



**MARYLAND LEGAL SERVICES CORPORATION**



**FISCAL YEAR 2009 ANNUAL REPORT**

**JULY 1, 2008 - JUNE 30, 2009**

**IOLTA · INTEREST ON LAWYER TRUST ACCOUNTS**

**DEAR  
FRIENDS  
AND  
COLLEAGUES,**

We are pleased to present the Annual Report of the Maryland Legal Services Corporation (MLSC) for the fiscal year ending June 30, 2009. Since the creation of MLSC and the Interest on Lawyer Trust Accounts (IOLTA) program in 1982, we have made grants of more than \$138 million to help provide civil legal assistance to low-income Marylanders in more than 1.7 million legal matters.

The 2009 fiscal year began with projections of a relatively stable period for funding and legal services delivery in our state. Given the moderate decline in interest rates by mid-2008, MLSC did not expect to immediately reap the benefits of the new IOLTA Comparability Rule, effective April 1, 2008, which requires fair rates of return on IOLTA. Nevertheless, MLSC expected revenue to be slightly greater, and certainly no lower, than the prior year. However, by the fall of 2008, as the economy began unraveling, it became clear that the period would be anything but stable for MLSC revenue, and anything but ordinary for the thousands of newly income-eligible Marylanders seeking legal assistance from our state's legal services providers.

MLSC and IOLTA programs nationwide were hit particularly hard by the economic crisis due to action taken by the Federal Reserve Board in response to the crisis. Specifically, in its effort to stimulate the economy, the Federal Reserve Board dropped a key short-term interest rate to a historic low of 0-.25%. This action had an immediate and devastating impact on IOLTA revenue, which fell by 45% from the prior fiscal year. Thanks to stable revenue from court filing fee surcharges, and significant spending from MLSC's emergency reserve fund, MLSC was able to meet its current year grant commitments of \$14.9 million and avoid serious disruption to Maryland's civil legal aid delivery system. During FY 2009, MLSC's legal services providers reported handling more than 124,000 cases on behalf of low-income Marylanders needing legal assistance with housing, family, employment, disability, public benefits, special education and other important civil legal matters.

There is no question that given the ongoing economic downturn, the year ahead will present many challenges. The historic low interest rates on IOLTA will continue as will the increasing demand for legal aid by Marylanders facing foreclosure, eviction, loss of employment, health benefits, and concomitant family stresses. By all accounts, the number of Marylanders seeking legal assistance from MLSC-funded providers has never been greater.

Yet despite these tough times, we are confident as we formulate plans with our many partners to meet these challenges. In addition to working closely with Maryland's new Access to Justice Commission, we are energized by our continued excellent working relationships with members of the legal services community, as well as members of the bench, bar, General Assembly, Office of the Governor, Administrative Office of the Courts, financial institutions, law schools and many others. Working together, we can best ensure that all Marylanders have access to critically needed legal assistance.

Sincerely,



A handwritten signature in black ink, appearing to read "F. Boozar".

**F. Vernon Boozar**  
Chair



A handwritten signature in black ink, appearing to read "Susan Erlichman".

**Susan M. Erlichman**  
Executive Director



**FUNDING LEGAL ASSISTANCE ► SERVING THE ENDS OF JUSTICE**





## IOLTA REVENUE IN MARYLAND

Due to a dramatic shortfall in IOLTA (*Interest on Lawyer Trust Accounts*) revenue, Maryland is facing a severe crisis in funding its civil legal services delivery system. This occurs at a time when unprecedented numbers of Marylanders are in dire need of legal assistance with such issues as foreclosures, evictions, unemployment, public benefits needs, domestic violence, and myriad other problems resulting from the nation's economic crisis.



## MLSC REVENUE

Revenue for grants is generated from the MLSC Fund, which is composed of three special funding sources (1) Interest on Lawyer Trust Accounts (IOLTA) held by Maryland licensed lawyers; (2) a surcharge on certain Circuit and District Court filing fees; and (3) \$500,000 from the Abandoned Property Fund. Each year the Fund has a set amount appropriated in the State's budget, which is based on projected revenues. However, this appropriation does not guarantee that the Fund will receive that amount.

At the beginning of FY 2009, funding was expected to remain relatively stable and the MLSC Fund appropriation remained at the prior year's level of \$15.5 million. However, within a few months, the national economy took a historic downturn. Consequently, in an effort to help stimulate the economy, the Federal Reserve Board set the federal funds target rate at an unprecedented low of 0 - 0.25%. As a result, IOLTA income in Maryland declined 45%, thereby generating less than \$4 million for the MLSC Fund. On the other hand, filing fee surcharge revenue generated almost \$7.9 million, a 9% increase from the previous year. Nevertheless, total MLSC income was approximately \$13.4 million for the fiscal year, more than \$2 million under the MLSC Fund appropriation of \$15.5 million, requiring MLSC to use emergency reserves to meet grant obligations. For the following funding cycle, during which the interest rates are expected to remain low, MLSC will use its reserves and reduce grants by an average of 20% to provide relative stability for the legal services delivery system.

