

IOLTA GRANT POLICIES

1. PURPOSES:

- a. to provide civil legal service to indigents in South Carolina;
- b. to provide law related education to the public in South Carolina and
- c. to improve the administration of justice in South Carolina.

2. GENERAL REQUIREMENTS: Applicants must:

- a. be not-for-profit entities, tax exempt under Section 501(c)(3) of the IRS Code or subsequent provision, or otherwise clearly demonstrate the charitable purposes of the applicant organization or the project and provide assurances that no IOLTA funds will be used for other than charitable purposes;
- b. submit a written grant proposal pursuant to the Foundation's guidelines and within the established time schedule;
- c. respond adequately to the recommended grant proposal format and to any additional requests for information;
- d. carry out the program for which funds are requested, report on progress and results and promptly return any grant funds including interest earned thereon which are not utilized in accordance with the grant;
- e. cooperate with data collection and evaluation activities requested by the Foundation and
- f. submit financial statements required by the grant agreement.

3. LEGAL SERVICES PROVIDERS MUST, IN ADDITION:

- a. be entities which operate within South Carolina and provide direct civil legal services without charge to poor or disadvantaged persons within a geographical area in the State of South Carolina and
- b. employ a needs test consistent with IOLTA's income eligibility requirements of 125% of the official poverty guidelines, defined annually by the U.S. Department of Health and Human Services. Grantees may use their discretion in increasing the income eligibility requirements up to 200% of the official poverty guidelines. Applicants need not apply this needs test to all clients served by their organizations; however, delivery of legal services supported by IOLTA dollars must be restricted to clients eligible under IOLTA guidelines.

4. ADMINISTRATION OF JUSTICE PROVIDERS MUST, IN ADDITION:

- a. if other than a not-for-profit organization exempt under section 501(c)(3) of the IRS Code, clearly demonstrate the charitable purposes of the applicant organization and the project and provide assurances that no IOLTA funds will be used for other than charitable purposes;
- b. enhance legal services to the poor through innovative or cost effective means and
- c. provide direct civil legal services either to groups of clients currently underserved by legal services, such as the elderly or the disabled, or in an area of representation, whether substantive or geographical, that cannot be or is not effectively served by individual qualified legal service providers; or,

- d. provide legal management or operational training, or legal, management, support service, or technical assistance, or direct legal assistance, informational advocacy or litigation support to qualified legal service providers; or,
 - e. otherwise promote the improvement of the administration of justice.
- 5. FUNDING PRIORITIES:** (not listed in order of importance)
- a. **MULTIPLE FUNDING SOURCES:** The Foundation recommends that all applicants have substantial sources of income in addition to IOLTA funds requested. Absent special circumstances, priority will be given to requests from applicants who leverage IOLTA funds with multiple other funding sources.
 - b. **EXISTING PROGRAMS AND RECIPIENTS:** The Foundation may give priority to applicants seeking funds to expand or improve services offered by qualified programs over requests to establish new programs or services. In this regard, funds to add attorney positions to an existing staff attorney program may be given priority over requests to establish a new staff attorney program. The Foundation recognizes, however, that there are unique areas, groups and needs, and that creation of new programs may at times be necessary to serve those areas, groups or needs.
 - c. **DEVELOPING PILOT PROJECTS:** The Foundation encourages applications for the development of innovative pilot, demonstration or “best practices” projects which may become financially self-sustaining within one year and serve as models for other organizations and groups.
 - d. **COOPERATIVE EFFORTS:** The Foundation encourages collaboration among service providers and willingly accepts cooperative proposals from multiple, qualified applicants in a given service area.
 - e. **PRO BONO PUBLICO DEVELOPMENT:** The Foundation encourages the use of IOLTA funds to develop and strengthen *pro bono* programs that generate substantial voluntary civil legal services to the poor.
 - f. **STANDARDS, EFFICIENCY AND QUALITY OF SERVICE:** The Foundation may require résumés and current or past evaluations performed by other funders in order to determine the level of professional standards and quality of services provided by an applicant.
 - g. **COMPENSATION OF PRIVATE COUNSEL:** The Foundation will provide IOLTA funds for the compensation of private counsel only when staff attorney or *pro bono publico* programs are unavailable and, even then, only in extraordinary circumstances.
- 6. EQUIPMENT PURCHASE:** Requests for equipment purchases may be considered by the Foundation. If seeking funds for equipment in excess of \$500, the applicant should demonstrate that the new equipment will result in significant productivity enhancements and increased services.
- 7. INELIGIBLE FUNDING CATEGORIES:** The Foundation will not award IOLTA funds for grants to individuals, political campaigns, capital campaigns, endowment campaigns or building/renovation projects. Rent is not considered a building expense and, therefore, is not an ineligible funding category.

The Board of Directors has the discretion to create special grant cycles for various areas of interest that fall outside of the normal grant priorities. When such cycles are permitted, the Board will detail the guidelines that govern the process and distribution.

In the rare event the Foundation Board permits IOLTA revenues for a building/renovation project, the award must contain the following stipulations:

The recipient must recognize that the Foundation has a reversionary interest in any property purchased and/or any building located on such property;
Such interest should be reflected in the recipient's audits and
The recipient will permit the Foundation to direct the naming of the facility or building.

- 8. DIRECT REPRESENTATION OF CLIENTS:** The Foundation may give priority to applicants requesting funds for the direct representation of clients or client groups.
- 9. PERCENTAGE ALLOCATION OF IOLTA FUNDS:** No percentage of IOLTA funds has been earmarked for any particular purpose of program eligible for grants, nor has any percentage of IOLTA funds been earmarked for distribution geographically.
- 10. DISCRETIONARY DISTRIBUTION:** The grant cycle is annual and based on the Foundation's fiscal year. The Board awards grants for the current annual grant cycle only. The Board reserves the right to make grants on an emergency basis (catastrophes, natural disasters, etc.), to request out-of-cycle applications from organizations that conduct a project/program of interest or award funds for a one-time specific project.
- 11. GENERAL CONDITIONS:**
 - a. Grant applications should be made for no more than a 12-month budget period. There is no assurance of funding in subsequent grant cycles.
 - b. Grant applications agree to reasonable on-site evaluations by the Foundation Board, staff or independent evaluators selected by the Foundation.
 - c. While grant applications are being reviewed and evaluated, applicants will refrain from lobbying or otherwise attempting to influence members of the Foundation Board or staff.
 - d. The Foundation will retain all grant applications for a period of one year, after which they may be destroyed. Applicants understand and agree that, except during the review and evaluation process, their grant applications may, upon proper request to the Foundation, be reviewed by the public or other applicants.
 - e. The Foundation may reject any and all grant applications and award less than the total amount of IOLTA funds available, or award no funds.
 - f. The Foundation may elect to distribute IOLTA funds to successful grantees monthly, quarterly, semiannually or annually.
 - g. Grantee agrees to acknowledge the South Carolina Bar Foundation as a funder in program related materials. Appropriate acknowledgement includes reproduction of the South Carolina Bar Foundation logo that is made available via diskette. The logo should be included in newsletters, publications, advertisements, press

releases, studies, reports or other documentation of programs sponsored in whole or in part by IOLTA grant funds. The grantee further agrees to provide copies of all such documents to the Foundation upon publication.

12. GRANT DEADLINE: All applications must be received in the Foundation office by 3:00 p.m. on the application deadline stated on the cover memo.

13. SPECIFIC CONDITIONS: Other specific grant conditions are contained on the IOLTA grant application forms and in the grant agreement.