

**LEGAL SERVICES CORPORATION  
OFFICE OF INSPECTOR GENERAL**

**REVIEW OF CASE STATISTICAL REPORTS**

**Grantee:           Legal Services of Eastern Missouri,  
Inc.**

**Recipient No. 526020**

**Report No. AU99-021**

**September 1999**

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## **EXECUTIVE SUMMARY**

The 1998 Grant Activity Report submitted by Legal Services of Eastern Missouri, Inc. (grantee) overstated the number of cases closed during the year by 5,478 cases or 37 percent. The grantee reported 14,930 closed cases but only an estimated 9,452 cases qualified to be reported as closed during 1998. The grantee also overstated cases open at year-end in its 1998 report. The grantee had an estimated 2,111 cases open at year-end, but reported 2,505 cases.

The audit revealed four causes of the overstatement of closed cases. The grantee improperly reported 2,222 cases for unidentified clients. For these cases, the client's name was not obtained and recorded in the case management system or case files. The grantee had no controls to ensure that the 2,222 cases did not include multiple calls from the same individual requesting services on the same matter. An additional 1,455 cases were duplicates, i.e., these cases were reported more than once, to the Legal Services Corporation (LSC). Also, legal services were not provided in an estimated 1,013 cases and an estimated 788 cases were reported as closed in 1998 even though legal activity had ceased prior to 1998.

Open cases at year-end were overstated for two reasons. An estimated 209 cases reported as open at December 31, 1998 should have been closed because legal activity had ceased. An additional 185 open cases were duplicates.

Two other issues, not directly related to case counting, were disclosed during our review. In a sample of 170 cases, 73 case files lacked documentation of citizenship eligibility and 22 case files did not include income eligibility documentation.

Recommendations to correct the above problems are on page 8.

## **BACKGROUND**

Legal Services of Eastern Missouri, Inc. is a nonprofit entity organized to provide legal services to indigent individuals who meet established eligibility guidelines. Its priorities include housing, income maintenance, family, and consumer issues. The grantee is headquartered in Saint Louis and has a branch office in Hannibal, Missouri. It is staffed with 22 attorneys, 15 paralegals, and 27 other staff who assisted with cases and provided computer, accounting, and administrative support services. Law students from two local schools work for the grantee on an intermittent basis throughout the year. The grantee received funding totaling about \$4.15 million in 1998, of which about 40 percent or \$1.68 million came from LSC. Legal Services of Eastern Missouri, Inc. relies on volunteer lawyers to satisfy its Private Attorney Involvement requirement.

The grantee prepares and submits an annual Grant Activity Report to LSC on key aspects of its 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, Legal Services of Eastern Missouri, Inc. reported 14,930 closed cases and 2,505 open cases to LSC. The grantee kept track of client cases with Turbo-Cases, an automated management information system. Grantee management stated that Turbo-Cases was not fulfilling their needs. The Kemp's Case Management System had been obtained and was being implemented at the time of our visit.

## **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 Office of Inspector General performed this review from June 7-17, 1999, at the grantee's main office. The OIG examined the grant proposal submitted to LSC by Legal Services of Eastern Missouri, Inc., for 1998 and the grantee's 1998 Grant Activity Report. During the on-site visit, the OIG interviewed and collected information from the grantee's executive director, managing attorneys, staff attorneys, paralegals, intake staff, information system specialist, and other support staff.

The OIG also obtained and reviewed the data in the grantee's automated case management system 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 170 closed and open client cases for detailed review. The sample cases were selected from the grantee's case management system. Actual overstatements of cases identified by the OIG were eliminated from the universe before making our projections to preclude double counting of errors. The sample provides 90 percent confidence that the error rate for closed cases was between 11 and 22 percent. The most probable error rate for closed cases was 16 percent. The sample provides 90 percent confidence that the error rate for open cases was between 10 and 21 percent. The most probable error rate for open cases was 15 percent.

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).

## **RESULTS OF AUDIT**

### **Case Service Reporting**

The grantee's 1998 Grant Activity Report overstated the number of cases closed during the year and the number remaining open at year-end. Closed cases were overstated because the grantee incorrectly reported cases for which the client's identity had not been determined. Other cases were closed and reported more than once which resulted in duplicate reporting. The grantee did not provide legal services for some of the cases reported to LSC. Additional overstatements occurred because some cases were reported as closed in 1998 although legal activity had ceased in prior years. Open cases were overstated because some cases reported as open at the end of 1998 should have been closed in prior years and some cases were reported more than once.

