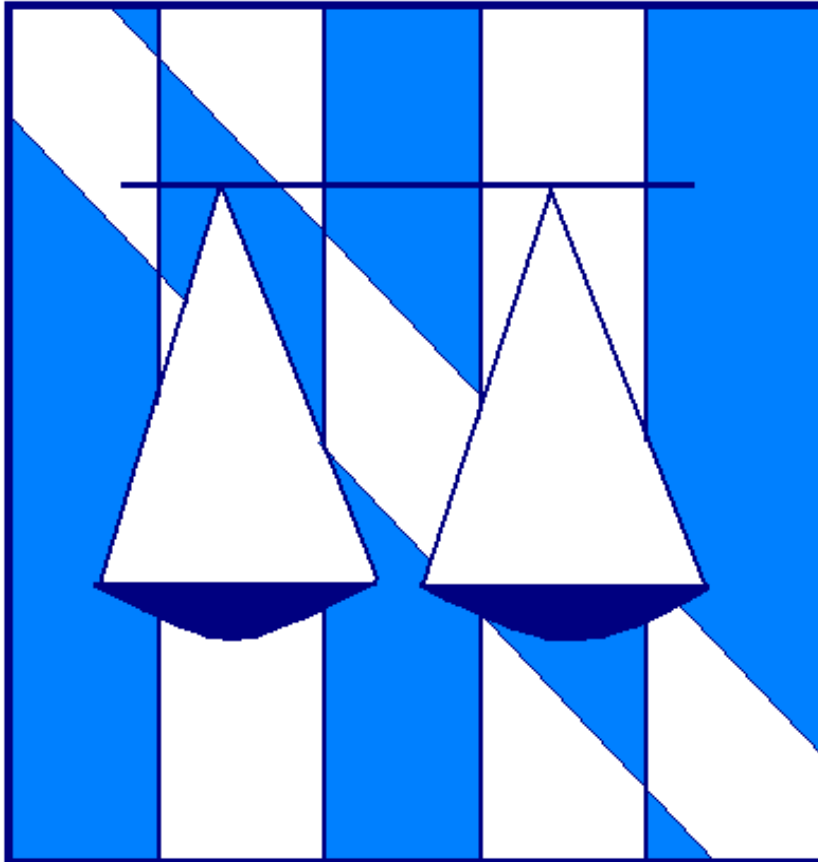


MARYLAND LEGAL SERVICES CORPORATION
FY 2011 GRANT APPLICATION PACKET
(July 1, 2010 - June 30, 2011)



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Overview and General Instructions

A. MLSC and the IOLTA Program

The Maryland Legal Services Corporation and the Interest on Lawyer Trust Accounts (IOLTA) Program were legislatively enacted on July 1, 1982. In 1989, the state's voluntary IOLTA program was converted to a mandatory program, requiring all attorneys to deposit small and short-term client trust funds into interest-bearing IOLTA accounts. The interest on these accounts is sent to the Maryland Legal Services Corporation to fund civil legal services for the poor. MLSC also receives \$500,000 annually from the Maryland Abandoned Property Fund for use in grants for civil legal services to the poor (see Maryland Code § 11-401, and Maryland Code Business Occupations § 10-303), as well as funds from filing fee surcharges imposed on all civil cases in Maryland's district and circuit courts enacted in 1998 and increased in 2004 by the Maryland General Assembly as a funding source for civil legal services (Courts and Judicial Proceedings §§ 7-202 and 7-301).

B. MLSC Grants

To receive funds from the Corporation, an applicant must (1) be an eligible applicant; (2) submit a written proposal within the Corporation's time schedule; (3) respond adequately in the proposal to the Corporation's recommended grant proposal format and requirements; (4) respond adequately to questions about the proposal by telephone or in writing; (5) agree to carry out the program for which the funds were requested and report to the Corporation on progress and results; (6) provide audited financial statements for the period in which MLSC funding is received; and (7) provide an auditor's positive assurance statement of grant compliance and/or allow Corporation auditors access to program and financial records to assess compliance with grant contract terms and conditions.

