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CHAPTER 44
LAWYER TRUST ACCOUNT COMMISSION GRANT CRITERIA
AND GUIDELINES

Rule 44.1	Interest on lawyers' trust account program (IOLTA)
Rule 44.2	Statement of purpose
Rule 44.3	Grant criteria
Rule 44.4	Eligible applicants
Rule 44.5	Rejection of grant applications
Rule 44.6	Grant applications are property of commission
Rule 44.7	Grantee costs
Rule 44.8	Inquiry
Rule 44.9	Copies of applications; signature
Rule 44.10	Prime grantee responsibility
Rule 44.11	Access to books and records
Rule 44.12	Contract terms
Rule 44.13	Project completion date
Rule 44.14	Additional grant requests
Rule 44.15	Grant application procedures
Rules 44.16 to 44.20	Reserved
Rule 44.21	FORMS — Grant Application Forms
	Form 1: Cover Sheet
	Form 2: Summary of Grant Request
	Form 3: Financial Budget Form
	Form 4: Financial Budget Form — Personnel Costs
	Form 5: Financial Budget Form — Nonpersonnel Costs
	Form 6: Funding Sources
	Form 7: Legal Problem Categories
	Form 8: Program Activity
	Form 9: Nondiscrimination Statement
	Form 10: Checklist of Enclosures

1 **CHAPTER 44**
2 **LAWYER TRUST ACCOUNT COMMISSION GRANT CRITERIA**
3 **AND GUIDELINES**

4 **Rule 44.1 Interest on lawyers' trust account program (IOLTA).**

5 **44.1(1)** The Lawyer Trust Account Commission (commission) was created by the supreme
6 court to receive interest on lawyers' pooled trust accounts. Lawyers' pooled trust accounts hold
7 client funds that are so small in amount or held for such a brief period that it is not possible for
8 the funds to economically benefit the individual client. Previously, ~~attorneys'~~ lawyers' pooled
9 trust accounts earned no interest. Effective July 1, 1985, an interest on lawyers' trust account
10 program (IOLTA) was created to benefit charitable and educational interests. The commission
11 has adopted grant criteria by which the interest earned will be disbursed. The commission
12 reserves the right to change these criteria as it continues to assess how and where its funds might
13 be best used.

14 **44.1(2)** The commission provides the following information in this chapter to guide grant
15 applicants in applying for funds.

16 **44.1(3)** Grant applications are available from the commission at the following
17 ~~address~~address: Lawyer Trust Account Commission
18 Iowa Judicial Branch Building
19 1111 East Court Avenue
20 Des Moines, Iowa 50319

21 (515) 725-8029

22 ~~<http://www.iowacourts.gov/ProfessionalRegulation/AttorneyRegulationCommissions/IOLTA>~~
23 ~~The grant~~Grant applications will also be located on the Iowa Judicial Branch website of the Iowa
24 ~~Supreme Court.~~ [Court Order December 27, 1985, effective February 3, 1986; December 23,
25 1987; November 9, 2001, effective February 15, 2002; April 9, 2003; December 10, 2012]

26 **Rule 44.2 Statement of purpose.**

27 **44.2(1)** The commission will use the interest earned on IOLTA accounts as directed by the
28 supreme court. The funds are to be used for the tax-exempt public purposes, which the supreme
29 court may prescribe from time to time consistent with Internal Revenue Code regulations and
30 rulings.

31 **44.2(2)** The IOLTA program is intended to fill a critical need for legal services to low income
32 persons in civil cases as well as educational and other specific law-related programs designed to
33 improve the administration of justice in Iowa.
34 [Court Order December 27, 1985, effective February 3, 1986; November 9, 2001, effective
35 February 15, 2002; December 10, 2012]

Rule 44.3 Grant criteria. The commission desires to make the best use of IOLTA funds and obtain maximum effect from each grant. The following guidelines, with exception where necessary, will be used to assist in the grant decision-making process:

44.3(1) The commission favors funding groups or organizations as opposed to individuals.

44.3(2) The commission favors challenge grants; or other types of fund-matching arrangements to leverage IOLTA money.

44.3(3) Grant applicants should, if possible, have sources of income in addition to the IOLTA funds requested. Generally, the commission does not intend to be the primary source of financial support for a sustained period of time, and the applicant should demonstrate an ability to function eventually without the assistance of the commission.