## IOLTA INITIATIVES

The IOLTA "Comparability" Rule adopted by the Maryland Court of Appeals, effective April 1, 2008, requires banks to pay interest rates on IOLTA accounts that are at least comparable to those paid to other similarly-situated non-IOLTA bank customers. In view of the historic low interest rates, the new Rule is not expected to generate additional revenue for legal services for quite some time because of the continued low rates of interest paid on all accounts. In the meantime, MLSC and the Maryland State Bar Association (MSBA) have redoubled efforts to promote the IOLTA Financial Institution Honor Roll Program to recognize banks that go above and beyond the Rule's requirements, increasing local publicity for twenty-one Honor Roll banks. A current list of Honor Roll members is available at [www.mlsc.org](http://www.mlsc.org).

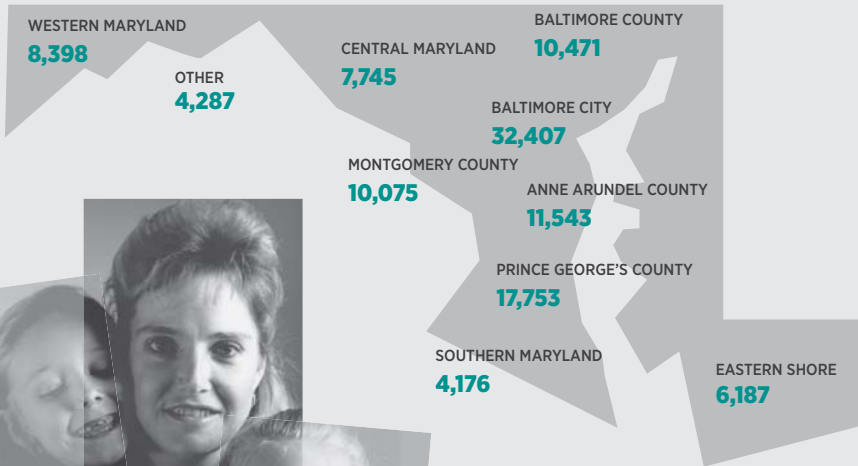
## FUNDING INITIATIVES

Faced with predictions of continuing low interest rates for the foreseeable future, and after a 70% decline in IOLTA income in the last 18 months, MLSC began this year working with the new Maryland Access to Justice Commission to seek more stable funding for the state's system of delivering civil legal services to its most vulnerable citizens. MLSC is committed to securing funding for the next fiscal year to maintain stability of the legal services delivery system and expects to be active in the 2010 session of the Maryland General Assembly.

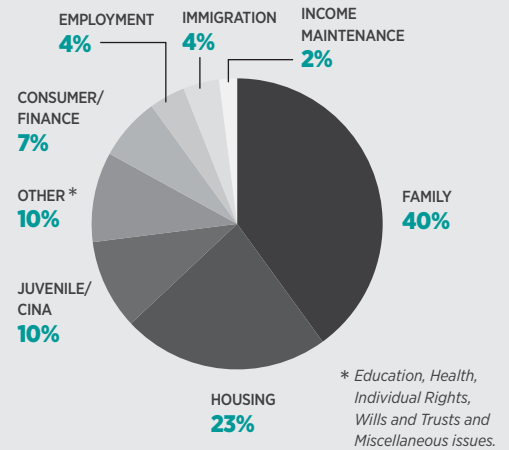
## CASES CLOSED STATEWIDE

## TYPES OF CASES CLOSED

# 113,042



Between July 1, 2008 and June 30, 2009, MLSC-funded legal services programs provided legal assistance to low-income clients in every jurisdiction in Maryland.



### TYPES OF SERVICE

Brief Advice, Information or Referral.....	68%
Counseling.....	10%
Negotiation.....	1%
Administrative Proceedings.....	2%
Judicial Litigation.....	14%
Other.....	5%

## GRANT AWARDS AND SERVICE DELIVERY

### FY 2009 AWARDS

In May 2008, the MLSC Board approved grant awards totaling \$14.9 million, the highest grant level in the organization's history, for fiscal year 2009. Grants increased an average of 6% for operating funds to 38 legal services providers. Additionally, awards were made for special projects, including expansion of the Judicare pilot project to seven more jurisdictions, challenge grants and one-time funds for infrastructure improvements.

