



NORTH CAROLINA
IOLTA

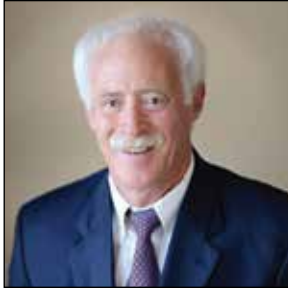
Celebrating Justice



2019 Annual Report



Celebrating the Accomplishments of 2019



Kerry Friedman



Mary L. Irvine

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*Term ended August 2019

Dear Friends of IOLTA,

At the time of publication, we are in the midst of an unprecedented pandemic that is impacting our daily lives in ways that would have been difficult to imagine a few short months ago. Whereas all of us are negatively affected in some way, low-income people are more likely to be exposed to the virus and to die from it. The economic effects, particularly on poor communities, have been devastating and are likely to continue.

NC IOLTA's grantees are the legal aid providers across our state who work tirelessly to address the civil legal needs of our most vulnerable citizens. Their work is critical to the security and prosperity of our communities. The challenges presented by the pandemic further expose—and heighten—the barriers to justice that already existed. In the face of this glaring gap in access to justice, advocates are finding new and creative ways to protect the rights of marginalized people. NC IOLTA is proud to stand with them.

Despite the current crisis, we have reason to celebrate as we reflect on the success we achieved in 2019. Income from participant IOLTA accounts topped \$5.2 million, making 2019 the best year of IOLTA revenue in our history. This increase was the result of improved economic conditions, as well as efforts over the past two years to secure higher interest rates from participating financial institutions.

Other highlights from 2019 include:

- **NC IOLTA grantees served more people in need.** Our grantees served nearly 56,000 clients in 2019, a 10% increase over 2018. While grantees are forced to turn away many eligible individuals due to lack of resources, more people who otherwise could not afford an attorney navigated their civil legal problems with the support of an advocate.
- **We added \$1.25 million to IOLTA's grantmaking reserve.** With increased funds available, the NC IOLTA Board prioritized a significant contribution to the grantmaking reserve fund, which allows NC IOLTA to stabilize grant funding in years when income declines.
- **NC IOLTA awarded 2020 strategic support grants.** In a year of increased funds availability, we offered a new grant cycle. Strategic support funding will allow grantee organizations to make technology and infrastructure investments and pursue training and equity initiatives internally.

Please join us in celebrating and appreciating the contributions, including your own, which help make access to justice a reality in North Carolina.

Kerry Friedman
Chair, Board of Trustees

Mary L. Irvine
Executive Director

NC IOLTA's grantees are the legal aid providers across North Carolina who work tirelessly to address the needs of our most vulnerable citizens, and their work is critical.

Giving Overview

In 2019, NC IOLTA distributed \$1,888,500 in grants through the regular IOLTA grant cycle.

\$1,471,000 to fund civil legal aid for low-income individuals

\$305,000 to volunteer lawyer programs that engage private attorneys to provide pro bono legal services

\$112,500 to advance administration of justice efforts in North Carolina



Other Funding Cycles

NC IOLTA continued to distribute funds this year which were received in 2015 and 2016 as part of a settlement between Bank of America and the Department of Justice. In 2019, \$1,461,715 was distributed for community economic redevelopment and \$998,000 for foreclosure prevention. In 2018–2019, \$226,500 was distributed to support legal assistance for hurricane victims.

Administration of State Funding

In addition to grants awarded in 2019, NC IOLTA continues to administer state funding for legal services on behalf of the State Bar as authorized by the NC General Assembly. In 2019, IOLTA administered \$1,070,371 for domestic violence legal services and \$50,000 for legal services for veterans.

Impact Overview

2019 Legal Services

55,823 Clients served

102,983 Household members impacted

10,562 Seniors served

2,428 Children served

2,610 Veterans served

Pro Bono Engagement

2,545 Pro bono attorneys volunteered with grantee organizations

24,445 Total pro bono attorney hours recorded by grantee volunteers

Disaster Legal Services

1,499 Clients served from 2018–2019

2,849 Household members impacted

Community Redevelopment Legal Services

100,013 Individuals benefited from 2016–2019

7,222 Small business clients benefited

272 Nonprofits benefited

350 Workshops or clinics hosted for
13,851 attendees

2019 Grantees

Charlotte Center for Legal Advocacy

- **\$75,000** to support civil legal aid in Mecklenburg and surrounding counties
- **\$30,000** to support pro bono legal services in Mecklenburg County
- **\$86,000** to provide foreclosure prevention legal assistance
- **\$173,432** to support community redevelopment legal assistance

Children's Law Center of Central North Carolina

- **\$25,000** to support child advocacy in high-conflict custody disputes in Guilford and Forsyth Counties

Council for Children's Rights, Inc.