### **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. In response to the annual reporting requirement, the grantee submitted the following information to LSC:

<b>Type of Legal Problem</b>	<b>Closed</b>	<b>Open</b>
Consumer/Finance	1,277	136
Education	27	7

Employment	108	27
Family	7,122	940
Juvenile	51	7
Health	200	177
Housing	4,248	516
Income Maintenance	378	340
Individual Rights	102	108
Miscellaneous	1,417	247

<b>TOTALS</b>	<b><u>14,930</u></b>	<b><u>2,505</u></b>
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### **Examination of Reported Cases**

The grantee should have reported 9,452 closed cases and 2,111 open cases in its 1998 Grant Activity Report. The following chart shows the number of overstated cases by error type.

<b>REASON FOR OVERSTATEMENT</b>	<b>CLOSED</b>
Client Not Identified	2,222
Duplicate Cases	1,455
No Legal Services Provided	1,013
Untimely Closing	788
<b>TOTAL CLOSED</b>	<b><u>5,478</u></b>
	<b>OPEN</b>
Untimely Closing	209
Duplicate Cases	185
<b>TOTAL OPEN</b>	<b><u>394</u></b>

## **CLOSED CASES**

### **Clients Not Identified**

The grantee did not determine the identity of the clients for 2,222 cases. That is, the clients' names were not obtained and recorded in the case management system or the case file. The grantee did not have controls in place to ensure that the cases did not include multiple calls from the same individual requesting assistance for the same problem. The grantee requested guidance from LSC as to whether cases may be recorded in the Grant Activity Report in instances when the client would not provide a name. In a May 27, 1999 letter, LSC management informed the grantee that a client name is essential if an activity is to be counted as a case and that services provided to unidentified clients should not be reported as cases.

### **Duplicate Cases**

We determined that 1,455 cases were duplicates, i. e., these cases were reported to LSC more than once. There were two causes for the duplicates. First, clients made multiple requests for assistance that were reported to LSC as separate cases even though the same legal problem was involved. Second, the grantee frequently closed and reported cases when they were referred to a private attorney. These same cases were opened, closed and reported again when the private attorney completed work on them. The Case Service Report Handbook states that cases referred to private attorneys should be closed after the private attorney completes all legal services. Grantee management has implemented procedures that preclude the issuance of a second case number when a client is referred to a private attorney. These procedures should preclude the routine double counting of private attorney cases.

### **Legal Services Not Provided**

The Grant Activity Report included an estimated 1,013 cases for which no legal services were provided. Review of the documentation in the 85 case files sampled found that 8 cases did not involve the provision of legal services. The attorneys or paralegals responsible for these eight cases confirmed that legal services were not provided.

### **Untimely Closure of Cases**

An estimated 788 cases were reported as closed in 1998 even though legal activity on the cases had ceased before 1998. We reviewed 85 closed cases and determined that 6 should have been closed in years prior to 1998. We discussed these cases with the responsible case handlers and they confirmed that the six cases should have been closed in 1997 or earlier years.

## **OPEN CASES**

### **Untimely Closure of Cases**

An estimated 209 cases reported open at the end of 1998 should have been closed because legal activity had ceased prior to 1998. We reviewed 85 open cases and determined that 8 should have been closed. The attorney or paralegal responsible for each case confirmed that all eight should have been closed in 1997 or earlier years.

### **Duplicate Cases**

The audit found that 185 duplicate open cases were reported. Clients made multiple requests for assistance for the same legal problem. Each request was treated as a separate case and reported to LSC even though the same legal problem was involved.

## **ADDITIONAL CASE MANAGEMENT ISSUES**

### **Eligibility Determinations**

Citizenship eligibility was not documented for 73 of the 170 sample cases. For most of the 73 cases, the grantee's staff provided assistance over the telephone and closed the cases as "Counsel and Advise" or "Brief Services." The grantee's staff usually did not document citizenship eligibility for clients served via the telephone who did not meet personally with a casehandler. The intake form used in 1998 did not include a question on the client's citizenship status. The intake form was revised in January 1999 and now requires the intake staff to inquire as to whether the potential client is a citizen or eligible alien.