### JUDICARE PILOT PROJECT

MLSC and the Administrative Office of the Courts (AOC) completed the second year of the 2-year pilot project to reinstate family law "Judicare," which uses grant funds to pay private lawyers reduced fees to serve low-income persons who could not otherwise afford civil legal services. The pilot project focuses on contested family law cases in Allegany, Caroline, Dorchester, Harford, Kent, Montgomery, Prince George's, Queen Anne's, Talbot and Washington Counties and Baltimore City, and encourages programs to test approaches to screening and placing cases in cooperation with local bar associations, family courts and pro bono committees. At the end of its second year, over 800 cases were referred to almost 400 attorneys. The project is being formally evaluated and has recently been extended to serve clients throughout the state.

### DELIVERY STATISTICS

Services to clients in FY 2009 remained approximately the same as the prior year, with MLSC grantees opening more than 124,000 new cases. Approximately 164,000 individuals and families directly benefited from this legal assistance.

## OTHER MLSC ACTIVITIES

### STRATEGIC GRANT MAKING DIRECTIONS

At the beginning of the fiscal year, MLSC engaged in strategic planning for grant making to examine and enhance the goals and standards to support its mission "to ensure that grants and contracts are made to provide the most stable, economical, and effective delivery of legal assistance and that eligible clients in all areas of the state have access to those services." With the help of outside consultants, using surveys, focus groups and interviews of grantees and other stakeholders, MLSC identified key strategic directions related to leveraging resources, collaboration, quality and access for special populations. MLSC has begun applying some of the strategies and established a short-term and long-term implementation plan.

### LEGISLATIVE CHALLENGE

MLSC faced an unexpected funding challenge this year toward the end of the 2009 session of the Maryland General Assembly. By working with its many partners to help educate legislators about the volatility of IOLTA revenue and MLSC policies and procedures, the Corporation avoided losing \$500,000 of MLSC Fund revenue, as well as some control over its grant making process.

## MLSC CONTRIBUTORS

The Corporation is pleased to acknowledge with special appreciation the support of the following individuals and organizations for their generous contributions.

### PATRON

Law Offices of Peter G. Angelos  
DLA Piper LLP (US)  
Hirschel, Savitz, Parker & Hollman, P.A.  
Ober, Kaler, Grimes & Shriver  
George L. Russell, Jr.  
SBES Clients Consolidated  
Charitable Foundation, Inc.

### DONOR

Alternative Directions, Inc.  
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Gerald Connor  
Catherine G. Crockett  
Fedder & Garten, P.A.  
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Hodes, Pessin & Katz, P.A.  
Edward Kleinman  
Kramon & Graham, P.A.  
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University of Maryland School of Law  
Wachovia

### SPONSOR

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Arthur W. Machen, Jr.  
Maryland State Bar Association  
Network Business Solutions, Inc.  
Pasternak & Fidis, P.C.  
Rosenberg | Martin | Greenberg, LLP  
Karen J. Sarjeant  
Seawall Development  
Shapiro Sher Guinot & Sandler, P.A.  
Southern Management  
Harry C. Storm  
Women's Law Center

### MEDIA PARTNER



### FRIEND

Russel A. Arlotta  
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Deborah G. Matthews  
Ruth Pritchard-Kelly  
Susan L. Sanders  
David L. Scull  
Alvin Sellman  
Melanie L. Shanty  
Hon. Marcus Z. Shar  
Hon. Julia B. Weatherly

## FINANCIAL INSTITUTION HONOR ROLL

We wish to acknowledge with special appreciation financial institutions of Maryland's Honor Roll, a joint initiative of the Maryland State Bar Association and MLSC, for paying premium rates on IOLTA deposits and fostering the IOLTA program in its mission to ensure that low-income Marylanders have access to critically needed legal aid. Attorneys are encouraged to consider these "IOLTA friendly" institutions for their banking needs.

Adams National Bank  
American Bank  
Baltimore County Savings Bank  
BankAnnapolis  
Carrollton Bank  
Centra Bank  
ColomboBank

Congressional Bank  
First Shore Federal  
K Bank  
MainStreet Bank  
Midstate Federal Savings & Loan  
NBRS Financial Bank  
Revere Bank

Sandy Spring Bank  
Severn Savings Bank  
Standard Bank  
TD Bank  
Vigilant Federal Savings Bank  
Virginia Commerce Bank  
Wilmington Trust FSB

## ANNUAL AWARDS

Each year, the Corporation solicits nominations and presents awards to persons who have contributed significantly to the provision of legal services to the poor. MLSC held the Annual Awards Reception at the Radisson Plaza Lord Baltimore Hotel on December 7, 2009.

