



NORTH CAROLINA IOLTA

2021-2025 NC IOLTA Strategic Plan

- I. Introduction
- II. Vision, Mission, and Values
- III. Description of Strategic Planning Process
- IV. Summary of Community Feedback
- V. Summary of Goals
- VI. Objectives to Achieve Goals

Attachment: List of Persons Interviewed

NORTH CAROLINA IOLTA GOALS AND OBJECTIVES FOR 2021 – 2025

Adopted by the North Carolina IOLTA Board of Trustees, June 23, 2021

I. INTRODUCTION

The Preamble of the North Carolina Rules of Professional Conduct calls on all lawyers to devote professional time and resources to the improvement of the law, access to the legal system, and the administration of justice. It is this professional obligation of all lawyers which was central to the creation of the North Carolina Interest on Lawyers' Trust Accounts (NC IOLTA) program in 1983 by the North Carolina State Bar with approval of the North Carolina Supreme Court. This duty remains central to the program's mission and operation today.

The vision and roadmap that follows for NC IOLTA's work in the coming years remains consistent with IOLTA's history and origin while clarifying opportunities for future growth and leadership. The document includes the proposed foundational statements including mission, vision, and values; a description of the planning process; analysis of stakeholder feedback; and the strategic plan.

II. VISION, MISSION, AND VALUES

VISION

A North Carolina where all people can effectively meet their legal needs.

MISSION STATEMENT

To improve the lives of North Carolinians by strengthening the justice system as a leader, partner, and funder.

VALUES

Integrity. Our organizational policies and practices – including financial management, grantmaking, community leadership, and decision making – engender trust from stakeholders.

Stewardship. We ensure funds received from any and all sources are used effectively and efficiently to make improvements in the quality of justice, with a focus on civil justice. This includes optimizing investments in grantmaking, maintenance of reserves, and fiscally responsible budgeting.

Equity. We apply an equity lens to all our work. We pursue equity through an inclusive process with diverse voices with a view to ensuring that investments support access to legal services for all persons and communities regardless of race, color, ethnic identity, national origin, sexual orientation, geography, age, gender identity, gender, disability, immigration status, lack of income or wealth, or religious beliefs.

Leadership. As a funder, we have a unique role within the civil justice community and the Bar to work towards improvement of the justice system. We lead by example, using our voice and knowledge where appropriate to educate and add value to the justice community and other conversations about needs and the issues impacting underserved communities.

Partnership. We bring the justice community together: we recognize that the whole is greater than the sum of its parts, and the community is stronger working collaboratively with each other to utilize individual and collective strengths, appreciate diverse perspectives, and jointly problem solve. We seek to deepen our partnerships not only with legal aid organizations and statewide justice partners, but also financial institutions, foundation funders, law schools, the private bar, and corporations.

III. DESCRIPTION OF STRATEGIC PLANNING PROCESS

In late 2020, the NC IOLTA Board determined to engage in strategic planning to review and refine its mission, vision, and values; to provide a clear written strategic planning roadmap; and create an implementation and evaluation plan to guide NC IOLTA's work over the next few years. NC IOLTA selected Stephanie Choy and Lonnie Powers ("Consultants") to facilitate the planning process.

The Planning Committee, composed of the Executive Committee and Mary Irvine, approved the proposed methodology for the planning process and engaged in a full and frank discussion of the issues facing NC IOLTA in early February. The executive committee engaged in a preliminary analysis of NC IOLTA's strengths, weaknesses, opportunities, and threats, reviewed the proposed list of stakeholders to be interviewed, and outlined the next steps in the process. In total, Consultants interviewed 27 stakeholders through a series of 19 interviews, including executive leadership of the North Carolina State Bar, members of the broader justice community, NC IOLTA Board members, judges, leaders of civil legal aid providers, law school faculty and staff, private foundation funders, Access to Justice Commission leaders, and NC IOLTA staff. Many of those interviewed hold multiple roles within the justice community. A list of persons interviewed and their primary affiliation is in Attachment 1.

The full Board met with Consultants in March to review preliminary findings and direct the ongoing investigation and planning. Based on the information obtained from the interviews, reviews of the strategic plans of partner entities, the IOLTA Rule, articles, and documents including the recently completed Legal Needs Assessment and in consultation with the NC IOLTA Executive Director, the Consultants reported their findings, and prepared a draft Strategic Plan for review by and discussion with the NC IOLTA Board on the 22nd of April. The Board analyzed the draft report and engaged in introspection to identify NC IOLTA's core vision, mission, and values.