The grantee's staff frequently did not document that clients' income met eligibility requirements. Case files for 22 of 170 sample cases did not include income eligibility determinations.

## **CONCLUSIONS**

The grantee needs to improve the accuracy of the case statistics reported in the Grant Activity Report. Its 1998 report overstated both closed and open cases. In addition, there were some cases for which the client's eligibility was not documented. Grantee management needs to improve supervisory review procedures to ensure cases are properly classified as open or closed. The grantee should also review the data supporting the Grant Activity Report to detect errors, such as duplicate cases, and correct them before the report is submitted to LSC.

### **RECOMMENDATIONS**

The OIG recommends that grantee management:

1. Discontinue the practice of reporting cases when clients' identities are not determined.
2. Implement procedures to periodically generate a "potential duplicate" report from the case management system and delete all cases that are duplicates.
3. Formally instruct staff that instances in which legal services were not provided to the client should not be reported to LSC as cases.
4. Implement procedures requiring supervisors to periodically review a sample of closed cases and determine if legal services were provided to the client.
5. Formally instruct staff that cases should be closed in the year legal activity ceased.
6. Implement procedures to periodically review a sample of closed cases and determine if cases are being closed in a timely manner.
7. Implement procedures to periodically review a sample of open cases and determine if cases are being properly classified as active.
8. Implement procedures to periodically review a sample of open and closed cases and verify that eligibility determinations were made regarding the client's citizenship and income status.
9. Submit to LSC a revised 1998 Grant Activity Report that accurately reports the number of cases closed during the year and the number open at year-end.

## **SUMMARY OF GRANTEE COMMENTS AND OIG DECISIONS**

### **Summary of Grantee's Comments**

The grantee stated that its main disagreement with the audit is that the OIG may not have used the appropriate criteria to determine cases that should not have been reported. The grantee asserted that the OIG based its findings on the criteria established in the CSR Handbook issued in November 1998. This handbook did not take effect until January 1999. The grantee stated that the OIG should have used the CSR Handbook issued in 1993 for establishing criteria.

The grantee's comments are in Appendix II.

### **OIG's Decision**

Auditors used the 1993 CSR Handbook for criteria in evaluating cases. Two sections of the 1999 edition of the CSR Handbook were applicable to 1998 data; Timely Closing of Cases and Management Review of Cases Service Reports. These sections were used where applicable. Auditors also applied these criteria: (1) report cases once; (2) document the client's name; and, (3) document the client's income and citizenship eligibility.

The grantee's comments did not provide any basis for modifying the audit report. No evidence was provided to support the grantee's assertion that the OIG's findings were contrary to guidelines in effect for 1998 reporting.

## **GRANTEE'S SPECIFIC COMMENTS AND OIG DECISIONS**

### **Grantee Comments: Double Counting**

The grantee's comments on double counting addressed multiple requests for assistance and Private Attorney Involvement cases. The grantee said that it had been following the 1993 CSR Handbook Section 1.2, which states "A client may generate one or more legal cases from a single intake, or by returning for additional services at a different time." Consequently, cases were closed because a determination had been made that all requested or possible activity had been completed. A new case was opened if the client contacted the grantee again. The grantee's case management system did not allow the grantee to determine whether the client returned with a new problem or the same problem.

For cases referred to private attorneys, the grantee's paralegals and/or attorneys determined the factual and legal merits of the cases, and then transferred them to private attorneys. Prior to the case transfer, the grantee's staff also collected information and normally gave the client some advice or direction. The grantee determined that these cases should be closed because its staff performed work for the client. A new case was then opened for the private attorney's work. According to the grantee, the 1993 CSR Handbook gave no guidance on how grantees should treat such situations.

### **OIG Decision**

The grantee's response indicates that the OIG correctly determined that the Grant Activity Report included duplicate cases. The grantee's explanations show that multiple requests for assistance and Private Attorney Involvement cases resulted in the same case being reported more than once. The grantee's comments did not dispute that the cases were incorrectly reported. The comments attributed the incorrect reporting of multiple requests for assistance to unclear LSC guidance. The guidance could have been better but logic dictates that a case should be reported only once.