- **\$40,000** to support child advocacy in high-conflict custody disputes in Mecklenburg County

Disability Rights North Carolina

- **\$50,000** to address educational services for at-risk juveniles with disabilities in North Carolina schools

Financial Protection Law Center

- **\$100,000** to provide foreclosure prevention legal assistance
- **\$237,500** to support community redevelopment legal assistance

Land Loss Prevention Project

- **\$20,000** to preserve land rights for minority and indigent individuals and address issues of environmental concern in North Carolina
- **\$88,000** to provide foreclosure prevention legal assistance
- **\$187,500** to support community redevelopment legal assistance

Legal Aid of North Carolina

- **\$800,000** to support statewide civil legal aid
- **\$225,000** to support pro bono lawyer engagement across the state

- **\$530,000** to provide foreclosure prevention legal assistance
- **\$142,500** to support community redevelopment legal assistance

Mediation Network of North Carolina

- **\$35,000** to support mediation centers and coordination of efforts across the state

North Carolina Center on Actual Innocence

- **\$25,000** to support advocacy of credible innocence claims across the state

North Carolina Legal Education Assistance Foundation

- **\$52,500** to assist public interest attorneys across the state with loan repayment obligations

North Carolina Justice Center

- **\$375,000** to support statewide impact litigation efforts and legal services to immigrants
- **\$114,000** to provide foreclosure prevention legal assistance
- **\$387,500** to support community redevelopment legal assistance

North Carolina Prisoner Legal Services

- **\$40,000** to protect the rights of jail inmates to safe and humane conditions

Pisgah Legal Services

- **\$46,000** to support civil legal aid in Western NC
- **\$50,000** to support pro bono legal services in Western NC
- **\$80,000** to provide foreclosure prevention legal assistance
- **\$333,283** to support community redevelopment legal assistance

Celebrating Our Grantees

Pisgah Legal Services

Justice should be available to all, not only those who are able to afford it. One of NC IOLTA's grantees, Pisgah Legal Services (PLS), works to make justice a reality each and every day for communities across Western North Carolina. Since 1978, PLS has provided life-changing legal aid to help low-income people meet their basic needs and improve their lives.

In 2019, advocates working with PLS achieved more than 13,800 positive case outcomes in closed cases. For one client, PLS services provided stability at a moment of crisis. "Before I met Thomas [a PLS attorney], I was wondering what bridge underpass I was going to live under," says Stephen. Read his story at right.

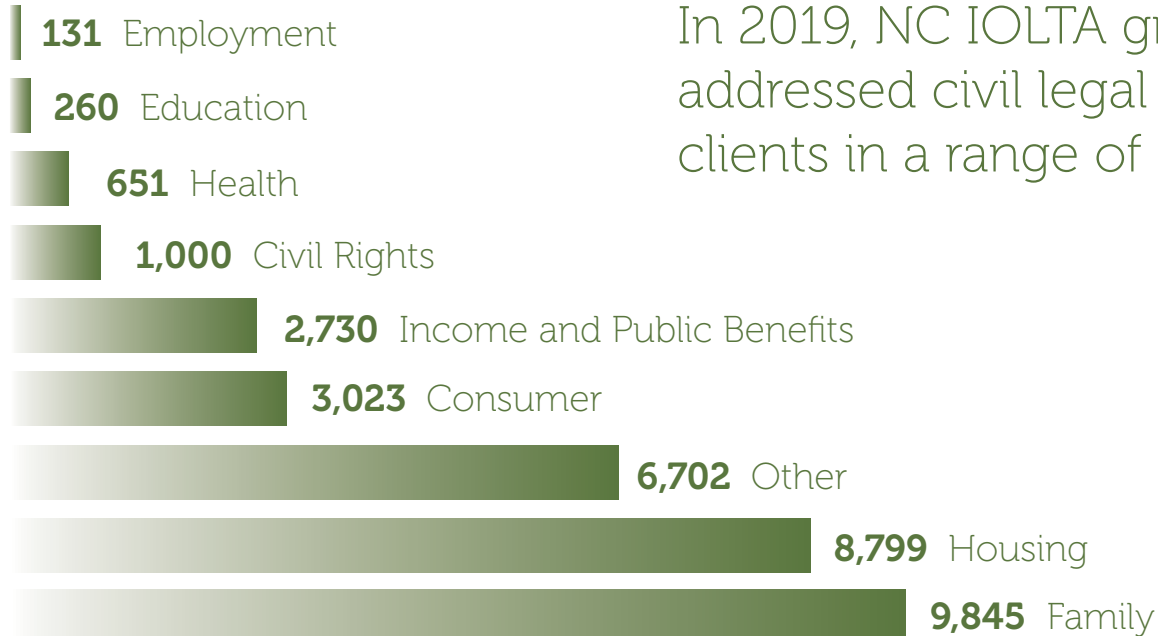
Thanks to Pisgah Legal Services, a father & son remain in their home.

When Stephen and his wife separated, he became the sole caregiver of his son, Devin, who has special needs. Unable to leave Devin alone at night, Stephen changed jobs, earning less than half his previous salary. He fell behind on his mobile home's mortgage and lot rental and received an eviction notice.



Scared and alone, Stephen made his way to the courthouse. There he met Pisgah Legal Services' attorney Thomas Lodwick just outside eviction court. Thomas and Stephen negotiated with the landlord and mortgage company to stop the eviction. Together, they also reached out to community groups that helped Stephen catch up financially.