The tentative Plan was revised to reflect information from additional interviews and the views of the Board. A final draft Plan was presented to and discussed with the Board on the 19 of May. Subject to further consideration of the values statements, the Board approved the discussion draft to be distributed to all interested stakeholders for review and comments. Comments were provided both in advance and at a virtual public forum facilitated by the Consultants on June 15. Following the forum, which was attended by 29 stakeholders including representatives of the NC State Bar, private foundations, the NC Bar Association, legal aid grantees, and the IOLTA Board and staff, the Executive Director and Consultants prepared a final draft of the plan and an Implementation Plan with detailed action steps, priorities, and key performance indicators. The Board met on June 23 to review, discuss, amend, and approve the Strategic Plan. The Executive Committee will oversee the execution of the Plan.

IV. SUMMARY OF COMMUNITY FEEDBACK

Interviews with IOLTA staff and members of the legal aid community, as reinforced through the series of meetings with members of the Board, provided insights into both the strengths and weaknesses of the current IOLTA program as well as the opportunities and threats in the environment in which IOLTA operates in North Carolina. While the diversity of persons interviewed understandably resulted in some divergent views, there nonetheless were a number of themes that were repeated. To the extent that those consistent statements of either strengths or weaknesses, opportunities, or threats, led to goals or action steps, they are included below.

Strengths, Weaknesses, Opportunities and Threats

- Staff is mission -driven, knowledgeable, politically savvy and collaborative
- Board is strong, well-respected and influential
- IOLTA participates effectively in the justice community, as a leader and partner in collaborative efforts
- IOLTA is a responsible and responsive grantmaker that provides monetary, technical and other critical support

Strengths

- Revenue is limited in amount and diversity
- Staff is small and has limited capacity to take advantage of opportunities
- Board is small and meets infrequently, impacting opportunities for engagement
- Stable grantmaking means new organizations or emerging needs may not be funded
- Need better communication

Weaknesses

Opportunities

- COVID highlights the tremendous need for legal aid and drives a receptivity to change
- Community introspection has created a roadmap for change – e.g., the Legal Needs Assessment
- Strong partners are eager to help fill the justice gap, including law schools and private foundations
- Changes in external leadership opens the way for change

Threats

- Economy puts IOLTA interest rates at risk
- North Carolina political environment is not consistently supportive of legal aid or lawyers generally
- Justice community is not fully cohesive
- Communication efforts are siloed
- Changes in external leadership threatens loss of historical knowledge and leadership
- Legal challenges to mandatory bars are ongoing

1. IOLTA’s Role as a Grantmaker

A pervasive theme was how effective and trusted IOLTA is as a grant maker. Not only is staff recognized for being extremely committed and capable, but the staff’s partnership relationship with IOLTA’s grantees maximizes grant effectiveness. While board and other community members all expressed this, it was most heavily emphasized by grantees who indicated that the IOLTA program is smart in its funding priorities, such as in creating a reserve fund even though the idea was originally not well-received by all grantees, and creating grants to enhance remote technology, which was exceedingly valuable when COVID unexpectedly resulted in shelter in place orders. IOLTA staff also regularly attend legal aid organization board meetings and provide technical assistance and support to new Executive Directors, consistently working as a close ally of legal aid programs. This role is critical and should be expanded. A loosening of current grant parameters could provide even greater flexibility and allow for responding to particular needs or circumstances. One comment, that any organization that has 360-degree support from all constituencies, should ask itself whether it is “playing it too safe?” was voiced by others in milder terms, with some raising questions about whether IOLTA should consider allocating more funding for disenfranchised, unpopular constituencies, and be more explicit about the availability

of grants to new grantees. This goal includes action steps to re-evaluate current grant priorities, fund new grants to address gaps in services, and to create a clear process through which out of cycle grants may be proposed.

Goal 1: Be a responsive and responsible grantmaker that engages in effective stewardship of funds to advance its mission.

2. IOLTA's Role in Increasing Funding

Some stakeholders expressed concern about IOLTA relying on income from lawyers' trust accounts as the primary source of funding. Not only is IOLTA itself sometimes threatened, even at its operational best, its income is subject to vicissitudes in the market. After the recession in 2008, the Federal Funds Target Rate remained at 0-.25 until 2015, and the current low rates may remain in place for an extended period. In addition to support for continuing the campaign to increase funding from banks and to educate lawyers, there was a consensus that IOLTA (and others) should seek additional sources of funding for legal aid.

Goal 2: Solidify, increase, and diversify NC IOLTA funding.

3. IOLTA's Role in Communications

Increased communication was a universal theme, although it surfaced variously depending on the relationship between the interviewee and the IOLTA program. For those connected to the Bar or Board, communications primarily meant reviving the campaign to increase IOLTA yield through a leadership bank program, and to educate lawyers on the importance of their IOLTA accounts. The broader justice community was no less focused on the need to engage in concerted communications efforts but urged IOLTA to mount a communications campaign to support advocacy and fundraising. Many urged efforts to personalize legal aid by communicating the importance of legal aid to all persons, regardless of politics. From the grantee perspective, increased communication also included more transparency with respect to how grant decisions are made and how new grantees can access funding. From a staff perspective, increased communication also included a better understanding of how their roles fit into the big picture.