### THE ARTHUR W. MACHEN, JR. AWARD

presented to:

**CARL R. GOLD**



The Arthur W. Machen, Jr. Award was presented to **Carl R. Gold**, of the Law Offices of Carl R. Gold and professor at Towson University. Mr. Gold, throughout his long and established career, has had a strong record of support of legal services to the poor, especially by providing pro bono services in competency and commitment hearings as well as difficult, long-running special education cases.

### BENJAMIN L. CARDIN DISTINGUISHED SERVICE AWARD

presented to:

**L. TRACY BROWN**



The Benjamin L. Cardin Distinguished Service Award was presented to **L. Tracy Brown** and **Deborah Jean Weimer**.

Ms. Brown has been a strong advocate of family law and domestic violence issues in a public service career of more than 30 years, including expanding the work of the Women's Law Center since becoming director in 2001.

**DEBORAH JEAN WEIMER**



Ms. Weimer has devoted over 30 years to public service and has been professor and director of the University of Maryland AIDS Legal Clinic since 1987. She has inspired law students to pursue public interest careers or pro bono service and achieved law reforms benefiting people with HIV/AIDS and their children.



Seated, L-R: Carol Ahlum; Deborah Jean Weimer; L. Tracy Brown. Standing, L-R: F. Vernon Boozer, MLSC Board Chair; Carl R. Gold; Josh Wolf, Chief of Staff for Senator Robert A. Zirkin; Kulley Bancroft and Donald Schuster from Sandy Spring Bank; Chief Judge Robert M. Bell; Susan M. Erlichman, MLSC Executive Director.

### WILLIAM L. MARBURY OUTSTANDING ADVOCATE AWARD

presented to:

**CAROL AHLUM**



The William L. Marbury Outstanding Advocate Award was presented to **Carol Ahlum**, a paralegal with the Legal Aid Bureau of Mid-Western Maryland for 18 years. Ms. Ahlum is an effective advocate for clients in public benefits proceedings, an active member in community organizations benefiting low-income people and a trainer and mentor of other legal services advocates.

### HERBERT S. GARTEN PUBLIC CITIZEN AWARD

presented to:

**SANDY SPRING BANK**



The Herbert S. Garten Public Citizen Award was given to **Sandy Spring Bank**, which has the distinction of being a founding and continuous member of the MLSC and Maryland State Bar Association Interest on Lawyer Trust Accounts (IOLTA) Honor Roll. Sandy Spring Bank continues to demonstrate its support for legal aid and the mission of MLSC by maintaining a higher rate of interest on all IOLTA accounts to help sustain legal services to low-income people in these difficult economic times.

### AWARD OF SPECIAL RECOGNITION

presented to:

**SENATOR ROBERT A. ZIRKIN**



MLSC presented an Award of Special Recognition to **Senator Robert A. (Bobby) Zirkin** for his outstanding support for access to justice in the Maryland General Assembly.

## GRANTS AND GRANTEE PROFILES

The Maryland Legal Services Corporation annually awards grants to nonprofit organizations that provide civil legal services to eligible persons. MLSC funding supplements other federal, state and private sources for civil legal assistance. In May 2009, MLSC approved for the coming year \$11,490,000 in unconditional grant awards to be disbursed monthly during the fiscal year ending June 30, 2010 and \$250,000 in a “challenge grant” to one organization, which is required to raise funds equal to the challenge amount. Due to the drop in IOLTA income, MLSC eliminated all one-time grants. The grants to 35 legal services providers include an average 20% reduction in operating funds and continuation of the Judicare project, which pays reduced fees to private attorneys for contested family law representation. The Board allowed grantees to carry over any unspent funds from FY09 to help with the decrease in MLSC funding. More information about the grant process, application deadline and descriptions of current grantees is available at [www.mlsc.org](http://www.mlsc.org).

### ALLEGANY LAW FOUNDATION, INC.

\$40,000 OPERATING, \$72,000 JUDICARE  
MARCIA CONRAD, EXECUTIVE DIRECTOR

The Foundation serves low-income clients in Allegany County through the efforts of a small in-house staff and a panel of attorneys handling cases on a pro bono or reduced-fee basis.

### ALTERNATIVE DIRECTIONS, INC.


\$230,664 OPERATING  
MICHELLE KELLY, EXECUTIVE DIRECTOR

Alternative Directions provides free legal assistance, primarily with family and domestic legal issues, to persons in prison or recently released from incarceration, and provides monthly workshops to prisoners on legal rights and responsibilities.

### ASIAN PACIFIC AMERICAN LEGAL RESOURCE CENTER

\$37,800 OPERATING  
MYRON QUON, EXECUTIVE DIRECTOR

The Asian Pacific American Legal Resource Center addresses the legal needs of low-income, limited English proficient Asian Americans and uses MLSC funds to represent low-wage workers and victims of domestic violence in Maryland.



