



**Wisconsin Trust Account Foundation, Inc.**  
**GRANTS & EVALUATION PROGRAM OVERVIEW**

**WisTAF MISSION & GRANTMAKING PHILOSOPHY**

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The Wisconsin Trust Account Foundation, Inc. (WisTAF) is dedicated to equal access to the civil justice system, funding legal services for low-income persons through the fair and effective administration of Interest on Lawyers' Trust Accounts (IOLTA), Public Interest Legal Services Fund (PILSF) and other sources.

In furtherance of this mission, the WisTAF Board of Directors annually awards grants to a broad array of publicly and privately funded agencies which provide *civil legal services* to low-income clients. WisTAF funds programs that address the particular needs and problems of various low-income groups, different geographical regions and special areas of public concern. Agency diversity, in terms of structure, service delivery methods, and sources of funds, is recognized and valued. As such, WisTAF supports agencies that provide free legal services as well as those which charge reduced fees for services, consistent with its position that there is room for both models in addressing the needs of Wisconsin's low income population. WisTAF will not allocate grant funds to organizations to be used for criminal representation.

The WisTAF Board believes that effective funding of grants can take place only in a climate free from political bias and outside interference. WisTAF strongly encourages the cooperation and collaboration of its grantees, and will continue to be guided by these principles as it awards future grants.

Finally, the WisTAF Board reserves the right to change procedures and priorities for the grants program as community needs are identified and as resources change.

**GRANT PROGRAMS & FUNDING SOURCES**

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WisTAF administers the following grant programs. Grant distributions are dependent on fund availability in any given year. Each grant has its own set of requirements described below.

**Direct Legal Services (“Foundation”) Grants**

Several different funding sources fall within the Direct Legal Services (“Foundation”) Grants Program.

**IOLTA Category I** (direct civil legal services)

IOLTA Category I grants must be used for the provision of direct **civil** legal services to the poor. Examples of direct civil service law program areas include, but are not limited to, family law, housing, health, disability, bankruptcy, W2 and welfare, and immigration.

To be eligible to receive Category I IOLTA funds, an applicant must:

1. Provide, plan to provide or cause to be provided civil legal assistance to financially-eligible clients or client groups; **and**
2. Either be a civil legal assistance organization or be an organization that qualifies as a 501(c)(3) exempt organization; **or**
3. Otherwise demonstrate the charitable purpose of the applicant organization and project.

A financially eligible client:

1. Is one whose income is no higher than 125 percent of the poverty level established by the U.S. Department of Labor; or,
2. Is part of a group whose membership includes 50 percent or more eligible clients or whose primary purpose is assistance to low-income persons (e.g., inner city populations, food stamp recipients, etc.).

### **IOLTA Category II** (public benefit projects)

IOLTA Category II grant applicants must provide, plan to provide, or cause to be provided a program or project exclusively for the public benefit that has been approved by the Wisconsin Supreme Court. Examples of project areas include, but are not limited to, law-related education and the administration of justice.

To be eligible to receive Category II IOLTA funds from WisTAF, an applicant must:

1. Provide, plan to provide, or cause to be provided a law-related program or project exclusively for the public benefit, which has been approved by the Wisconsin Supreme Court; **and**
2. Either be a civil legal assistance organization or be an organization that qualifies as a 501(c)(3) exempt organization; **or**
3. Otherwise demonstrate the charitable purpose of the applicant organization and project.

*Note: Final approval of Category II IOLTA grants is contingent on the grant applicant obtaining Wisconsin Supreme Court approval. Obtaining the Supreme Court's approval does not guarantee funding, only that it will be considered for funding.*

### **Public Interest Legal Services Fund (PILSF)**

In 2005, the Wisconsin Supreme Court established the Public Interest Legal Services Fund (PILSF) in response to the state's growing need for civil legal services and to supplement IOLTA funding with a more stable revenue source. PILSF funds are directly attributable to Wisconsin's attorneys and judges, and are distributed throughout the ten state judicial districts. Since its inception, PILSF funds have helped low-income people in all Wisconsin counties.

PILSF grants must be used for the express and exclusive purpose of supporting the direct delivery of civil legal services to low-income people. *PILSF grants cannot be used to support activities of a political or ideological nature.*

To be eligible to receive PILSF funds, an applicant must:

1. Expressly and exclusively provide direct civil legal services to financially-eligible clients or client groups; **and**
2. Either be a civil legal assistance organization or be an organization that qualifies as a 501(c)(3) exempt organization; **or**
3. Otherwise demonstrate the charitable purpose of the applicant organization and project.