Goal 3: Heighten communications about the benefits produced by IOLTA and the need for increased civil legal aid.

4. IOLTA's Leadership Role in the Justice Community

While the volunteer Board had a generalized knowledge of IOLTA's actual contributions to the justice community, staff of the Access to Justice Commission, the Bar Foundation, and members of the Equal Justice Alliance in particular spoke compellingly about IOLTA's, and particularly its Executive Director's, critical role in unifying the participants around collaborative projects. Grantees note that IOLTA was instrumental in bringing the Equal Justice Alliance to where it is now, which was transformative in advancing the delivery of legal services. Many spoke of a community united in its goal of increasing access to justice but still fractured from the forced mergers resulting from the state planning efforts. Much of IOLTA's success has been through the efforts of its Executive Director who, as did the former Executive Director, plays a "behind the scenes" role. The leadership role of IOLTA's Board and staff should be institutionalized to make sure that it does not depend on the individual commitment of its Director. That consistent theme ran through many of the interviews. That theme was echoed in the almost universal agreement that leadership of the justice community in North Carolina is diffuse and informal, without clear delineation of responsibilities. While the flexible structure has grown and been effective, any leadership model this informal necessarily is dependent on the commitment of the various leaders and their agreement to continue to pursue common goals.

While there may be strength in that common understanding, there may also be more fragility and less accountability. Interviewees stated that IOLTA should recognize that as the sole statewide funder it should formally acknowledge and embrace participation in that core leadership and use its funding to provide cohesion and unity within the community.

Goal 4: Embrace IOLTA's leadership role in the justice community.

5. IOLTA's Role in Supporting Sustainability and Addressing New Issues

While many envisioned an IOLTA that strove to accomplish the goals outlined above, no one thought that IOLTA could achieve those goals without increased financial and staff resources. An informal review of other IOLTA programs nationally, including those similarly situated with respect to the dollars distributed, indicates that the NC IOLTA grant portfolio justifies an increased budget to fund additional staff resources. This should be explored further. Additionally, other enhancements to leverage staff and board capacity should be considered in order to increase the ability of staff to absorb new initiatives.

Goal 5: Build organizational capacity to pursue identified priorities, support sustainability, and address new issues as they arise.

V. SUMMARY OF GOALS

The following is a set of overarching goals, which are informed by our vision and mission, to guide our work over the next several years.

Goal 1: Be a responsive and responsible grantmaker that engages in effective stewardship of funds to advance its mission.

Goal 2: Solidify, increase, and diversify NC IOLTA funding.

Goal 3: Heighten communications about the benefits produced by IOLTA and need for increased civil legal aid.

Goal 4: Embrace IOLTA's leadership role in the justice community.

Goal 5: Build organizational capacity to pursue identified priorities, support sustainability, and address new issues as they arise.

VI. OBJECTIVES TO ACHIEVE GOALS

Goal 1: Be a responsive and responsible grantmaker that engages in effective stewardship of funds to advance its mission.

Objectives:

- 1) Continue stable support to grantees with financial, technical, intellectual, and other resources.
- 2) Consider ways in which IOLTA can use grants to foster leadership, collaboration, and improvement.

- 3) In addition to stable annual grants, IOLTA should formalize policies and procedures to facilitate making grants as dictated by opportunity or unusual urgency.
- 4) With formal input from the justice community, evaluate grant priorities. Evaluation of grant priorities will include a review of:
 - the findings of the Legal Needs Assessment;
 - the use and effectiveness of grantmaking to address disparities in access by historically underserved communities to support access to legal services for all communities regardless of race, color, ethnic identity, national origin, sexual orientation, geography, age, gender identity, gender, disability, immigration status, lack of income or wealth, or religious beliefs;
 - the use and effectiveness of relatively unrestricted vs. project-based funding; and
 - the prohibition against activities to influence government or administrative bodies.
- 5) Strengthen partnerships within the civil justice community to leverage funds and facilitate knowledgeable, responsive grantmaking.
- 6) Explore ways to communicate about grants, including increased transparency regarding grant priorities, processes, amounts, and how IOLTA-funded grants fit into an overall strategy.

Goal 2: Solidify, increase, and diversify NC IOLTA funding sources.

