IOLA Fund of the State of New York
Meeting of the Board of Trustees – Syracuse, NY
June 4, 2025
FINAL

Present: Chair Davis and Trustees Galowitz, Cirando, Lindenauer and Madigan

Public Videoconference: Trustees Dunham, Lopez-Soto, Ross and Villaverde

Absent: None

Staff: Fecko, Nyiendo and Agard

1. Call to Order.

The meeting was called to order by Chair Davis at approximately 1:02 p.m. Remarks by Chair Davis welcoming the Board to the meeting.

2. Approval of the minutes of the meeting of the Board of Trustees held on March 20, 2025.

The minutes of the above meeting were reviewed. Trustee Lopez-Soto moved to approve the Board minutes, which was seconded by Trustee Cirando. The Board approved the motion unanimously.

3. Executive Report

Ms. Fecko reported that the FY26 Budget was approved in early May by the legislature. As per the promise of the Governor's Office, IOLA was recognized as a fiduciary fund and we are appreciative of that designation. The final Budget includes IOLA's request to increase its administrative budget to add two staff members; and an additional $250,000 for consulting services for the Justice Infrastructure Project (JIP).

However, Ms. Fecko noted two areas of concern in the budget. First, IOLA's grant budget only includes $77.5M of the $80M IOLA requested. At the March Board meeting, this Board determined that, as a consequence, it would pause the planned $2.5M spending on JIP so as to manage the reduced grant budget. Ms. Fecko advised that in the Fall, when IOLA submits its FY27 request, IOLA will plan to seek a grant budget of $102.5M so that it can stay on track with the Board's 5-year Grant Plan. If successful, this will allow $95M for the operating grants, $2.5M for additional AOJ grantmaking and $5M to support JIP.

Ms. Fecko further advised the second area of concern from the Budget is a cash ceiling that DOB has placed on IOLA's spending. The cash ceiling reduces IOLA's spending on the administrative side by about $500K – which is a $250K reduction compared to last year. We have made the determination that we will

absorb this reduction in funding by pausing the training component of JIP's cybersecurity and AI University training.

Regarding the FY26-30 grant cycle, Ms. Fecko advised that the procurement was approved by OSC and each of the 87 contracts are now in various stages of being finalized. Ms. Fecko thanked Ms. Fehringer and Ms. Thompson for their diligence in working on this.

Regarding grant oversight, Ms. Fecko stated that she and Ms. Nyiendo have renewed IOLA's efforts to conduct site visits, having conducted nine site visits to date this year, and will do additional site visits later in the Fall. We hope to meet with all 87 grantees from this current cycle within the 5-year grant term.

At the end of our Board meeting today, Ms. Fecko stated that five grantees will offer brief presentations about their programs – these will be the four providers serving central NY, namely Hiscock Legal Aid Society, Legal Services of Central NY, Legal Aid Society of Mid-NY, and VLP of Central NY; and additionally, Legal Aid Society of Rochester will also present.

Ms. Fecko discussed IOLA's response to the challenges faced by grantees to changes in federal funding. Ms. Fecko advised that IOLA prepared one-page reports for all grantees summarizing their work in FY24, grouped by Congressional District. For CLS grantees, IOLA prepared an additional one-page economic impact report. These reports have been shared with NYSBA, LSC and our grantees, who have found the information helpful in their advocacy. Going forward, IOLA will endeavor to prepare economic impact reports for all grantees, based upon their FY25 GAR data.

In addition, IOLA prepared an analysis of federal funds received by IOLA grantees in FY24, generated from our grantees' GAR reporting. Our analysis was shared with JCLS, which is interested in understanding more about the potential losses from federal funding.

Regarding the Meet & Greet receptions, since the last Board meeting, IOLA has held two additional Meet & Greet receptions for grantees in Buffalo and Albany, respectively. Ms. Fecko thanked the Erie County Bar Association and LASNNY for providing us with a venue, and in particular, Gretchen Gonzalez, Lauren Breen, and Nic Rangel for assistance with the arrangements. IOLA's final Meet & Greet will be in Syracuse immediately following the Board meeting. Ms. Fecko thanked VLP of Central NY and Sal Curran for assistance in making the arrangements.

Regarding IOLA Operations, Ms. Fecko updated the Board on our efforts to secure a new lease for office space. We have shifted to now focus on buildings that have previously leased to State tenants, so that the buildings will already be familiar with the template lease employed by the Office of General Services. We are optimistic in finalizing a lease soon. Ms. Fecko thanked Chair Davis, Ms. Agard, Ms. Nyiendo and Ms. Reyes for their assistance in the leasing process.

Ms. Fecko advised the Board that Ms. Radigan left employment at IOLA to move on to a new role and we are grateful for her work with us. This job vacancy now presents an opportunity for IOLA to restructure its Org Chart, which was shared with the Board. We also made adjustments to certain titles and salaries to better reflect their broader roles and job duties, which can be discussed further in Executive Session.