### **Pro Hac Vice**

In 2014, the Wisconsin Supreme Court amended the "*pro hac vice* rule" - SCR 10.03(4)(b)2 – increasing the fee paid by nonresident lawyers to participate in a particular action (with an active member of the State Bar of Wisconsin). The Court directed that a portion of the fee increase be allocated to WisTAF to help support provision of civil legal services to low-income and indigent persons.

Pro Hac Vice funding must be used for the provision of direct **civil** legal services to the poor. Examples of direct civil service law program areas include, but are not limited to, family law, housing, health, disability, bankruptcy, W2 and welfare, and immigration.

### **Cy Pres**

Per Wis. Stat. section 803.08(10), “not less than 50 percent of any residual funds from class actions filed in Wisconsin state court shall be disbursed to WisTAF to support direct delivery of legal services to persons of limited means in non-criminal matters.” Occasionally, WisTAF receives settlement agreement residual funds to use in making grants supporting civil legal services. These grants may or may not fall within WisTAF’s typical grant cycles.

### **Development and Use of Direct Legal Services (“Foundation”) Grant Application Evaluation Criteria**

WisTAF’s evaluation of grant applications/proposals includes a systematic review of each application to determine whether the applicant meets the following criteria. These criteria were developed by the WisTAF Grants/Evaluation Committee in consultation with similar legal aid funders nationwide. They are based on WisTAF’s historical grant making experience as well as generally accepted standards for the operation of legal aid programs (e.g., the ABA Standing Committee on Legal Aid and Indigent Defendants’ publication, “Standards for the Provision of Civil Legal Aid”). WisTAF’s recognition that both the existence of and potential value in the diversity of legal aid providers – in terms of agency structure, service delivery methods, and sources of funds – is reflected in the resulting criteria.

The WisTAF Board may, as circumstances warrant, develop temporary “*guiding principles*” to supplement existing application evaluation criteria during the grant decision process. These principles serve the purpose of guiding specific funding decisions in light of current relevant economic and societal challenges present at the time of grant making and/or anticipated over the course of the grant cycle. Guiding principles will be made available to potential grant applicants as part of the application process.

### **Description of Direct Legal Services (“Foundation”) Grant Application Evaluation Criteria**

- *Attorney independence*  
Has the applicant verified that its attorneys have full freedom to protect the basic interests of their clients in keeping with the Code of Professional Responsibility and the high standards of the legal profession?
- *Cooperative efforts*  
Has the applicant developed cooperative efforts with other organizations operating in the given service area wherever possible and practicable?
- *Diversification of funding sources*  
Does the applicant have sources of income in addition to the WisTAF funds requested? Can the organization demonstrate an effort or describe plans to tap into new funding sources? What percent of the organization’s total legal services budget would the requested WisTAF funds comprise?
- *Innovation*  
Can the applicant demonstrate development and implementation of innovative approaches to identifying and meeting the legal needs of Wisconsin's low-income population?
- *Legal needs addressed*  
Are the legal needs addressed by the applicant’s program critical needs for low-income individuals and families? Are these services unique or are they also addressed by other organizations serving the same client population and/or geographic area?
- *Levels of service*  
Does the organization provide appropriate levels of service (e.g., brief services, litigation) to effectively address client needs, based on its mission and priorities?

## Description of Direct Legal Services (“Foundation”) Grant Application Evaluation Criteria (continued)

- *Organizational strength*  
Can the applicant demonstrate fiscal responsibility, program stability, effective governance and leadership?
- *Provider effectiveness*  
Does the organization attempt to measure and improve productivity in the area of client services? Does the applicant use delivery methods that appropriately balance efficiency, effectiveness and accessibility?
- *Quality assurance*  
Does the applicant have the ability to ensure the effective and efficient delivery of quality services or programs through the use of quality control systems and appropriately skilled/trained staff and volunteers? Are training and mentoring opportunities available for staff and/or volunteers?
- *Use of volunteers / pro bono development*  
Does the applicant make appropriate use of volunteers in case handling and other capacities? Does the organization have systems in place to recruit, train, support, monitor, recognize and retain volunteers?
- *WisTAF grant receipt history*  
Does the organization have prior history of successful use of past WisTAF grant funds?