The father and son remain in their home and Stephen found a better job working at Devin's school. Stephen says, "I prayed for a miracle. Sometimes God brings a stranger into your life to help you."



In 2019, NC IOLTA grantees addressed civil legal issues for clients in a range of areas.

Total cases closed: 33,141

Celebrating our Banking Partners

North Carolina lawyers must hold their IOLTA accounts at eligible banks that have agreed to pay NC IOLTA the highest rate available to the bank's other customers where the IOLTA account meets the same eligibility standards. More than 80 banks are eligible to hold IOLTA accounts in North Carolina. For a list of all eligible banks in North Carolina, visit www.nciolta.org.

Where You Bank Matters

In 2019, banks paid rates on IOLTA accounts ranging from 0.009% to 1.73%. While many banks waive fees that may be charged against the IOLTA interest, some do not.

As you consider where to hold your IOLTA account, know that where you bank matters. Banking with one of NC IOLTA's Prime Partners that pays a superior interest rate and waives fees could provide 75 times more in revenue for access to justice. Choosing a Prime Partner Bank for your IOLTA account is an easy way to support NC IOLTA.

Prime Partners

NC IOLTA celebrates those financial institutions that go above and beyond the IOLTA eligibility requirements in their commitment to improving access to justice in their communities. Prime Partners are banks that exceed minimal compliance with the eligibility requirements of Rule .1317 to support the NC IOLTA program. Contact one of the Prime Partners to ensure your IOLTA account works harder to provide low-income North Carolinians with access to critically needed civil legal aid.

Thank you to our Prime Partners for your continued support:

BANK OF OAK RIDGE

CAROLINA STATE BANK

PREMIER FEDERAL CREDIT UNION

PROVIDENCE BANK

ROXBORO SAVINGS BANK

UNION BANK

US BANK

WELLS FARGO

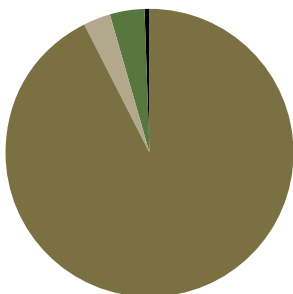
CONGRESSIONAL BANK

(settlement agent accounts only)

List current as of May 31, 2020.

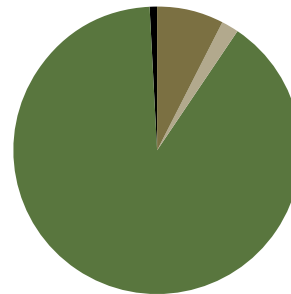
2019 Financial Information

Income



■ IOLTA Accounts	\$5,231,244
■ Interest on Investments	\$166,127
■ Cy Pres	\$232,530
■ Other	\$18,000
Total Income:	\$5,647,901

Expenses



■ Personnel	\$286,531
■ Non-Personnel	\$75,523
■ 2020 Grant Awards	\$3,398,647
■ 2019 Matching Grant	\$24,000
Total Expenses:	\$3,784,701

The financial information provided is a condensed version of NC IOLTA's audited financials for the year ending December 31, 2019. Contact the IOLTA office for additional financial information.

Celebrating Our Impact

2019 IOLTA income totaling **\$5.6 million**

Funded **30 grants**

To provide legal services to more than **55,000 clients**

Throughout all **100 NC counties**

**We celebrate your support
to provide access to justice
for all North Carolinians.**



The stories behind the grantee-provided photos in this report:

Cover, left vertical: Essence Henderson, Clifton Everett Fellow in Legal Aid of North Carolina's Greenville office, was sworn in by Judge Daniel Entzminger of the Pitt County District Court. The Everett Fellow program, funded by NC IOLTA, places recent law graduates in rural areas.

Cover, right top: Charlotte Center for Legal Advocacy client Bernard worked with pro bono attorney Chad Crockford to apply for an expunction. 20% of NC residents have a criminal record, limiting their access to employment, housing, and other opportunities.

Cover, right bottom: Exonerees Dwayne Dail (left), Greg Taylor (right), and Willie Grimes (center) celebrate with NC Center on Actual Innocence Executive Director Christine Mumma. Since 2000, the Center has represented nine clients to exoneration and contributed to 18 other exonerations.

p. 3, right top: Olivia* feared death at the hands of her estranged husband, who abused her and her children for 14 years. With the support of Pisgah Legal Services, she obtained a restraining order, divorce, and custody of her children.

* To protect the client's confidentiality, her name has been changed and a stock photo used.

p. 3, right bottom: Mark Carver, client of the NC Center on Actual Innocence, was released in June 2019 after his 2011 conviction for the murder of Ira Yarmolenko was vacated. The Center began an investigation of Mark's case in 2013.

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NORTH CAROLINA
IOLTA

North Carolina Interest on Lawyers'
Trust Accounts (NC IOLTA)

A program of the
North Carolina State Bar

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Black-Eyed Susans represent justice and are native to North Carolina.