Objectives:

- 1) Develop a vision for funding – as to source, amount, and use.
- 2) Convene grantees and other stakeholders to discuss results of North Carolina’s recent Legal Needs Assessment and potential considerations for expanding statewide funding for legal aid including IOLTA funding.
- 3) Encourage and support Bar and other entities’ efforts to increase funds for legal aid through communications, advocacy, or by creating new revenue sources.
- 4) Educate the bar and banks about the uses of IOLTA funds to increase support and revenues.
- 5) Prioritize funding goals, and with respect to each, identify resources, and develop a plan to accomplish the goal, including identifying any challenges to implementation.

Goal 3: Heighten communications about the benefits produced by IOLTA and need for increased civil legal aid.

Objectives:

- 1) In collaboration with other statewide and national efforts, IOLTA should plan and conduct a Communications Campaign designed to reach all potential funders.
- 2) IOLTA Board members should use their connections to build understanding among key stakeholders about the benefits of civil legal aid and personalize the discussion. Board members should also act as ambassadors for IOLTA and civil legal aid in their fields or geographic regions.
- 3) IOLTA should expand its use of grant outcome data and stories to educate about the importance of legal aid.

Goal 4: Embrace our leadership role in the justice community.

Objectives:

- 1) Using its knowledge as a funder, IOLTA should continue to build on its partnerships with the Equal Access to Justice Commission, the NC Bar Foundation, and the Equal Justice Alliance to create cohesion in the access to justice community.
- 2) Participate in the justice community to ensure that money entrusted to IOLTA is put to its highest and best use.
- 3) Invest in our ability to partner in, convene, evaluate, and lead access to justice efforts.
- 4) Continue to provide leadership to the justice community by employing a combination of strategies to expand and improve legal services and support a more coordinated and less siloed justice community, including by convening grantees around shared concerns, for example, succession planning or increasing diversity and inclusion.
- 5) Acknowledge and institutionalize IOLTA's commitment to addressing issues affecting the entire justice community by formalizing IOLTA's convening/leadership role.

Goal 5: Build organizational capacity to pursue identified priorities, support sustainability, and address new issues as they arise.

Objectives:

- 1) Consider the need for additional staff and resources to accomplish identified priorities and adjust budget as appropriate.
- 2) Build and maintain a more diverse, inclusive workplace and Board that reflects the community's diversity.
- 3) Develop specific succession plans for consideration by the Board for both planned and unplanned transitions of staff.
- 4) Consider how consultants and/or temporary staff might fill identified needs, for example to support increased communication, increasing IOLTA revenue, and succession planning.
- 5) As IOLTA seeks to increase its capacity to take on new projects, it should assess how staff is currently utilized and rewarded.
- 6) Explore whether IOLTA can benefit from State Bar resources, such as by utilizing communications or website staff expertise.

Attachment 1: List of Persons Interviewed

Madison Allen, Senior Program Officer, Kate B. Reynolds Charitable Trust
Jim Barrett, Executive Director, Pisgah Legal Services; Chair, Equal Justice Alliance
Shelby Benton, Benton Family Law; IOLTA Trustee
Peter Bolac, Assistant Director, North Carolina State Bar
Anita Brown-Graham, UNC School of Government; IOLTA Trustee
Barbara Christy, Schell Bray; President, NC State Bar
Heather Culp, Essex Richards; IOLTA Trustee
Judge Richard Dietz, NC Court of Appeals; Commissioner, NC Equal Access to Justice Commission
Justice Anita Earls, NC Supreme Court
Niya Fonville, Director of Internships, Campbell University School of Law
Rick Glazier, Executive Director, North Carolina Justice Center
James Gore, Program Officer, Z. Smith Reynolds Foundation
George Hausen, Executive Director, Legal Aid of North Carolina
Mark Holt, Holt Sherlin, President, North Carolina Bar Association
Savi Horne, Executive Director, Land Loss Prevention Project
Jennifer Lechner, Executive Director, NC Equal Access to Justice Commission
Virginia Knowlton Marcus, Executive Director, Disability Rights North Carolina
Judge Linda McGee, Former Chief Judge, NC Court of Appeals
TeAndra Miller, Manager, Legal Aid of North Carolina, Domestic Violence Prevention Initiative
Alice Mine, Executive Director, North Carolina State Bar
Dorothy Hairston Mitchell, Clinical Professor, NC Central University School; Councilor, NC State Bar
Kim Bart Mullikin, Senior Director, North Carolina Bar Foundation
Sylvia Novinsky, Director, North Carolina Pro Bono Resource Center
Celia Pistolis, Assistant Director, Legal Aid of North Carolina
Ken Schorr, Executive Director, Charlotte Center for Legal Advocacy
Jehan Shamsid-Deen, Program Officer, Sisters of Mercy
Beth Hopkins Thomas, Executive Director, North Carolina Prisoner Legal Services