### State Appropriations

On occasion, the Wisconsin State Budget has included an appropriation of state funds made by a state agency to WisTAF to be granted to providers of civil legal services to low-income clients meeting specified requirements. Currently, WisTAF is partnering with the Wisconsin Dept. of Children and Families to administer the Domestic Violence & Sexual Abuse Civil Legal Services State Appropriation (*CFDA Number: 93.558 Temporary Assistance to Needy Families (TANF)*). *Grant proceeds may not be used for legal services for litigation against the state or for lobbying purposes.*

To be eligible to receive Domestic Violence & Sexual Abuse Civil Legal Services State Appropriation (DVSA) funds, an applicant must:

1. Provide legal services in civil matters related to domestic abuse, sexual abuse, or restraining orders or injunctions for individuals at risk under Wis. Stat. 813.123, and who are eligible for TANF; **and**
2. Use the funds only for clients meeting the nonfinancial and financial requirements of TANF.

### Community Redevelopment Legal Assistance / Foreclosure Prevention Legal Assistance

In 2014, the U.S. Department of Justice reached a \$16.65 billion settlement with Bank of America Corporation to resolve federal and state claims against Bank of America and its former and current subsidiaries, including Countrywide Financial Corporation and Merrill Lynch. As part of the settlement, Bank of America agreed to make donations to state-based Interest on Lawyers’ Trust Account (IOLTA) organizations (or other statewide bar association affiliated intermediaries) that provide funds to legal aid organizations. Funds totaling \$398,020,806 were allocated to each state based on the federal poverty census data and formula used by the Legal Services Corporation.

WisTAF received \$5,940,576 from the national settlement to be used solely for “foreclosure prevention legal assistance and community redevelopment legal assistance.” In Phase I of the grant program, WisTAF awarded Foreclosure Prevention Legal Assistance grants (totaling \$735,500) to six grantees in 2017-2018.

The Phase II Community Redevelopment Legal Assistance grant program design specifies the following funding criteria:

WisTAF will give special consideration to proposals that:

Offer creative and innovative approaches for supporting and encouraging community redevelopment through legal services and/or advocacy. Elements of such proposals may include (but are not limited to):

- Developing and increasing the capacity of nonprofit organizations that serve low-income communities;
- Supporting the development and preservation of affordable housing, childcare, senior centers, job training programs, etc.;
- Supporting microbusinesses, low-income entrepreneurs, and other local and community-owned services;
- Legal representation of low-income communities with respect to community conditions such as environmental issues, transit development, homelessness, affordable housing, eviction proceedings, and other matters that help in the healthy development of communities;
- Other legal assistance that is transformative for the community in that it promotes systemic change, or promotes economic security, and has a broad impact.
- Identify opportunities for collaboration with strategic partners (neighborhood community organizations, community development corporations, law schools, other nonprofits) to provide legal services that revitalize or stabilize low-income communities;

Other criteria to be used in evaluating proposals include:

- WisTAF will consider the articulated needs of defined target populations.
- Impact of services: WisTAF will consider the anticipated outcomes of the services, including the number of people that will be served through services to organizations or directly; the nature of the impact on the lives of target population/s served; and the economic impact on the targeted geographic area/s served.
- Sustainability and leverage: How will the organization demonstrate realistic sustainability, or mission accomplishment of the project/program within the funding period? Is it replicable or scalable? How will funds be leveraged to increase services?

Current or past WisTAF funding is not a prerequisite for receiving a community redevelopment legal services grant award.

Settlement distribution terms and conditions require that WisTAF provide funds to “legal aid organizations in the state of Wisconsin.” However, we permit and encourage collaboration with strategic partners (neighborhood community organizations, community development corporations, law schools, local governments and other nonprofits) to provide legal services that revitalize or stabilize low-income communities.

## GENERAL RESTRICTIONS ON GRANT ELIGIBILITY

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WisTAF generally will not make grants to/for:

- individual persons;
- support religious activities;
- political campaigns or organizations designed primarily for lobbying;
- agencies of local, state or federal government; or
- non-civil legal services.

## GRANT CYCLES

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Direct Legal Services (“Foundation”) grants (IOLTA, PILSF, *pro hac vice*, etc.) are made for a calendar year period, with grant disbursements taking place quarterly (IOLTA-funded) or annually (all other funding sources). Domestic Violence & Sexual Abuse Civil Legal Services State Appropriation grants are made for a 12-month period coinciding with the State of Wisconsin’s fiscal year (July 1 through June 30). Distributions under this grant program are remitted on a monthly reimbursement basis.

