

To: PBA Legal Services Committees  
From: Al Azen, Executive Director, Pennsylvania IOLTA Board  
Date: May 26, 2011  
Subject: Access to Justice Act (AJA) Performance Audit

The AJA statute (Act 122 of 2002) that requires the collection of a \$2 fee on courthouse filings to help fund civil legal aid, also requires that the Pennsylvania Legislative Budget & Finance Committee (LB&FC) conduct a performance audit to determine whether there is a continued need for the activities funded by the fee and whether that level of financial support should continue. Subsequently, in December 2009 a temporary filing fee surcharge of \$1 was enacted (Act 49 of 2009) to help offset some of the legal aid funding losses due to the precipitous drop in interest rates and IOLTA revenues. The performance audit began in December 2010 and concluded yesterday with the release of the performance audit report (attached). The major findings were:

1. Civil legal services funded by the AJA are available statewide;
2. Low interest rates have significantly reduced IOLTA funds available for civil legal aid;
3. AJA funding has been relatively stable in recent years, but overall civil legal aid funding is below fiscal year 2007-08 levels;
4. Civil legal aid providers serve about 50 percent of eligible low income people seeking services;
5. Known case outcomes are generally positive, clients appear satisfied with the services they receive, and costs per case closed appear reasonable; and,
6. Monitoring and auditing activities have identified no significant issues with overall program administration.

The report is replete with tables and documentation of the legal assistance provided with the AJA funds. For example, at Appendix F (page 72) the number of county level cases closed, by fiscal year for the past seven years, and cumulatively for that time, is displayed. The report also discloses the amount and source of filing fees that have been collected under the authority of Act 122 and Act 49, by fiscal year, on page 32. On page 29 the organizations that received the AJA funds to provide civil legal assistance are displayed. When reviewing the page, keep in mind that Act 122 fees are collected during the year, and used to fund the civil legal assistance in the year following the collections. The IOLTA Board's and Pennsylvania Legal Aid Network, Inc.'s response to the audit is contained at Appendix G, page 75.

The recommendations of the auditors are:

1. The General Assembly should consider making the Access to Justice fee (i.e., Act 122) and surcharge (i.e., Act 49) permanent to provide a more stable funding stream for civil legal aid; and ,
2. The IOLTA Board and PLAN Inc. should develop a follow-up process, possibly using a university or law school program, to determine whether telephone services have been effective.

Fundamentally, the report documents a well-run civil legal aid system in Pennsylvania, and the appropriate collection and use of AJA filing fees over the years.