**Almost 9% of Maryland's senior citizens live in poverty. Grantees provided legal assistance to 6,518 low-income seniors with nursing home, housing, Social Security, health care, family, consumer, and other legal problems during FY 2009.**

### ASSOCIATED CATHOLIC CHARITIES, BALTIMORE

\$92,820 OPERATING  
TIM KELLY, DIRECTOR

Associated Catholic Charities Immigration Legal Services Project provides client screening, counseling and legal representation for low-income persons with immigration problems in the Baltimore metropolitan area in a wide array of immigration matters.

### BALTIMORE BAR FOUNDATION LEGAL SERVICES TO THE ELDERLY PROGRAM

\$40,000 OPERATING  
KATHERINE SANZONE, EXECUTIVE DIRECTOR

The Baltimore Bar Foundation's Legal Services to the Elderly Program provides free legal representation and advice to Baltimore City residents 60 years and older.

### BALTIMORE NEIGHBORHOODS, INC. (BNI)

\$93,600 OPERATING  
DEBORAH COLLURAFICI,  
INTERIM EXECUTIVE DIRECTOR

MLSC's grant supports BNI's operation of its statewide landlord/tenant counseling hotline.

### CASA OF MARYLAND, INC.

\$104,000 OPERATING  
GUSTAVO TORRES, EXECUTIVE DIRECTOR

CASA receives MLSC funding to assist Latin Americans and other day laborers in Montgomery and Prince George's Counties and Baltimore City with employment-related legal issues.

### CITIZENS ASSISTING & SHELTERING THE ABUSED (CASA, INC.)

\$28,000 OPERATING  
VICKI A. SADEHVANDI, EXECUTIVE DIRECTOR

MLSC funding supports the CASA Legal Services Program, which provides legal assistance to victims of domestic violence and sexual assault in Washington County.

**Approximately 850,000 Maryland residents have a physical or mental disability. MLSC grantees provided legal assistance to over 2,200 persons with housing, health care, employment, discrimination and other legal problems as a result of their disability.**



### CATHOLIC CHARITIES OF THE ARCHDIOCESE OF WASHINGTON

\$107,200 OPERATING  
ED ORZECZOWSKI, EXECUTIVE DIRECTOR

Catholic Charities of the Archdiocese of Washington Immigration Legal Services uses MLSC funds to provide legal assistance and representation to low-income persons with immigration problems residing primarily in Prince George's and Montgomery Counties.

### COMMUNITY LAW CENTER, INC.

\$76,000 OPERATING  
KRISTINE DUNKERTON, EXECUTIVE DIRECTOR

Community Law Center (CLC) provides legal counsel and representation to nonprofit organizations that represent issues of low-income people and are unable to afford private counsel. MLSC's grant supports CLC's pro bono project.



### COMMUNITY LEGAL SERVICES OF PRINCE GEORGE'S COUNTY

\$200,000 OPERATING, \$167,490 JUDICARE  
NEAL CONWAY, EXECUTIVE DIRECTOR

Community Legal Services provides civil legal assistance to low-income persons of Prince George's County through a panel of pro bono and reduced-fee attorneys.

### DOMESTIC VIOLENCE CENTER OF HOWARD COUNTY

\$36,480 OPERATING  
JODI FINKELSTEIN, EXECUTIVE DIRECTOR

The Domestic Violence Center of Howard County receives funding from MLSC to support its legal services project, which serves low-income domestic violence victims.

### HARFORD COUNTY BAR FOUNDATION

\$43,680 OPERATING, \$72,760 JUDICARE  
CYNTHIA A. LEWIS, EXECUTIVE DIRECTOR

The Harford County Bar Foundation operates a pro bono and reduced-fee legal services program, providing intake and referral services to low-income persons with civil legal problems.

### HEARTLY HOUSE, INC.

\$54,000 OPERATING  
BARBARA MARTIN, EXECUTIVE DIRECTOR

Heartly House is a private nonprofit agency serving victims of domestic violence, rape and sexual assault in Frederick County. MLSC funds are used to provide legal services to low-income victims of domestic violence.

### HOMELESS PERSONS REPRESENTATION PROJECT

\$190,000 OPERATING  
ANTONIA K. FASANELLI,  
EXECUTIVE DIRECTOR

Homeless Persons Representation Project provides staff and pro bono assistance in a range of housing and other legal matters to clients at risk for homelessness as well as those in homeless shelters in Maryland.

### HOUSE OF RUTH

\$305,240 OPERATING  
SANDI TIMMINS,  
INTERIM EXECUTIVE DIRECTOR

House of Ruth's Domestic Violence Legal Clinic provides legal assistance to low-income victims of domestic violence from offices in Baltimore City and Prince George's and Montgomery Counties. The clinic also provides technical assistance and training to spouse abuse centers and interested community organizations statewide.