44.3(4) Greater weight will be given to applicants with a prior history of service reflecting clear ability to deliver quality services successfully.

44.3(5) Greater weight will be given to applicants that work to develop cooperative efforts between grantees in a given service area.

44.3(6) The commission prefers to fund applicants that have community support.

44.3(7) The commission will fund applicants to achieve broad geographic and demographic distribution of IOLTA funds throughout the state.

44.3(8) The commission prefers to avoid replacing other funding sources. The commission also prefers neither to fund agencies primarily funded by state appropriations, nor will funding be granted to state agencies to perform statutory duties.

44.3(9) In reviewing grants for renewal, greater weight will be given to previous recipients that have successfully utilized IOLTA funds.

44.3(10) All grant recipients are expected to propose criteria by which their projects will be reviewed at least annually and to assist the commission in conducting periodic evaluations.

44.3(11) The commission is especially interested in using its limited funds as seed money to establish new programs which contribute to the increased availability of legal services to indigents in all parts of the state or will provide increased education about the rights and responsibilities of all citizens under our legal system.

44.3(12) The commission will not fund political campaigns, lobbying or legislative advocacy nor will it fund programs to provide for criminal indigent defense.

44.3(13) The commission examines applications based on the general return on investment and an overall emphasis on legal services for low income persons.

[Court Order December 27, 1985, effective February 3, 1986; February 27, 1987; November 9, 2001, effective February 15, 2002; December 10, 2012]

Rule 44.4 Eligible applicants. To be eligible to receive funds from the commission, an applicant must do all of the following:

44.4(1) Qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law); or otherwise demonstrate the charitable purposes of the applicant organization and project.

44.4(2) Submit a grant application form and written narrative proposal within the commission's time schedule.

1 **44.4(3)** Respond adequately in the proposal to the commission’s grant proposal format.

2 **44.4(4)** Respond adequately to questions about the application by telephone or in writing.

3 **44.4(5)** Agree to carry out the program for which funds were requested.

4 **44.4(6)** Account for the grant funds separately in its financial reporting system.

5 **44.4(7)** Unless exempted, agree to file with the commission, within 90 days after the end of
6 the grant period, an audit of IOLTA funds received certified by a certified public accountant
7 licensed to practice in Iowa.

8 **44.4(8)** Report to the commission on progress and results.

9 [Court Order December 27, 1985, effective February 3, 1986; December 27, 1991, effective January
10 6, 1992; November 9, 2001, effective February 15, 2002]

11 **Rule 44.5 Rejection of grant applications.** The commission reserves the right to reject any or
12 all grant applications ~~which~~ that do not, in its opinion, meet the purposes of this program.

13 [Court Order December 27, 1985, effective February 3, 1986; November 9, 2001, effective
14 February 15, 2002]

15 **Rule 44.6 Grant applications are property of commission.** Upon submission, all grant
16 applications become the property of the commission which has the right to use any or all ideas
17 presented in any application, whether or not the application is approved for funding. All grant
18 applications are open to public inspection and comment upon receipt by the commission.

19 [Court Order December 27, 1985, effective February 3, 1986; November 9, 2001, effective
20 February 15, 2002]

21 **Rule 44.7 Grantee costs.** Neither the supreme court nor the commission will be liable for any
22 expenses incurred by any prospective grantee prior to the issuance of the grant.

23 [Court Order December 27, 1985, effective February 3, 1986; November 9, 2001, effective
24 February 15, 2002]

25 **Rule 44.8 Inquiry.** Questions should be directed by mail to: Director, Office of Professional
26 Regulation, Iowa Judicial Branch Building, 1111 East Court Avenue, Des Moines, Iowa 50319;
27 or by electronic mail [to: iolta@iowacourts.gov](mailto:iolta@iowacourts.gov).

28 [Court Order December 27, 1985, effective February 3, 1986; December 23, 1987; November 9,
29 2001, effective February 15, 2002; April 9, 2003; December 5, 2007; December 10, 2012]

30 **Rule 44.9 Copies of applications, signature.** One electronic copy and one paper copy of a grant
31 application will be required. Applications should be signed by an official who has authority to bind
32 the organization to the proposed obligations. Applications must state that they are valid for a
33 minimum period of 60 days from the date of submission. Applications should be transmitted to
34 the electronic mail address and postal address designated in rule 44.8.

