



## **Review of Case Statistical Reports**

**Grantee: Volunteer Lawyers Project of the Boston Bar Association Inc.**

**Recipient No. 122007**

**Final Report No. AU00-01**

**November 1999**

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### **RESULTS OF AUDIT**

#### **SUMMARY**

The Volunteer Lawyers Project of the Boston Bar Association (grantee) reported 9,847 closed cases and 1,362 open cases in its 1998 Grant Activity Report. The Office of Inspector General (OIG) determined that the report fairly stated the number of cases the grantee closed during 1998. As discussed below, the OIG did not evaluate reported open cases.

#### **Closed Cases**

The auditors reviewed a sample of 85 cases closed in 1998 and determined that, with a few immaterial exceptions, the cases were properly closed and reported in 1998. The grantee's case intake procedures and policies for opening and closing cases were adequate. Sound management controls were in place to ensure that clients met Legal Services Corporation (LSC) financial and citizenship guidelines and that eligibility determinations were documented.

One documentation problem surfaced during the review. The files for 17 of the 85 sample cases did not include documentation of the legal advice provided to the clients. These 17 cases were handled by a subgrantee that operated a hotline service. Subgrantee management stated that legal advice had been provided to all clients and, based on the description of the client's legal problem,

gave examples that illustrated the type of advice that may have been provided. In January 1999 the subgrantee remedied the documentation problem. The OIG verified that during 1999 the subgrantee's case handlers were annotating case files to reflect the advice clients were provided. In view of the corrective action taken, the OIG has no recommendations.

**Open Cases**

Auditors did not review the grantee's reported open cases because they concluded that there was a low risk of significant miscounting of open cases. The grantee had a low ratio of open-to-closed cases. (Based on prior experience, a high ratio often indicates excess open cases.) Most cases were opened and closed within a very short time period, which precluded the untimely case closures that were a major source of reporting problems in previously conducted audits. Also, the grantee had good control procedures over client intake that guarded against legal services being provided to ineligible persons. Last, the grantee had reviewed its case statistical data and had reduced its number of reported cases by about 6 percent.

**CASE SERVICE REPORTING REQUIREMENTS**

LSC requires recipients to submit an annual Grant Activity Report summarizing the previous year's legal services activity wholly or partially supported with LSC funds. The information in the report includes total number of cases worked on, types of legal issues, number of open and closed cases, and the reasons cases were closed. The report also includes information on Private Attorney Involvement cases. The Case Service Reporting Handbook and Grant Activity Report instructions provide reporting criteria for cases. Reported cases must be for eligible clients and within the recipient's priorities. Eligibility is based on income and citizenship determinations and must be documented.

**LSC Uses of Grant Activity Report**

LSC uses grantee case statistical information to support the Corporation's annual budget request and as a performance measure in the performance plan submitted in response to the Government Performance and Results Act. The compilation of program-wide data on cases is an integral part of the management oversight process and also allows LSC management to keep its Board of Directors and the Congress informed of significant program activities and performance.

The grantee submitted the following information to LSC:

<b>Type of Legal Problem</b>	<b>Closed</b>	<b>Open</b>
Consumer/Finance	1,028	227
Education	41	10
Employment	341	20
Family	1,766	411
Juvenile	119	1
Health	131	3
Housing	3,635	240
Income Maintenance	2,021	321
Individual Rights	76	5
Miscellaneous	689	124

## **TOTALS**

**9,847 1,362**

## **CONCLUSIONS**

The grantee's 1998 Grant Activity Report accurately reported the number of cases closed during the year. Adequate controls were in place to guard against ineligible clients being served. As long as these controls function as intended future reports should be accurate.

## **GRANTEE COMMENTS AND OIG DECISION**

### **Grantee Comments**

The grantee reviewed the draft report and did not disagree with the findings. The comments are in Appendix I.

### **OIG Decision**

There are no outstanding issues and therefore this audit is closed.

