

Winter 2009 IOLTA Workshops **Gear Up While Rates Are Down**



1 p.m. – 2:30 p.m. – Plenary
2:45 p.m. – 4:15 p.m. – Breakout Sessions
Feb. 12, 2009

Ken Smith, President & Kelly Thayer, Analyst
The Resource for Great Programs

The Resource for Great Programs, Inc. – Feb. 12, 2009

1

January 2009 Survey of IOLTA **Community – Who responded?**

- ◆ **49 responses**
- ◆ **By position:**
 - 75% IOLTA Executive Directors
 - Other IOLTA staff
- ◆ **By program status:**
 - Two-thirds from “rate comparability” states
 - 85% have “mandatory” IOLTA
- ◆ **By geography:**
 - 35 states & 2 provinces
 - Others residing in undisclosed locations

The Resource for Great Programs, Inc. – Feb. 12, 2009

2

Survey Question – Topics of greatest relevance among programs with rate comparability?

3. Which of the following topics will be of greatest relevance to you in the months ahead:		
Answer Options (for states <i>with</i> comparability)	Response Frequency	Response Count
b. Encouraging banks to pay premium rates ABOVE comparable rates.	47%	14
a. Methods and tools for monitoring banks' compliance with the rate comparability requirement.	30%	9
c. No preference or don't know.	13%	4
d. Other (please specify):	10%	3
<i>answered question</i>		30

The Resource for Great Programs, Inc. – Feb. 12, 2009

3

Survey Question – Topics of greatest relevance among programs without rate comparability?

3. Which of the following topics do you think will be of greatest relevance to you in the months ahead:		
Answer Options	Response Frequency	Response Count
How to negotiate successfully with banks to increase rates or reduce fees.	35.3%	6
How to implement interest rate comparability with banks.	17.6%	3
Methods and tools for monitoring banks' compliance with the interest rate comparability.	17.6%	3
How to get started on the road to interest rate comparability.	11.8%	2
How to successfully pursue mandatory IOLTA.	11.8%	2
Other (please specify):	5.9%	1
<i>answered question</i>		17

The Resource for Great Programs, Inc. – Feb. 12, 2009

4

Survey Question – 52% of respondents reported success in maximizing IOLTA

Our state's IOLTA program has successfully used the following method(s) in maximizing IOLTA revenue in the past year (please describe in the box below).

Answers	Who responded	Response Count
Negotiation w/ banks --		
> General success w/ negotiation	Arizona, Georgia, Idaho, Minnesota, North Carolina, Nebraska, Nevada, New York, South Carolina	13
> One-on-one communication	Nebraska, Nevada	
> Recruiting lawyers to negotiate	Washington, Unspecified	
Interest Rate Comparability Monitoring --	Florida, Hawaii, Louisiana, Missouri, New York, Pennsylvania	6
> of compliance w/ comparability	Arizona, Illinois, Michigan, Missouri	5
> of fees & charges	New York	
Bank recognition programs	Maine, Michigan, Texas & Wash., D.C.	4
Cy pres	Washington	1
answered question		22*

** 22 of 42 respondents supplied 29 "success" answers.*

The Resource for Great Programs, Inc. – Feb. 12, 2009

5

Survey Question – 57% of respondents reported policies dealing w/ ebbs & flows

F. Policies for dealing with the economic ebbs and flows of IOLTA Revenue

Answers	Who responded	Response Count
Reserves		
> Reported general success w/ reserves	Alberta, California, Florida, Hawaii, Idaho, Illinois, Indiana, Louisiana, Manitoba, Maryland, Minnesota, Nevada, North Carolina, Texas, Virginia, Washington, West Virginia	17
Collect Funds 1-year in Advance of Distribution	Louisiana, Texas	2
Bank Partnerships		
> Maintaining good rapport w/ banks	Georgia	2
> Building partnerships	Washington	
Extended length of (some) grants		
> 2-3 year grants for infrastructure & systemic projects	Michigan	2
> 15-month grants	New York	
Other	Alabama, Alberta, Florida, Louisiana, Michigan	5
answered question		24*

** 24 of 42 respondents supplied 28 "policy" answers.*

The Resource for Great Programs, Inc. – Feb. 12, 2009

6

Survey Question – Top responses to “Other Initiatives Being Considered”

8. Is your state's IOLTA organization considering any other initiatives for dealing with the consequences of the current downturn in IOLTA revenue in your state? Please check ALL of the

Answer Options	Who Responded	Response Count
Other	(See other slide)	22
Revising your benchmark (aka "safe harbor") provision in light of the very low Federal Funds Target Rate.	Alabama, California, Connecticut, Georgia, Hawaii, Illinois, Indiana, Louisiana, Manitoba, Massachusetts, Missouri, New Jersey, New York, Pennsylvania, Texas, & Wash., DC	18
Cy pres campaigns.	Arizona, Colorado, Connecticut, Florida, Georgia, Hawaii, Louisiana, Maryland, Massachusetts, Michigan, Missouri, Montana, New York, South Carolina, Texas, Virginia, Wisconsin	17
Increasing reserves.	Georgia, Hawaii, Idaho, Indiana, Manitoba, Nevada, North Carolina, Virginia, Wisconsin	10
(Additional answers on next slide)		
answered question		40*
* 40 respondents supplied 86 answers.		

The Resource for Great Programs, Inc. – Feb. 12, 2009

7

Survey Question – More responses to “Other Initiatives Being Considered”

8. Is your state's IOLTA organization considering any other initiatives for

Answer Options	Who Responded	Response Count
(Continued from last slide:)		
Court filing fee add-ons for the benefit of civil justice programs.	Colorado, Connecticut, Hawaii, South Carolina, Texas, Virginia, West Virginia	7
IOLTA-like programs for capturing the interest on other types of trust accounts.	Arizona, Connecticut, Louisiana, Michigan, New Jersey, Texas	6
Establishing reserves.	Alabama, Arizona, Missouri, Montana, Pennsylvania	5
answered question		40*
* 40 respondents supplied 86 answers.		

The Resource for Great Programs, Inc. – Feb. 12, 2009

8

Survey Question – Other responses to “Others Initiatives Being Considered”

8. Is your state's IOLTA organization considering any other initiatives for		
(Continued from last slide:)		
"Other" answers	Who responded	Response Count
Fundraising via attorney donations, other sources	California, Florida, Michigan, South Carolina, & Wash., DC	5
Moving to mandatory	Tennessee, Rhode Island	2
Moving to comparability	Nevada, Tennessee	2
State appropriations	Texas	1
Increasing court fees or redirecting other funds	Maryland	1
Various responses	Various	11
<i>answered question</i>		40*
* 40 respondents supplied 86 answers, of which 22 answers were "Other."		