Regarding the JIP Project, Ms. Fecko advised that there are three topics to report. First, with regard to the Statewide Support function, the consulting groups have drafted recommendations. IOLA's consultant also compiled into a report the survey responses from grantees of the tools and resources that are currently in use. Both of these reports are included in the Board packet. The next step is to use this information to develop a grant opportunity sometime after the September Board meeting that will advance the goal. Second, regarding the Summit, Ms. Fecko advised that IOLA is having a two-day in-person event planned in Albany that all IOLA grantees are invited. Ms. Fecko thanked Just-Tech and Albany Law School for managing the logistics and venue. IOLA will make travel subsidies available to attendees. We have commitments from four national experts in the Access to Justice space to participate virtually, who have also agreed to support the next set of consulting groups focusing on the legal information and referral system for the public. Those consulting groups will start in early Fall and spend approximately six months developing recommendations, wherein it is anticipated that IOLA will develop procurements for FY27. Lastly, the JIP Readiness grants have been approved and are in process.

Ms. Fecko advised that there are announcements regarding the Permanent Commission on Access to Justice and national and international convenings that are listed more fully in her written report.

4. Resolution

Upon completion of Ms. Fecko's presentation, Chair Davis summarized the FY25-26 Final Budget Resolution which authorizes IOLA to pay out its appropriated funds. Chair Davis asked for a motion to adopt the Resolution. Trustee Lindenauer so moved, and Trustee Lopez-Soto seconded. The Resolution was approved unanimously.

5. Administrative and Financial Report

Ms. Agard provided an overview of the Administrative Report. Ms. Agard reported that IOLA's cash balance on March 31, 2025 was approximately $605M. For the month of April 2025, IOLA's interest revenue was $16M, and the STIP revenue was $2.2M, minus administrative expenses of $541K, and grant expenses of $3.5M. The opening cash balance in May 2025 was approximately $619M.

Ms. Agard advised that the average net interest yield over the last quarter was $18M, which is down from its peak in September 2024. The decline is due to the fact that the Fed lowered interest rates in September, November and December 2024.

IOLA's average daily balance was $8.8M, down from $9.3M in March. However, March was a month with quarterly bank reporting, and thus the average daily balances are typically slightly higher in such months than others. Ms. Agard provided a summary of the FY22-25 graphic historical depiction of revenue chart as well as the chart detailing the average daily balances of the top 30 banks.

Regarding the Variance Report, Ms. Agard advised that IOLA spent $541K in March 2025, with year-to-date expenditures of $2.36M, which is significantly less than our budget of $2.8M. Ms. Agard advised that the Variance report at the next Board meeting will look different as some of the categories have been reorganized and consolidated for clarity.

In response to a Board question, Ms. Fecko advised that New York's IOLA income is the second highest in the country behind California, which has a larger bar membership than New York.

6. General Counsel's Report

Ms. Nyiendo advised that she and Ms. Fecko conducted nine site visits to date, with two occurring this morning. In conjunction with the site visits, IOLA has done three Meet & Greet reception events with grantees, with another one to immediately follow the Board meeting.

Ms. Nyiendo advised that she has been engaged with other IOLTA programs, legal services coalitions, and grantees to discuss the changing landscape for non-profit federal funding. Those conversations are ongoing.

Regarding attorney and bar association matters, Ms. Nyiendo advised that she attended the NYC Bar Association's Pro Bono and Legal Services Committee awards on June 2. All five of the awardees work for our grantees. The presenter of the ceremony was the Hon. Rowan Wilson, Chief Judge of the NYS Court of Appeals. Ms. Nyiendo congratulated the awardees for their service.

Ms. Nyiendo advised that she and Ms. Fecko attended the ABA/ Equal Justice Conference in San Francisco on May 15-17. The prior day, on May 14, Ms. Nyiendo and Ms. Fecko attended the NAIP IOLTA Funder Roundtable meeting held at the California Bar Association in San Francisco, along with other counterpart IOLA programs across the country.

Ms. Nyiendo advised that she is engaged in assisting IOLA in the lease negotiations to secure new office space. In response to a Board member's question, Ms. Fecko added that we are looking to secure suite space for a monthly rent in the same dollar range and geographic location of our current

building. She further reported that, according to our broker, the demand for lease space of small or mid-size organizations remains steady in midtown Manhattan, unlike the market for larger office space, which has fallen since the pandemic.

Regarding ethics matters, Ms. Nyiendo reported that all mandatory filers of the Financial Disclosure Form advised her that they filed the form on or about the due date of May 15.

7. Executive Session

Chair Davis made a motion to enter into Executive Session to consider matters relating to the financial history and appointment of a particular corporation, specifically an IOLA grant applicant; and matters leading to the appointment and employment of particular persons, specifically employees. The motion was seconded by Trustee Ross and unanimously approved.

8. Resolution

Upon returning from Executive Session, Chair Davis summarized the resolution regarding employees. Chair Davis asked for a motion to adopt the Resolution. Trustee Lopez-Soto so moved, and Trustee Galowitz seconded. The Resolution was approved unanimously.

9. Next Board Meeting

Ms. Fecko advised that the Board meetings for the remainder of the calendar year are September 17, 2025 and December 3, 2025, both at 1pm in New York City.

10. Grantee Presentations

Upon Ms. Fecko's invitation, representatives of five grantees presented to the Board an overview of their civil legal programs. The grantees were: Legal Aid Society of Rochester, as presented by Carla Palumbo and Lauren Pienkowski; Hiscock Legal Aid Society, as presented by Gregory Dewan; VLP of Central New York, as presented by Sal Curran; Legal Services of Central New York, as presented by Dennis Kaufman; and Legal Aid Society of Mid-New York, as presented by Paul Lupia.

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There being no further business before the Board, the meeting was adjourned at approximately 2:50 p.m.

Respectfully submitted,

Licha Nyiendo
General Counsel