The OIG auditors identified 1,455 cases that appeared to be duplicates. The cases involved both multiple requests for assistance from the same client with the same legal problem and cases referred to private attorneys. The grantee reviewed 14 cases and determined that all had been incorrectly reported more than once. The review of these 14 cases required extensive time and grantee management decided that it was not cost beneficial to review additional cases. Based on the review of 14 cases, grantee management concluded that the remaining cases identified as potential duplicates had also been reported more than once in the Grant Activity Report. The OIG agreed with grantee management and the cases were included in the audit report.

The 1993 CSR Handbook provides clear guidance on reporting Private Attorney Involvement cases. The Handbook states that a case should not be closed upon referral to a private attorney. However, the grantee closed cases when they were referred to private attorneys. This resulted in the same cases being reported more than once.

### **Grantee Comments: Failure to Obtain Name, Income, Assets, and Citizenship Status in Some Instances**

The grantee's comments stated that many people who telephone for assistance are afraid to give out identifying and other personal information. According to the grantee, the clients often insist that they have an insurmountable problem and are immediately provided advice before eligibility information is requested. After receiving the advice, the clients frequently refuse to provide requested eligibility information.

The grantee asserted that prior to the issuance of the 1999 CSR Handbook there was no requirement to document asset eligibility. Similarly, before LSC's May 14, 1999 "Self Inspection Procedure Memorandum" was issued, there was no requirement for recipients to request and indicate citizenship status for telephone cases. Consequently, if no documentation was in the file, it could be assumed that the client was within asset guidelines and met the citizenship status requirement.

The grantee's comments asserted that the services it provides by telephone are the same as those provided by telephone hotlines. The grantee stated that it was logical that just as a hotline could report cases without obtaining names and determining eligibility, the grantee could report cases resulting from its telephone intake system.

### **OIG Decision**

The grantee's comments indicated that client names were not obtained and citizen/alien eligibility determinations were not made as auditors reported.

The grantee provided comments on the documentation of assets, but the draft did not contain any findings related to asset documentation.

LSC regulations do not require clients who only receive brief services over the telephone to provide attestations of citizenship or documentation of alien eligibility. However, this does not mean that grantees are freed from the requirement to serve only eligible clients. Eligibility must be established for all clients. LSC has stated that grantees must ask the applicants whether they are citizens or legal aliens and document the answers.

The grantee stated that grantees with telephone hotline systems reported cases without obtaining names and determining eligibility and that it could do like wise. LSC regulations do not exempt hotlines from documenting client names and determining eligibility.

### **Grantee Comments On Recommendations**

The grantee submitted documentation showing that recommendations 1 through 8 had been implemented. The grantee's comments stated that recommendation number 9: "Submit to LSC a revised 1998 Grant Activity Report that accurately reports the number of cases closed during the year and the number open at year-end" would be implemented.

### **OIG Decision**

Recommendation 9 is unresolved. The grantee should submit a revised 1998 Grant Activity Report that reflects a reduction of 5,478 closed cases and 394 open

cases. The submission of the revised report should be coordinated with LSC management.

Please provide a corrective action plan for implementation of Recommendation 9. The corrective action plan should include a description of the action taken to implement the recommendation and the date corrective action will be completed.

**LISTING OF FINDINGS AND ASSOCIATED RECOMMENDATIONS**

1. Closed cases were overstated (page 6)  
Recommendations #1-6, and 9
2. Open cases were overstated (page 7)  
Recommendations #2, 5, 7, and 9
3. Eligibility determinations not documented (page 7)  
Recommendation #8

*Legal Services of Eastern Missouri, Inc.*

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(314) 534-4200

August 19, 1999

Mr. E. R. Quatrevaux  
Inspector General  
Legal Services Corporation  
750 1st St., NE, 10th fl.  
Washington, DC 20002-4250

Dear Mr. Quatrevaux:

The following is the response of Legal Services of Eastern Missouri (LSEM) to the Office of the Inspector General's draft audit report on case statistical reports.

Before proceeding to specific responses to the CSR audit, we would like to make a few preliminary comments about the audit process. We would like to commend you for the professionalism of the auditors who visited our program. We were able to work together expeditiously through the audit because we all shared a common goal of having cases reported in the way which ensured compliance with appropriate regulations. The auditors were professional, courteous, available to listen to our comments, and prepared to give specific and helpful information to us to perfect our CSR reports.

