

IOLA Fund of the State of New York
Meeting of the Board of Trustees – New York, NY
December 8, 2022
FINAL

Present: Trustees Dunham and Lindenauer
Videoconference: Chair Davis, Trustees Cirando, Madigan, Villaverde, Lopez-Soto, and Ross
Absent: Trustee Galowitz
Staff: Agard, Fecko, Fehringer, and O'Malley

1. Call to Order.

The meeting was called to order by Chair Davis at approximately 4:08 p.m.

2. Approval of the minutes of the meetings of the Board of Trustees held on September 21, 2022.

The minutes of the above meeting were reviewed. Trustee Lindenauer moved to approve the minutes, seconded by Trustee Madigan, and the Board approved the motion unanimously.

3. Administrative and Financial Report

Ms. Agard reported that the cash on hand as of October 1 was about \$135.5 million with net interest earnings in October of about \$9.9, administrative expenses of \$140K, grant expenses of \$5.4 million, leaving approximately \$139.8 million on hand as of November 1. Interest revenue in October was \$9.9 million,, a more than three fold increase as compared with October 2021; year to date revenue is \$36.8 million, as compared with \$18.2 million last year, a 100% increase. Ms. Agard noted that the report prepared by Delta Consulting was through September and showed a net yield of 0.75%, which had increased to 0.99% in October.

Finally, Ms. Agard reported that administrative expenses for October were approximately \$140K and on target; she expects the IOLA Fund's administrative expenses to remain within the annual budget.

4. Counsel's Report

As to Grantee matters, Ms. Fecko highlighted her efforts to review the grant applications and her attendance at the NYSBA Partnership Conference in Albany in October alongside several hundred members of the NYS civil legal services community. She also noted her service on the Technology Working Group of the Permanent Commission on Access to Justice, which is planning the annual Technology Conference for April 18 and 19, and working on its third technology survey with assistance from the Legal Services Corporation.

With regard to attorney and bar matters, Ms. Fecko mentioned the summary report issued by the NYSBA President's Committee on Access to Justice on the pro bono work by members of the NYS bar during 2017-19 and her presentation on IOLA accounts to the NYSBA Trust & Estate Section's Think Tank group with

over 75 participants. In addition, Ms. Fecko noted the upcoming NAIP civil legal aid funder conference on May 3, 2023 and the NAIP/ABA Joint IOLTA Conference scheduled for late October/early November in Columbus, Ohio.

Regarding banking, Ms. Fecko noted that the Federal Reserve increases to the federal funds target rate in September and October brought it to 4.00%, with another 0.50% hike expected in mid-December.

Finally, Ms. Fecko noted her efforts on the videoconferencing policy.

5. Video Conferencing Policy

Ms. Fecko noted that the IOLA Fund held a public hearing on December 8, 2022, immediately preceding the Board meeting, regarding the adoption of a Resolution Authorizing Videoconferencing by its members pursuant to Chapter 56 of the Laws of 2022, a copy of which is in the Board materials. Ms. Fecko noted that no written comments were received by the December 7, 2022 deadline and no one offered comments during the hearing either in person or via zoom.

Thereafter, Chair Davis made a motion to adopt the Resolution Authorizing Videoconferencing, which motion was seconded by Trustee Lindenauer and adopted unanimously

6. Executive Report

Mr. O'Malley acknowledged the efforts by Ms. Agard and Ms. Fecko to conduct bank audit work and reported that New York has been one of the most diligent jurisdictions in the current increasing rate environment.

Mr. O'Malley announced the hiring of Kristen Thompson as a new Grant Assistant and stated that he is close to hiring the second Grant Assistant.

7. FY24 & FY25 Grants

Mr. O'Malley provided an overview of the grant process, noting the receipt of 98 applications, 81 of which scored sufficiently to be considered for funding. Twenty-seven applications were from organizations not receiving IOLA funding in the current grant cycle, of which ten scored sufficiently to be considered for funding. Mr. O'Malley described the CLS geographic units and the allocation of funds based on the per capita poverty population. Ms. Fecko described the scoring rubric and criteria, which were revised for this grant cycle based on feedback from the Office of the State Comptroller, and Mr. O'Malley added that IOLA also conducted a Bidders Conference as reported at the September Board meeting. Finally, Ms. Fecko thanked the Trustees for submitting their conflict information and noted that a summary of all conflicts had been shared with all Trustees.

Trustee Lindenauer made a motion to enter into Executive Session to consider matters relating to the financial history and appointment of particular corporations (i.e., IOLA grantees), which was seconded by Trustee Lopez-Soto and approved without objection. While in Executive Session, Mr. O'Malley and Ms. Fecko

provided the Board with additional details and answered questions regarding the recommendations as to grant awards for the FY2024 & FY2025 grant cycle.

Upon exiting Executive Session, Chair Davis thanked Mr. O'Malley for presenting the grant recommendations and invited a motion to adopt the recommendations, which motion was made by Trustee Cirando, seconded by Trustee Madigan and unanimously approved. Mr. O'Malley gratefully acknowledged Ms. Fehringer's considerable efforts, which have greatly improved IOLA's grantmaking process.

8. 2023 Meetings

The meetings for the IOLA Board of Trustees in 2023, expected to be held at the IOLA office in New York City, are scheduled as follows:

March 8, 2023 at noon
June 7, 2023 at noon
September 27, 2023 at noon
December 6, 2023 at noon.

There being no further business before the Board, the meeting was adjourned at approximately 5:07 p.m.

Respectfully submitted,
Christopher B. O'Malley
Executive Director