C. Grant Application Process

A Grants Selection Committee comprised of members of the Board of Directors and staff of the Corporation will review the proposals and will submit recommendations to the full Board for the final decision on grant awards. Disbursement of grant funds are made monthly, with the first payment issued on or about July 15, and the remaining payments issued on or about the fifteenth of each month thereafter.

D. Grantee Eligibility Standards

Criterion 1: An applicant must be a non-profit corporation (501(c)(3)) that, as its exclusive purpose and function, is providing civil legal assistance to significant numbers of financially eligible clients in Maryland at the time of its grant application.

- a. A "financially eligible client" is one whose annual income does not exceed 50 percent of the median family income for the State of Maryland. (A copy of the most recent guidelines can be found on our web site at www.mlsc.org.) This eligibility rule does not preclude a grantee from using the stricter guideline, 125 percent of the poverty level established by the U.S. Department of Labor.

- b. A "financially eligible client group" is a group, organization or association which is primarily composed of persons eligible for legal assistance ((a) above), and which provides information affirming that it has no practical means of obtaining funds to retain private counsel.

Criterion 2: A non-profit corporation that does not meet criterion 1 (regarding exclusive purpose and function) but is a 501(c)(3) corporation that is a new or mixed purpose organization whose services include the provision of civil legal assistance to eligible clients in Maryland is an eligible Applicant providing:

- a. It provides a cash, in-kind, or other tangible "match" of the MLSC grant that is at least equivalent to \$1 of non-MLSC resources to \$2 of MLSC grant funds;
- b. It has community (especially client) support for the operation of its legal assistance program;
- c. Its ongoing or planned services program provides evidence that it will be a stable and enduring provider of legal assistance to the poor.

E. Statutory Funding Criteria

1. Funds for legal assistance provided by the Corporation shall be used exclusively for the provision of legal assistance to eligible clients. The Grantee must maintain records to document determination of client eligibility and obtain affidavits of eligibility from all clients served with MLSC funds. In establishing income levels, the Grantee must take into consideration:
 - a. The size of the client's family;
 - b. Cost of living variations, including the differences between urban and rural areas;
 - c. The assets and income of the client;
 - d. The fixed debts and medical expenses of the client; and
 - e. Other factors relevant to the client's ability to pay for legal services.
2. Grantee must maintain records that indicate the nature of the case in order to determine compliance with § 11-503. Grant funds may not be used:
 - a. To provide legal assistance with respect to any fee-generating case except upon a finding pursuant to MLSC policies that private counsel is not in fact available for a particular client need;
 - b. To provide legal assistance with respect to the defense of any criminal prosecution;

- c. To provide legal assistance in civil actions to persons who have been convicted of a criminal charge where the civil action arises out of alleged acts or failures to act and the action is brought against a law enforcement official for the purpose of challenging the validity of the criminal conviction;
- d. To influence the issuance, amendment or revocation of any executive order or similar promulgation by any federal, state or local agency, or to undertake to influence passage or defeat any legislation by the Congress of the United States, or by any state or local legislative bodies, or state proposals by referendum or by petition;
- e. To contribute to or be made available to any political party or association, or the campaign of any candidate for public or party office;
- f. To provide representation in a class action suit; or
- g. To pay for staffing (including both personnel and non-personnel costs) for legal representation for which the State of Maryland is required to provide funds, and GRANTEE is providing such representation pursuant to a state-awarded contract.

F. Special Funding Conditions

1. Financial and programmatic records must be maintained by the Grantee as required by the Corporation. In order to satisfy this condition, a formal set of books must be maintained which, at a minimum, will provide records of the amount of Corporation grant revenue received, itemized grant expenditures, and accrued expenses. An annual budget must be prepared and used as a management tool to control expenditures. In addition, financial and programmatic reports are required of grantees. The first report ("Mid-Year Report") is due from grantees with the grant application for renewed funding, and a second report ("Final Report") is due from all grantees on September 1 following the end of the fiscal year. The Corporation will consider requests to waive provision of specific informational items upon Applicant 's showing extraordinary cause.