Our main disagreement with the audit is whether the appropriate criteria were applied to the audit of the 1998 grant activity reports. We address that point more fully below.

In May of 1998, after receipt of LSC Program Letter 98-3 which had the 1993 CSR Handbook attached, we had several staff meetings to ensure that we were complying with the 1993 Handbook. We reviewed the Handbook and went over the closing codes with our staff and volunteers.

When we received the new LSC CSR Handbook in November of 1998, an administrative team began reviewing our intake procedures, case management and review policies, and data collection methods to determine if they would comply with the new CSR requirements effective January 1, 1999. Upon review, we determined that certain steps needed to be taken by us to bring our program in line with the new requirements.

F. DIANNE TAYLOR, EXECUTIVE DIRECTOR & GENERAL COUNSEL

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In mid-1998, we initiated a search for a new CSR system which would handle both case reporting requirements and funding allocations requirements. The necessity of obtaining a new case management system was made more crucial by the 1999 CSR Handbook requirements. This year we purchased Kemp's Clients for Windows Case Management software; we have had to wait on its utilization because of upgrades we needed to make to our network and because of data conversion problems. We are in the process of working out those problems at this time.

We also began instituting policies to prevent case duplication and to ensure the timely closing of cases. We drafted new forms to track all materials required to be in case files, such as attestations of citizenship, asset determination forms, and new forms to ensure that staff and volunteers obtain all required information on cases completed over the telephone.

In addition, we have instituted a multi-step process to ensure that all required information is obtained. When the case is initially opened, it is reviewed by the intake worker, the interviewer and the advocate for all required data. All cases are reviewed again during required case reviews to make sure that all applicable CSR documentation is in the file. All cases are reviewed again prior to closing for the required documentation.

We continued meeting with our staff about the changes and clarifications made by the 1999 CSR Handbook, and about the problem and closing code definitions. Each employee and permanent volunteer received a copy of the 1999 CSR Handbook and a copy of the "Frequently Asked CSR Questions & Answers" document provided by LSC. They also received several memoranda of clarification on issues from members of our administrative team. Many of these actions were carried out prior to our program being selected for the OIG audit.

In response to the OIG's audit, we would like to make it clear that every case we reported, whether deemed a case by LSC or not, received the services which we stated were provided. LSC has stated itself that there is no clear reporting mechanism for "matters", which support our provision of services, or services other than those which can be deemed as actual cases.

Following are our responses to some of the specific issues raised in the draft report.

**Double counting:**

1. Clients calling more than once about the same problem or a similar problem within the same reporting period.

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- a. LSEM had been following the 1993 CSR Handbook on page 1, § 1.2, which states: "A client may generate one or more legal cases from a single intake, or by returning for additional services at a different point in time." Consequently, when we closed a case, it was because a determination had been made that we completed all requested or possible activity on it. We opened a new case upon being contacted again by the client. Under our Turbo case management system, which we did utilize during the period in question, it was not possible to determine whether the client was calling us for a new problem or the same problem. For example, the same client and problem code could actually refer to different problems. A code 02 (collection case) could be a different creditor with different or similar factual situations. There are other codes which could also relate to more than one set of facts and/or related sets of facts. §§ 3.2, 6.3 and 6.4 of the 1999 CSR Handbook seem to have been instituted to clarify LSC's position on "double counting". Yet the 1998 audit of our case statistical reports should have been in accordance with the 1993 CSR Handbook.
- b. In regards to referrals to the Volunteer Lawyers Program (VLP) of housing intake and family intake, our paralegals and/or staff attorneys working on the case determine its factual and legal merits, and then transfer it to the VLP. They also collect information and documents, normally give some advice or direction, and then if the case is within our priorities and is meritorious but a staff person is not able to handle the case, it is forwarded to the VLP. The 1993 CSR Handbook gives no true guidance on how LSEM should treat such situations (see page 4, note 2 of the 1993 CSR Handbook). We determined that we should close the case within our specialty unit since we did perform work on the case, and then open a new case in the VLP. The only guidance provided by the 1993 CSR Handbook states: "A PAI case should not be closed under the 'Referred After Legal Assessment' category after referral (emphasis ours)."

In addition, there is no place on the CSR form to include what might be deemed a matter if more than one specialty unit worked on a case.