Applications are distributed in accordance with the funding source’s grant year. Every effort is made to streamline the application and reporting processes for grant applicants and recipients.

## GRANT APPLICATION, REVIEW & RECOMMENDATION PROCESS

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As grant funds become available, WisTAF notifies potential grant applicants of the availability of application materials (mid-summer for Direct Legal Services (“Foundation”) and Foreclosure Prevention/Community Redevelopment Legal Assistance grants; early spring for DVSA State Appropriation grants). The deadline for submitting completed applications follows approximately four weeks later. Grant applications are solicited in an online format in order to reduce costs and increase the timely and efficient sharing of information.

Completed application materials are reviewed and discussed by members of the Grants/Evaluation Committee, which is responsible for making grant recommendations to the WisTAF Board at its nearest scheduled board meeting (October for Direct Legal Services (“Foundation”) and Foreclosure Prevention/Community Redevelopment Legal Assistance grants; June for DVSA State Appropriation grants). The full Board is responsible for approving all grant awards.

Sample grant cycles by program:

### Direct Legal Services (“Foundation”) Grant Program Cycle

	<b>Direct Legal Services (“Foundation”) Grant application deadline</b>	<b>WisTAF Grants/Evaluation Committee meeting</b>	<b>WisTAF Board Meeting</b>	<b>Disbursement of grant funds</b>
<b>Timing</b>	August	September	October	January
<b>Purpose</b>	Grantees submit grant applications and supplemental materials for funding consideration.	WisTAF Grants/Evaluation Committee reviews and evaluates grant applications, and determines funding recommendations.	WisTAF Board reviews, discusses and votes on the Grants/Evaluation Committee’s funding recommendations.	After submitting all required documentation, grantees receive approved grant funding.

**DVSA Civil Legal Services (TANF) State Appropriation Grant Program Cycle**

	<b>2018-19 DVSA Civil Legal Services Grant application deadline</b>	<b>WisTAF Grants/Evaluation Committee meeting</b>	<b>WisTAF Board meeting</b>	<b>Monthly grant reimbursement start date</b>
<b>Timing</b>	March	May	June	August
<b>Purpose</b>	Grantees submit grant applications and supplemental materials for funding consideration.	WisTAF Grants/Evaluation Committee reviews and evaluates grant applications, and determines funding recommendations.	WisTAF Board reviews, discusses and votes on the Grants/Evaluation Committee’s funding recommendations.	After signing Grant Conditions Agreement and submitting other required documentation, grantees are eligible to begin receiving reimbursement for allowable costs of services provided under the grant.

**GRANT APPLICATION MATERIALS**

As part of the grant making process, grant applicants typically are required to complete an online grant application form specific to the type of funding requested.

In addition to the online grant application form, applicants may be required to complete and/or submit the following:

- Financial and Miscellaneous Reports
  - Sample reports include:
    - Calendar Year Revenue/Sources of Funds
    - Actual Expenditures for Calendar Year (prior)
    - Budgeted Expenditures for Calendar Year (current)
    - Projected Expenditures for Calendar Year (upcoming)
    - Current & Proposed Staff Function
    - Actual & Projected Caseload
- Officers and directors roster
- Projected agency budget (if different from information given in the Projected Expenditures or Revenue/Sources of Funds worksheets)
- Strategic plan
- Copy of federal 501(c)(3) form or letter of approval, or description of charitable purpose
- Copy of
- Articles of Incorporation
- Bylaws or other governing documents
- Determination letter from the IRS (recognizing the subrecipient as exempt from income taxes under IRC section 501(c)(3))

## **GRANT APPLICATION MATERIALS** (continued)

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- Most recent Form 990 or 990-EZ, including all supporting schedules and attachments (also Form 990-T, if applicable)
- Most recent audit report and management letter received from subrecipient's independent auditor
- Most recent internally-prepared financial statements and current budget

## **GRANT CONDITIONS**

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Agencies awarded grants must abide by a set of grant conditions specific to the type of funding received. Signed grant conditions agreements are required to be submitted to the Foundation prior to the disbursement of grant funds. Typical conditions include, but are not limited to:

- The funds must be used according to the grant criteria established for each grant type.
- The funds must be used for the purpose(s) stated in your grant application.
- The funds must not be used for any purpose prohibited by law.
- The funds must not be used to support religious activities, for political campaigns, for lobbying, or for non-civil law services. PILSF funds must not be used to support any of the previously listed activities, nor for ideological purposes.
- Clients served by grant funds must be residents of the State of Wisconsin.
- Grantees must file reports detailing services provided and grant expenditures made as requested by WisTAF.
- Grant funds not used for the designated purpose must be repaid to WisTAF.
- If funds from additional sources other than WisTAF are used for a funded project, grantees must report on the sources and allocations of such funds.
- Grant payments may be discontinued, modified or withheld with sufficient notice given to the grantee, at the discretion of the WisTAF Board of Directors.
- If any fees or reimbursements are received as a result of representation initiated as a part of this grant, they will be used by the grantee to further the program goals as outlined in their application.

## **GRANTEE EVALUATION & SUBRECIPIENT MONITORING**

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WisTAF is committed to funding high quality legal services and programming. To this end, we engage in ongoing evaluation and monitoring of grantees/subrecipients. Grantees, regardless of funding source, are required to submit mid-year and/or annual reports detailing usage of funds and describing clients served / outcomes achieved. WisTAF staff conducts desk reviews of reports and other materials submitted by all grantees.

Site visits also are conducted on a regular basis. Prior to the visit, staff and WisTAF board members review each agency's annual report and financial statements, audited/unaudited financial statements and other relevant financial reporting. A WisTAF staff member and, frequently, a representative from the WisTAF Board attend each visit and meet with senior grantee agency management staff to learn more about the agency's fiscal and administrative management, challenges and opportunities.

As the administrator of federal funding via the Wisconsin Department of Children and Families (Domestic Violence and Sexual Abuse Civil Legal Services (TANF) grant program), the Wisconsin Trust Account Foundation, Inc. (WisTAF) has an obligation to identify and assess risks associated with the usage and administration of grant funds for each of the subrecipient agencies ("providers") receiving funding.



WisTAF has chosen to use the risk-based approach in evaluating and monitoring providers' administration of funds. (Note: WisTAF may not waive federal audit requirements for any providers meeting federal criteria for needing a program audit or a single audit in accordance with the Uniform Guidance.) Per the Wisconsin Dept. of Children and Families Provider Agency Audit Guide, WisTAF will determine whether the risk factors associated with programs and providers point toward a lower or higher risk, and will use the results of these individual factors to assess whether the provider's overall risk is low, moderate or high.

WisTAF assesses risk and monitors grantee performance using a variety of methods including: Provider site visits; regular provider reporting; and review of additional documentation and relevant materials ("desk review"). Risk assessments are performed in a systematic and rational manner. All results are documented.

## **WISTAF GRANTEE RECORDS ACCESS POLICY**

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1. WisTAF is not subject to open meeting and public records law; however, except as provided below, requests for access to or copies of Wisconsin Trust Account Foundation ("WisTAF") records will be construed and processed consistent with the Wisconsin Public Records Law.
2. A grant application will be confidential upon submission to WisTAF until the Grants Committee announces its preliminary grant award recommendations for the grant cycle in which the application was submitted.
3. The Executive Director is WisTAF's record custodian. The Executive Director may consult with the President of the Board of Directors or the Executive Committee regarding records request issues.
4. Actual, necessary and direct costs of providing record access or copies will be charged to persons requesting WisTAF records. The Executive Director, in his or her discretion, may waive the charges for responding to a specific records request.

Amended September 26, 2008

## **WISTAF POLICY ON LOBBYING/GRANT NOTIFICATION**

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The Grants Committee shall meet and make a written recommendation for funding awards which is forwarded to the entire Board by the Executive Director within ten (10) days after the Grant Committee's meeting. This recommendation shall be kept confidential for five (5) days.

Within five (5) days after forwarding the recommendation to the Board, the Executive Director will forward the recommendations to all applicants. The applicants will then have ten (10) days during which they may provide written comments directly to the Executive Director. No other communication from applicants to the Board of Directors may be made.

Comments are not to exceed three (3) single spaced, 8.5" by 11" typewritten pages. Contents of the response are to be limited to data or characteristics of that applicant. Such comment is neither required nor favored, but is to be used to address exceptional circumstances or facts not known at the time of the application. The Grants Committee may consider any such comments received prior to the full Board meeting in which its recommendations are to be presented to the Board as a whole. All applicants will be expected to adhere to this policy.

Approved September 19, 1992