The Corporation shall have access to these records at all reasonable times for the purpose of ensuring compliance with the MLSC grant contract and the terms upon which financial assistance was provided. In addition, the Grantee agrees to reasonably provide MLSC with such other information regarding its activities to provide legal assistance to low income persons in Maryland, regardless of the funding source for such activities, as may assist the Corporation in evaluating the Grantee's and state's legal service delivery system.

2. The records of the Grantee shall be audited annually by an independent certified public accountant, who shall annually provide directly to MLSC a report concerning the financial transactions, financial practices, and a statement of positive assurance as to compliance with the MLSC grant provisions.
3. Any budget revision of more than 10 percent increase or decrease of expenditures of MLSC funds between budget categories approved in the grant that exceeds \$1,000 must be requested in writing and approved by the MLSC Executive Director, or is subject to disallowance. MLSC funds which have not been expended at the end of the grant period shall revert to MLSC, unless a request to retain such funds has been submitted to and approved by the MLSC Board of Directors.

4. All capital additions purchased substantially or entirely with MLSC funds shall revert to MLSC if the grantee does not continue to use such items for the provision of civil legal services to Maryland's poor.

G. How to Apply for MLSC Funding

Step One: Fill Out the Grant Application Forms.

- Refer to section H, "Grant Application Forms–General Instructions" in filling out your grant application.
- The grant application forms are available in Microsoft Word for download from our website, www.mlsc.org/grant.app.htm. You may also request the forms via email to tdevonshire@mlsc.org or CD-ROM by mail (address below) or fax (410-385-1831).

Step Two: Assemble the Following Additional Enclosures:

- Attachment A: Statement of Grant Assurances
- Current Client Financial Eligibility Guidelines
- Description of your organization's non-discrimination policy
- Description of your organization's professional liability coverage
- Internal financial control policy
- Proof of tax-exempt, non-profit status
- Board of Directors list
- ADA Compliance Plan
- Current Financial Audit Report

Note: If your organization has previously submitted any of the above items to MLSC and it is still in full force and effect, you do not need to submit it with this application.

Step Three: Deliver the Forms and Enclosures to MLSC.

- Enclose a clean, signed original and four (4) copies of the completed application and send an electronic copy via email to tdevonshire@mlsc.org or on CD-ROM.
- Refer to the cover letter accompanying this forms packet or consult MLSC regarding deadlines for filing your application.
- Allow sufficient time for delivery by those deadlines. *No fax or email copies of the application will be considered submission of your application for funding. MLSC must receive the completed hard-copy application as well as the electronic version.*

Send to:

**The Maryland Legal Services Corporation
Charles Towers
15 Charles Plaza, Suite 102
Baltimore MD 21201**

H. Grant Application Forms – General Instructions

The MLSC Grant Application is designed to provide a comprehensive picture of an entire legal services program or project, with particular attention on the role played by the proposed MLSC funding. The grant application format is designed to cover the following kinds of organizations, which together comprise the full range of MLSC recipients:

- General-purpose legal services programs;
- Special-purpose legal services programs, such as those focusing on housing issues or serving victims of domestic violence;
- Multi-purpose organizations having a legal services component, such as a law school that has a program for representing persons with disabilities;
- Legal services support centers that provide training and backup services to other organizations involved in direct legal representation.

With respect to each of these organizations, MLSC is primarily interested in those services and activities that are related to *delivery of civil legal services to low-income people*. We define "legal services" broadly to include:

- **Direct representation by lawyers and paralegals** (staff, pro bono or reduced-fee);
- **Law-related activities designed to broadly serve low income people**, such as community education programs designed to inform people of their legal rights regarding a particular issue, or training in the low income community on how to handle simple matters *pro se* in Small Claims Court.
- **Activities required to support those direct services** - for example, legal work supervision, secretarial and clerical support, training, research, program administration and development, and other activities necessary to ensure the delivery of quality legal services.

Most questions in the grant application will ask you to describe *overall* activities of your legal services program or project serving low-income Marylanders, not just the *purposes* for which the MLSC funds themselves will be applied. For example, if you are applying for funds to support two staff persons for a domestic violence legal services project, you should address your responses to the entire legal project, not just the activities of the two people that were paid with MLSC dollars. This approach provides an opportunity for you to describe your legal services program in its broader context instead of focusing solely on the MLSC grant in isolation from the larger legal services program or project it is designed to support.