## **BACKGROUND**

The grantee is a nonprofit entity organized to provide legal services to indigent individuals who meet established eligibility guidelines. The grantee is located in Boston and its priorities include housing, income maintenance, family, and consumer issues. During 1998 the grantee was staffed with eight attorneys, three paralegals, and three other personnel who assisted with case handling and provided administrative support services. The grantee received funding totaling about \$1.6 million in 1998, of which about 93 percent or \$1.5 million came from LSC.

The grantee gave a subgrant of \$65,000 to the Legal Advocacy and Resources Center to operate a hotline that provides advice, performs intake screening, and makes referrals to other legal service organizations. The grantee also funded seven positions at the Legal Advocacy and Resources Center during 1998. Subgrants were given to two law schools to provide direct legal assistance to portions of the grantee's service area. The Community Law Center, an affiliate of Harvard Law School, was provided \$237,000 in 1998 and the Boston College Legal Assistance Bureau received \$85,000. The grantee relied on volunteer lawyers to satisfy its Private Attorney Involvement requirement.

Grantees prepare and submit an annual Grant Activity Report to LSC on key aspects of their workload. The report includes statistics for basic field services and Private Attorney Involvement programs financed with LSC funds, including the number of open and closed cases, types of cases, and the reasons for closing cases. For calendar year 1998, the grantee initially reported in March 1999 that it had closed 15,417 cases and had 1,450 cases open at year-end. The OIG notified the grantee on May 21, 1999 that an audit would be performed to determine if the 1998 Grant Activity Report was accurate. On June 22, 1999 the grantee revised its Grant Activity Report and reported 9,847 closed and 1,362 open cases to LSC.

In effect, the grantee reviewed its 1998 report prior to the Office of Inspector General's (OIG) audit and identified cases that should not have been reported in its Grant Activity Report for 1998. The grantee attributed the reduction in reported cases to a more accurate report from one of its subgrantees.

## **OBJECTIVES, SCOPE, AND METHODOLOGY**

The primary objective of this review was to determine whether the grantee provided LSC with accurate case statistical data in its 1998 Grant Activity Report.

The OIG performed this review from August 16–23, 1999, at the grantee and the three subgrantees offices. We examined the grant proposal submitted to LSC by Volunteer Lawyers Project of the Boston Bar Association, Inc. for 1998 and the grantee's 1998 Grant Activity Report. During the on-site visit, the OIG interviewed and collected information from the executive director, supervisory and staff attorneys, paralegals, and management officials at three subgrantees.

The OIG also obtained and reviewed the data in the automated case management systems to determine if the case statistical data reported to LSC in the Grant Activity Report was consistent with information in client case files and in compliance with applicable LSC reporting requirements.

The OIG generated a random sample of 85 closed cases for detailed review. The sample cases were selected from the case management systems maintained by the Volunteer Lawyers Project and the three subgrantees. The sample provides 90 percent confidence that the error rate for closed cases was between 0.63 percent and 6.14 percent. The most probable error rate for closed cases was 2.35 percent. This error rate is immaterial. On May 14, 1999, LSC issued a document titled *Self-Inspection Procedure—Case Service Reporting* which instructed grantees to review the accuracy of their case statistics. LSC informed the grantees that no corrective action was necessary if less than five percent of the cases reviewed had exceptions. A five percent error rate is also a reasonable threshold in establishing whether a grantee should revise its Grant Activity Report.

Open cases were not reviewed. However, the OIG did evaluate intake procedures and the grantee's policies relating to the opening of cases.

We performed this audit in accordance with *Government Auditing Standards* (1994 revision) established by the Comptroller General of the United States and under authority of the Inspector General Act of 1978, as amended and Public Law 105-277, incorporating by reference Public Law 104-134, §509(g).

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October 6, 1999

Edward Quatrevaux  
Inspector General  
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Dear Mr. Quatrevaux,

The Volunteer Lawyers Project (VLP) has received the draft report of the audit of VLP. We have carefully reviewed this draft and we do not disagree with the report's findings. If there is any additional information you need from our program, please do not hesitate to contact me. I can be reached at the above number, ext. 132.

Sincerely,

Lynn A. Girton  
Chief Counsel



A public service project of the Boston Bar Association.

OIG STAFF RESPONSIBLE FOR THE AUDIT REPORT

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