This issue is clarified in the 1999 CSR Handbook in § 7.3 where it states that only one case can be recorded with the highest level of service.

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**Failure to obtain name, income, assets, and citizenship status in some instances:**

1. There is a fear on the part of many elderly, abused, and poor people of giving identifying information. Over the years, LSEM has tried to instill in our potential clients the idea that they must protect personal information which others could obtain and use to their detriment. The elderly and others have been repeatedly told that they should not give their social security numbers and other identifying information over the telephone due to unscrupulous parties obtaining such information and then using it. Consequently, many people who make contact with us over the phone are afraid to give out personal information. It is impractical and burdensome to the client to require that he or she come to the office for a further eligibility check. Moreover, when they contact us they often need immediate general information and guidance, short of litigation. Also, LSEM believes that the services it provides by phone are the same as those provided by telephone hotlines which are funded and promoted by LSC. It seemed logical that just as a hotline could record such cases, so could we through our telephone intake and counseling systems.
2. Significantly, § 3.4.2 of the 1993 CSR Handbook states in the section entitled "Collecting Client Data" that data may be collected either at intake or closing. For many of the CA or BS cases this is the same point in time because the intake paralegal will make the initial, and many times the only, contact with the client. Often we listen to the client explain the problem, and then provide the needed advice and/or directions before we request eligibility information. This occurs because the client will insist they have an insurmountable legal problem, which we will address. Then when we request the eligibility information, the client will refuse to provide us with it.
3. Prior to the 1999 CSR Handbook, there were no requirements to document assets. The 1993 CSR Handbook does not address the documentation of assets, nor does Part 1611 of the LSC Regulations, the Audit Guide Compliance Supplement, or any LSC program letter. Prior to the 1999 CSR Handbook, the only time documentation of assets was required was when the client was over the asset ceiling and the project director waived that limit. Consequently, if no documentation is in the file, it can be assumed the client is within the asset guidelines.

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4. Prior to the May 14, 1999 "Self-Inspection Procedure Memorandum" from LSC, there was no official document from LSC requiring that recipients request and indicate citizenship status for "telephone cases". Consequently, the assumption is if the client meets all of the other eligibility criteria and an intake is done, the client has been asked and does meet the citizenship status requirement.

Since the CSR Handbook which the OIG used in the audit of our 1998 case data did not take effect until January of 1999, it is our belief that cases discounted as duplicates, or as failing to meet the definition of a "case" under LSC guidelines, were in actuality cases within the meaning of the 1993 CSR Handbook. These should have been counted as cases.

As far as the recommendations listed in the draft report, LSEM has addressed them as follows. The documents mentioned below are attached to this response.

1. Client identities: Staff members have been advised to get the names of clients for all case files. See the memo to the staff dated August 12, 1999.

2. Potential duplicate cases: We will be generating and checking quarterly reports that list potential duplicate cases. See the "Policy on Non-Duplication of Cases" dated June, 1999.

3. Legal services must be provided: We have advised staff that legal assistance must be provided in order to report a case to LSC. See the memos to the staff dated August 9 and August 12, 1999.

4. Periodic review of closed cases to determine if legal services were provided: See the "Self-Inspection Procedures for LSEM Cases" dated July 1, 1999.

5. Cases to be closed in the year legal activity ceased: Staff have been advised about timely closing of cases. See the "Policy on Timely Case Closing and Management Review" dated 6/99, and the memo to the staff dated August 12, 1999.

6. Periodic review of closed cases regarding timely closing: See the "Self-Inspection Procedures for LSEM Cases" dated July 1, 1999.

7. Period review of open cases to determine if they are active: See the "Self-Inspection Procedures for LSEM Cases" dated July 1, 1999.

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8. Periodic review of open and closed cases to verify income and citizenship eligibility: See the "Self-Inspection Procedures for LSEM Cases" dated July 1, 1999.

9. Submit revised reports to LSC on cases closed in 1998 and open at the end of 1998: LSEM plans to revise its 1998 reports for LSC.

See also the memo to the staff dated July 1, 1999, and the compliance checklist that staff are required to use for all cases.