Applications from Multi-Service Organizations. Some MLSC recipients operate non-legal services programs in addition to their MLSC-funded projects. For example, a community organization that provides a range of health and human services might apply for an MLSC grant to support a legal services project for victims of AIDS. If such is the case, the entity to be described in your grant application would be the **legal services project** for AIDS victims. You would **not** provide detailed information on, nor include in your proposed budget, such non-legal services as nutrition counseling or medical services. You would, however, cover activities that

directly *support* your legal services project, such as outreach or community education about the legal rights of AIDS victims. And, as stated previously, you would report on the *legal services project serving low-income Marylanders* as a whole, not just the activities paid for with MLSC dollars.

Your Grant Application Is Organized in Four Parts.

- **Part I (Applicant Organization Description)** describes your present organization and the legal services program(s) it currently operates in Maryland. *All applicants must complete this part in FULL.*

Note: Current MLSC grantees reapplying for funding may cut and paste responses to Sections A and B of Part 1 (i.e. “Overview of Organization” and “Description of Legal Services Program”) from the prior year application and highlight changes, if any. However, these sections must be fully completed.

- **Part II (Grant Proposal)** describes the legal services program or project you wish to undertake in the future with the help of MLSC funding. This could be a continuation of an MLSC-funded program for which you seek re-funding or it could be a new program or project. *All applicants must complete this part.*
- **Part III (Mid-Year Report for Current MLSC Grantees)** is for current MLSC grantees only. It provides a status report on the first six months of your MLSC-funded program or project.
- **Part IV (Supplement for New Applicants)** is for organizations that operated legal services programs or projects during the past year but did not receive MLSC funding for them. It provides MLSC with an overview of the accomplishments and services of that legal services program. *Only new applicants should submit Part IV.*

We strongly suggest that all new grant seekers contact MLSC staff to discuss their program and intended proposal prior to beginning work on the grant application.

Completion of Data Tables

Program data, including all case statistics, staff, volunteer and financial data with built-in formulas for computing totals, should be entered into the tables throughout the application. Although the tables act like Excel worksheets (and you must have a copy of Excel installed on your computer), you will be entering the data directly in Word. In the Word document, **DOUBLE CLICK** on a table to **OPEN** it as an Excel worksheet and enter the data. When finished, place the **CURSOR IN THE UPPER LEFT CELL** to reset the table (to print properly) and then **CLICK OUTSIDE OF THE TABLE** to return to the Word document.

I. Grant Application Evaluation Criteria

The grant application must address one or both of the following goals:

- Goal 1:** To restore legal services reduced as a result of federal and state cutbacks in funding for legal assistance for the poor.

Goal 2: To expand the provision of legal services to indigent clients who traditionally have been unable to obtain legal assistance.

Additionally, all grant proposals will be evaluated by the following criteria:

Criterion 1: The ability of the Applicant to provide equal access to legal services throughout the State of Maryland.

Criterion 2: The ability of the Applicant to maximize the number of potentially eligible clients who will be benefited by legal services work.

Criterion 3: The ability of the Applicant to match Corporation grants, to the extent practicable, with cash, in-kind, and other contributions from funding sources other than the Corporation.

Criterion 4: The ability of the Applicant to meet the requirement that funds made available to grantees by the Corporation for a specific purpose not replace funds provided for that purpose by another funding source.

Criterion 5: The ability of the Applicant to preserve the professional independence of attorneys. The MLSC Act § 11-102(6) specifically directs that:

"Attorneys providing legal assistance must have full freedom to protect the best interests of their clients in keeping with the Maryland Rules of Professional Conduct and the high standards of the legal profession."

Criterion 6: The ability of the Applicant to maintain, and if possible to increase, the degree of cooperation and focused responsibility that now exists among the major providers of legal services to the poor in Maryland.

Criterion 7: The ability of the Applicant to meet the requirement that Corporation funds are to be used efficiently for the provision of high quality legal services.

Contact :

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