35 [Court Order December 27, 1985, effective February 3, 1986; November 9, 2001, effective
36 February 15, 2002; December 10, 2012]

37 **Rule 44.10 Prime grantee responsibility.** A selected grantee will be required to assume
38 responsibility for all services offered in its application. The selected grantee will be the sole point

of contact with regard to contractual matters, including payment of any and all charges resulting from the grant.

[Court Order December 27, 1985, effective February 3, 1986; November 9, 2001, effective February 15, 2002]

Rule 44.11 Access to books and records. The commission or any of its duly authorized representatives ~~shall~~must have access for purposes of audit and examination to ~~any~~ books, documents, papers, and records of the grantee.

[Court Order December 27, 1985, effective February 3, 1986; November 9, 2001, effective February 15, 2002]

Rule 44.12 Contract terms. The grant application must state when the grantee will start the project, which should be within 60 days of the award. If during the performance of the project the grantee deviates from the grant, the grant may, at the discretion of the commission, be terminated at any time. If a dispute arises in the performance of the grant ~~which~~that cannot be settled between the parties, the dispute ~~shall~~must be submitted to arbitration pursuant to Iowa Code chapter 679A.

[Court Order December 27, 1985, effective February 3, 1986; November 9, 2001, effective February 15, 2002]

Rule 44.13 Project completion date. The completion date of the project must be specified in the application. If the project will continue for more than one year, the applicant should specify the budget and evaluation cycle on a twelve-month basis.

[Court Order December 27, 1985, effective February 3, 1986; November 9, 2001, effective February 15, 2002]

Rule 44.14 Additional grant requests. Applicants who submit proposals in the initial funding cycle will not be precluded from applying in later funding cycles if need exceeds the amount of the initial award.

[Court Order December 27, 1985, effective February 3, 1986; November 9, 2001, effective February 15, 2002]

Rule 44.15 Grant application procedures. To aid in the comparative evaluation of proposals, all grant applications must contain the information set forth in rule 44.15(1) in the order listed.

44.15(1) Organization and contents of proposal.

a. Cover sheet (rule 44.21, Form 1).

b. Summary of grant request (rule 44.21, Form 2).

c. A written narrative proposal on 8¹/₂ x 11 inch paper, not to exceed ten double-spaced typewritten pages, which sets forth:

(1)The objectives of the project~~^~~or organization for which funds are requested.

(2)The methods by which the objectives are to be accomplished.

(3)The qualifications of key individuals responsible for the project~~^~~or organization.

(4)The period of time expected to complete the project (if applicable).

- (5) Whether support has been or is being requested from other funding sources.
- (6) The audit mechanism ~~which that~~ will be utilized to provide accountability for the requested funds.
- (7) The extent to which the program serves a reasonable number of clients, its service area, the nature and scope of legal services provided and its impact on the community's demonstrated needs.
- (8) The extent to which two or more programs in the service area cooperate in the provision of legal assistance.
- (9) The extent of participation from the bar within the program's service area ~~in the program~~.
- (10) The extent to which the program has systems to assure the quality of services provided.
- (11) The plans for evaluating the success of the project ~~or~~ organization in meeting the objectives.
- (12) Such additional information as the applicant believes desirable.
- d. Financial budget form (rule 44.21, Forms 3, 4, and 5).
- e. Funding sources (rule 44.21, Form 6).
- f. Legal problem categories (rule 44.21, Form 7).
- g. Program activity (rule 44.21, Form 8).
- h. Nondiscrimination statement (rule 44.21, Form 9).
- i. Checklist of enclosures (rule 44.21, Form 10).

44.15(2) Processing of grant applications.

a. One written copy and one electronic copy of the application should be directed to the director of the office of professional regulation at the following addresses:

Lawyer Trust Account Commission
Iowa Judicial Branch Building
1111 East Court Avenue
Des Moines, Iowa 50319

iolta@iowacourts.gov

b. The commission will make all recommendations on grant awards, subject to final approval by the supreme court.

~~b.c.~~ Applicant must submit one original written copy and one electronic copy of its proposal.

d. There can be no extensions of or exceptions to established deadlines.

~~e.e.~~ Grant awards will be announced by the supreme court or by the commission with the approval of the court.

[Court Order December 27, 1985, effective February 3, 1986; December 23, 1987; December 27, 1991, effective January 6, 1992; November 9, 2001, effective February 15, 2002; April 9, 2003; December 10, 2012]

Rules 44.16 to 44.20 Reserved.