

Client Trust Fund Inspection Report
Grantee: Nassau/Suffolk Law Services Committee, Inc.
Recipient No. 233070
Report No. INP 02-002

December 18, 2001

Jeffrey A. Seigel
Executive Director
Nassau/Suffolk Law Services Committee, Inc.
One Helen Keller Way
5th Floor
Hempstead, NY 11550

Recipient No. 233070

Dear Mr. Seigel:

This report provides the results of our inspection of Nassau/Suffolk Law Services Committee's client trust fund accounts. The inspection focused on compliance with record keeping requirements established in the LSC Accounting Guide For LSC Recipients (Accounting Guide).

The on-site inspection was conducted between November 13 and 16, 2001 at the main office and included a review of the main office and Islandia branch office accounts. The inspection determined that Nassau/Suffolk Law Services Committee generally complied with the LSC Accounting Guide. However, internal controls should be improved in the following areas:

1. **Unclaimed Funds.** The grantee's client trust accounts included approximately \$4,429 in funds that were unclaimed for over five years. This amount was in forty client accounts dating from 1971. According to the grantee, funds remaining unclaimed for five years must be escheated to the state or deposited with the New York State Lawyer's Fund for Client Protection. The grantee has not established policies for disposing of unclaimed funds. We suggest that the grantee establish a process to track and appropriately disburse unclaimed funds.
2. **Outstanding Checks.** Five checks issued by the main office totaling \$730 remained outstanding for over two years. LSC recommends that checks outstanding over 60 days be cancelled. The grantee does not have procedures to follow up when checks remain outstanding for long periods of time. We suggest that the grantee adopt a policy requiring a monthly review of outstanding checks. A letter should be sent to clients who do not cash checks within two months. If the clients cannot be located the checks should be voided.

The grantee's Executive Director agreed with the inspection's findings and stated that our suggestions were being implemented

Please provide a copy of this report to each member of the Board of Directors of Nassau/Suffolk Law Services Committee.

Sincerely,

Leonard J. Koczur
Acting Inspector General