### LEGAL AID BUREAU, INC.

\$7,299,585 OPERATING,  
\$250,000 CHALLENGE  
WILHELM H. JOSEPH, JR.,  
EXECUTIVE DIRECTOR

Established in 1911, the Legal Aid Bureau is Maryland's primary provider of civil legal services to low-income persons. The MLSC grant is used to fund attorneys and paralegals providing general civil legal assistance to low-income persons throughout Maryland.

### MARYLAND COALITION FOR INCLUSIVE EDUCATION

\$44,800 OPERATING  
SELENE ALMAZAN AND  
CAROL QUIRK, CO-DIRECTORS

The Maryland Coalition for Inclusive Education provides representation to disabled children throughout Maryland seeking to be educated in the least restrictive environment.

### MARYLAND CRIME VICTIMS RESOURCE CENTER, INC.

\$93,920 OPERATING  
RUSSELL BUTLER,  
EXECUTIVE DIRECTOR

The Maryland Crime Victims Resource Center is a statewide victims' rights organization that receives MLSC funding to disseminate information on victims' rights to all Marylanders and provide specialized legal services to indigent crime victims.

### MARYLAND DISABILITY LAW CENTER

\$554,121 OPERATING  
VIRGINIA KNOWLTON, EXECUTIVE DIRECTOR

The Maryland Disability Law Center provides representation for disabled children and adults statewide with legal problems related to their disabilities.

Over **700,000** women are victims of domestic violence annually in Maryland. MLSC grantees provided assistance to **44,283** low-income persons for domestic violence and other family law problems in FY 2009.



### MARYLAND PUBLIC INTEREST LAW PROJECT

\$49,500 FOR 11 INTERNSHIPS  
JESS MARKS AND CHRIS MONTAGUE-  
BREAKWELL, CO-PRESIDENTS

The Maryland Public Interest Law Project, located at the University of Maryland School of Law, encourages law students to enter public interest law practice and offers law students from the University of Maryland and the University of Baltimore paid summer internships at public interest organizations of their choice.

### MARYLAND VOLUNTEER LAWYERS SERVICE

\$292,000 OPERATING, \$306,000 JUDICARE  
BONNIE SULLIVAN, EXECUTIVE DIRECTOR

The Maryland Volunteer Lawyers Service is a statewide program that serves low-income persons with a variety of civil legal problems through a referral program which places clients with volunteer or reduced-fee attorneys.

### MID-SHORE COUNCIL ON FAMILY VIOLENCE, INC.

\$93,840 OPERATING  
JEANNE YEAGER, EXECUTIVE DIRECTOR

The Mid-Shore Council receives MLSC funding for its reduced-fee legal services program for low-income victims of domestic violence in Caroline, Dorchester, Kent, Queen Anne's, and Talbot Counties.

## GRANTS AND GRANTEE PROFILES

### MID-SHORE PRO BONO, INC.

\$56,000 OPERATING, \$67,200 JUDICARE  
SANDRA BROWN, EXECUTIVE DIRECTOR

Mid-Shore Pro Bono receives funding to provide pro bono and reduced-fee services for a variety of civil legal matters in Caroline, Dorchester, Kent, Queen Anne's, and Talbot Counties.

### PUBLIC JUSTICE CENTER, INC.

\$190,400 OPERATING  
JOHN NETHERCUT, EXECUTIVE DIRECTOR

The Public Justice Center provides legal representation to the underrepresented, particularly children, the mentally ill, and victims of discrimination through the services of both in-house staff and pro bono attorneys. The Center also operates the Tenant Advocacy Project.

### UNIVERSITY OF MARYLAND SCHOOL OF LAW – HIV PROJECT

\$50,780 OPERATING  
BRENDA BLOM, CLINICAL DIRECTOR

The MLSC grant to the University of Maryland Clinical Law Office helps fund its HIV Legal Representation Project, in which law students provide legal services to persons with AIDS and HIV infection referred by the University of Maryland Hospital/Medical System in Baltimore.

In the past year, over **550,000** eviction actions were filed in Maryland, and home foreclosures were up **23%** due to the worsening economy. MLSC grantees provided legal services to **25,765** people facing evictions, foreclosures, and other critical housing matters.



### SEXUAL ASSAULT/SEXUAL ABUSE RESOURCE CENTER (SARC)

\$21,200 OPERATING  
LUISA CAIAZZO-NUTTER,  
EXECUTIVE DIRECTOR

MLSC funding supports the SARC Legal Services Program, which provides legal services for victims of domestic violence and sexual assault in Harford County.

