://groups.yahoo.com/group/LS_TEXAS/)
  - Click **Join This Group** in the upper-right corner of the group's page.
  - Enter Yahoo! ID. If you do not have one, you can register by clicking **Sign Up** at the top of the page.
- (2) Join via email: [LS\\_Texas-subscribe@yahoogroups.com](mailto:LS_Texas-subscribe@yahoogroups.com)
- (3) Email [Elliott Fontenette](mailto:Elliott.Fontenette) with Texas Legal Services Center who can send an invitation directly to allow people to join.

## **Become Friend of TAJF on Facebook**



Sharing information and helping to connect all the public interest advocates in Texas is important and request that to help increase those communication lines, so please become friends on our Facebook page.

## **Supporting TexasLawHelp**

Each TAJF grantee is obligated to support [TexasLawHelp.org](https://www.texaslawhelp.org), the statewide legal services to the poor website through content contribution and listing it on your programs website. Per your grant agreement, you need to make sure you are listed in the statewide directory on Texaslawhelp, and make sure that you have an updated contact person listed with Texaslawhelp and that your program makes a contribution through some volunteer efforts. Please contact Elliott Fontenette at [efontenette@tlsc.org](mailto:efontenette@tlsc.org) to verify your information and to follow up your contribution.

Thank you for all that you do for access to justice!