### WHITMAN-WALKER CLINIC

\$42,400 OPERATING  
DON BLANCHON, EXECUTIVE DIRECTOR

The Whitman-Walker Clinic's Legal Services Program provides pro bono legal assistance to persons living with HIV/AIDS. MLSC funding supports services to residents of Montgomery, Prince George's, Frederick, Charles and Calvert Counties.

### MONTGOMERY COUNTY BAR FOUNDATION

\$169,600 OPERATING, \$180,750 JUDICARE  
JULIE PETERSON, EXECUTIVE DIRECTOR

The Montgomery County Bar Foundation operates pro bono and reduced-fee programs in which attorneys are recruited to take cases in their area of expertise. The Foundation also conducts community outreach to Montgomery County's growing immigrant population.

### PRO BONO RESOURCE CENTER

\$171,200 OPERATING, \$10,000  
LITIGATION EXPENSE FUND  
SHARON GOLDSMITH,  
EXECUTIVE DIRECTOR

The Pro Bono Resource Center is a statewide pro bono support center that coordinates pro bono training and activities, maximizes volunteer attorney services to low-income Maryland residents and provides support for pro bono programs, including the administration of a litigation expense fund for other pro bono and reduced-fee programs throughout Maryland.

### ST. AMBROSE HOUSING AID CENTER, INC.

\$148,000 OPERATING  
VINCENT QUAYLE, EXECUTIVE DIRECTOR

St. Ambrose Legal Services Program, a project of St. Ambrose Housing Aid Center, provides free legal assistance to low-income homeowners who are in danger of losing their homes.

### WOMEN'S LAW CENTER, INC.

\$132,320 OPERATING, \$73,000 JUDICARE  
L. TRACY BROWN, EXECUTIVE DIRECTOR

The Women's Law Center was established in 1971 to meet the special legal needs of women and uses MLSC grants to operate its statewide Family Law Hotline and administer a Judicare project, through which private attorneys represent low-income individuals at a reduced fee in contested family law matters.

### SEXUAL ASSAULT LEGAL INSTITUTE

\$42,000 OPERATING  
MARY WELLS, FINANCE DIRECTOR

The Sexual Assault Legal Institute is part of the Maryland Coalition Against Sexual Assault and provides comprehensive legal assistance to victims of sexual assault throughout the state.

### YWCA OF ANNAPOLIS AND ANNE ARUNDEL COUNTY

\$61,050 JUDICARE  
MOLLY KNIPE, EXECUTIVE DIRECTOR

The YWCA legal services program administers a Judicare project, through which private attorneys represent low-income individuals at a reduced fee in contested family law matters.

### SOUTHERN MARYLAND CENTER FOR FAMILY ADVOCACY

\$48,600 OPERATING  
LAURA JOYCE, EXECUTIVE DIRECTOR

The Southern Maryland Center for Family Advocacy provides legal services to low-income clients of St. Mary's, Calvert and Charles Counties, primarily in the area of domestic violence.

## MLSC BOARD

**F. VERNON BOOZER, ESQ., CHAIR** – Baltimore County – Principal, Covahey, Boozer, Devan & Dore, P.A.; Former Member, Maryland Legislature – House of Delegates and Senate; A.B., Duke University; J.D., University of Maryland School of Law.

**TERI A. HEGER, LCSW-C** – Frederick County – Psychotherapist, Associated Family Counseling; B.A., Hood College; M.S.W., University of Maryland School of Social Work.

**BERNARD L. JENNINGS** – Howard County – Managing Principal, Capstone Consulting Group; B.S., Morgan State University; M.B.A., Columbia University.

**NATHANIEL E. JONES, JR., ESQ.** – Baltimore – Managing Partner, Jones & Associates, PC; B.S., Cornell University; M.B.A. and J.D., Stanford University.

**HON. ROBERT B. KERSHAW** – Baltimore – Judge, 8th Judicial Circuit, Baltimore City; A.B., Princeton University; J.D., University of Maryland School of Law.

\* **DERRICK L. RICHARDSON** – Prince George’s County – Senior Manager, Center for American Progress; B.A., Jacksonville State University.

**NANCY A. SACHITANO, ESQ., TREASURER** – Montgomery County – Managing Attorney, Sachitano Strent Hostetter LLC; B.S., Lamar University; J.D., Columbus School of Law, Catholic University of America.

**DOUGLAS S. SNYDER, PH.D.** – Prince George’s County – Professor of Sociology (emeritus), Bowie State University; B.A., University of Iowa; M.S., Purdue University; Ph.D., University of Washington.

**HON. PAMELA J. WHITE** – Baltimore – Judge, 8th Judicial Circuit, Baltimore City; B.A., University of Mary Washington; J.D., Washington and Lee University.

**SUSAN M. ERLICHMAN, ESQ., SECRETARY (EX OFFICIO)** – Executive Director, Maryland Legal Services Corporation; B.A., University of Vermont; J.D., Temple University School of Law.



*Seated, L-R: Board member Judge Pamela J. White; Chairman F. Vernon Boozer; Teri A. Heger. Standing, L-R: Board member Bernard L. Jennings; Deputy Director Harriet Robinson; Nathaniel E. Jones, Jr.; Douglas S. Snyder; Executive Director Susan M. Erlichman; Judge Robert B. Kershaw. Not shown: Nancy A. Sachitano.*

## MLSC STAFF

**SUSAN M. ERLICHMAN, ESQ.**  
Executive Director

**SUSAN S. LENTZ**  
Finance Manager

**HARRIET ROBINSON**  
Deputy Director

**REBECCA PARKER**  
IOLTA Administrator

**TIFFANY DEVONSHIRE, ESQ.**  
Program Manager

\* Derrick L. Richardson was appointed in August 2008 and resigned April 2009.

## STATEMENT OF FINANCIAL POSITION

June 30, 2009

### ASSETS

Cash and Cash Equivalents .....	\$786,905
Investments .....	\$5,379,770
IOLTA Receipts Receivable.....	\$214,142
Due from State of Maryland .....	\$727,236
Capital Assets - Net of Accumulated Depreciation .....	\$9,520
Other Assets .....	\$11,469
<b>TOTAL ASSETS .....</b>	<b>\$7,129,042</b>

### LIABILITIES

Accounts Payable and Accrued Expenses .....	\$52,484
Grants Payable .....	\$251,300
Due to State of Maryland.....	\$216,969
<b>TOTAL LIABILITIES .....</b>	<b>\$520,753</b>

### NET ASSETS

Invested in Capital Assets .....	\$9,520
Unrestricted.....	\$6,598,769
<b>TOTAL NET ASSETS .....</b>	<b>\$6,608,289</b>

## STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2009

**PROGRAM EXPENSES - LEGAL ASSISTANCE .....** \$15,978,106

### GENERAL REVENUES

State of Maryland Appropriations - Legal Assistance....	\$13,422,236
Investment Loss.....	(\$1,026,630)
Other .....	\$405,400
<b>TOTAL GENERAL REVENUES .....</b>	<b>\$12,801,006</b>

Decrease in Net Assets .....	(\$3,177,100)
Net Assets - Beginning of Year.....	\$9,785,389

**NET ASSETS - END OF YEAR\* .....** \$6,608,289

This report is a summary of the financial statements incorporated in the annual audit report issued by Councilor, Buchanan & Mitchell, P.C. for the year ended June 30, 2009. The complete financial statements and notes are available upon request from MLSC.

\* See page 8 for grant commitments made at the close of FY 2009.



**“There is a need to provide equal access to the system of justice for individuals who seek redress of grievances. There is a need to continue and expand legal assistance to those who would otherwise be unable to afford adequate legal counsel.”**

Preamble,  
Maryland Legal Services  
Corporation Act, 1982

## ABOUT MLSC

The Maryland Legal Services Corporation (MLSC) was established by the Maryland General Assembly in 1982 to raise funds and make grants to nonprofit organizations for the provision of civil legal assistance to low-income persons in Maryland (Maryland Code Human Services, Title 11). MLSC is governed by a nine-person Board of Directors appointed by the Governor of Maryland and confirmed by the Maryland Senate. One of MLSC’s principal funding sources is the Interest on Lawyer Trust Accounts (IOLTA) program, also established by state legislation in 1982 (Maryland Code Business Occupations, §10-303). Other major funding is from surcharges on court filing fees, first enacted by the Maryland General Assembly in 1998 and increased in 2004. There is also a modest annual appropriation from the Maryland Abandoned Property Fund, which was enacted in 1985. The accounts of the Corporation are required to be audited annually (§11-407); in addition, MLSC is subject to audits by Maryland’s Office of Legislative Audits (§11-408). MLSC is also required to publish an annual report describing its activities (§11-207).

## ABOUT IOLTA

Attorneys routinely receive client funds to be held in trust for future use. In the case of amounts that are small or to be held for a short time, attorneys must place these nominal and short-term funds into Interest on Lawyer Trust Accounts (IOLTA). The income generated is used by the Maryland Legal Services Corporation for grants to programs which provide civil legal services to low-income Marylanders.



## MARYLAND LEGAL SERVICES CORPORATION

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15 Charles Plaza  
Baltimore, MD 21201  
410.576.9494  
800.492.1340 Toll Free

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