Yours truly,

F. Dianne Taylor  
Executive Director  
(314)534-4200, ext. 1122

FDT:bs  
enclosures

**CIRCULATE/POST**      **GIVE A COPY TO ALL ATTORNEYS,  
PARALEGALS, VOLUNTEERS, and  
STUDENTS**

LEGAL SERVICES OF EASTERN MISSOURI, INC.

**M E M O R A N D U M**

TO:            Staff and Volunteers  
FROM:         Gayle C. Williams  
RE:            Clarification of Closing Code  
                Memorandum of August 9, 1999 and Other  
                CSR Matters  
DATE:         August 12, 1999

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Since the above Memorandum was passed out, I have been asked whether we can close a case under Client Withdrew (CW) if all of the appropriate eligibility information is obtained and the client does not show up for his/her initial appointment with the attorney or paralegal assigned to his/her case. The answer is "NO". For LSC reporting purposes, the only "cases" that can be deemed cases under LSC's definitions, are those where actual services are provided concerning the potential clients' legal problems. So if the only thing we did was obtain the eligibility information without giving Counsel and Advice (some direction concerning the legal problem and/or written material specific to the legal problem), we cannot count the intake as a case for LSC.

As a reminder, all cases must have all of the information completed on the "green intake sheet" including name, address, etc.

Also, as a reminder on "Timely Closing" of cases, all cases must be closed in the year the work was completed on the case. Ex. The case was opened February of 1999 and the last time we did any work on the case was October of 1999, the case must be closed by December 31, 1999, in order for LSEM to be able to count the case for LSC purposes. However, if you review that same case on January 2, 2000 and send out a closing letter to the client, the case may be closed with a 2000 closing date. **\*\* Cases must be closed in the year the work is completed on the case.**

**\*\* All files must have a closing letter in them when they are closed.** Also, each file should have a "Closing Memorandum" so we can tell at a glance what services have been provided to the client. The closing letter and the closing memorandum should be the last two (2) documents on the left side of the case file.

pg. 2

Another reminder, all telephone intakes closed as Counsel and Advice (CA) or Brief Services (BS) must indicate on the forms what we did for the client.

If you have further questions, don't hesitate to ask.

## LEGAL SERVICES OF EASTERN MISSOURI, INC.

6/99

## POLICY ON NON-DUPLICATION OF CASES

## IN CASE SERVICE REPORTS FOR THE LEGAL SERVICES CORPORATION

Prior to entering any new case into the LSEM client data base, data entry personnel will check to make sure the case is not a duplication of a case already entered in the system. If a duplication is found, the data entry person will report the duplication to his/her supervisor immediately. The supervisor will take the necessary steps to eliminate the duplication and make sure there is only one case for the client in the data base which arises out of the same set of facts or substantially similar facts. Example: if LSEM provides legal services for a client who is then referred to the Volunteer Lawyers Program (VLP), only the VLP case will be counted for the Legal Services Corporation (LSC) case reporting purposes.

The data entry person responsible for reports will run a quarterly report on the last day of the quarter of all open cases, and will review said report for the duplication of any cases. If the data entry person finds or suspects any duplication, he/she will mark the report appropriately and forward the report to the data entry supervisor for review. After reviewing the report and appropriate markings of duplication, the supervisor will advise and approve appropriate steps to correct the duplication. A corrected report will be run within 10 days of the initial report and forwarded to the executive director for review. The report shall be accompanied by a written certification, signed by the supervisor of the data entry person, that there are no duplicated cases in the report.

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POST/CIRCULATE

GIVE A COPY TO ALL ATTORNEYS  
PARALEGALS, VOLUNTEERS, AND  
STUDENTS

LEGAL SERVICES OF EASTERN MISSOURI, INC.

M E M O R A N D U M

TO: Staff and Volunteers  
FROM: Gayle C. Williams  
RE: Closing Codes  
DATE: August 9, 1999

Counsel and Advice (CA) A case should be closed with this code if advice is given to a client concerning his/her legal problem (what action should be taken, what options client has concerning his/ her problem) or if written materials are provided to a client specific to his/her legal problem.

Brief Services (BS) This closing code should be used if we prepare documents for client, such as will, durable power of attorney, etc. or if we make third party contacts on behalf of client.

\*\*\* Referred After Legal Assessment (RA) should almost never be used. The only time you will use RA is when you have actually done some work on a case and due to some unforeseen reason you must discontinue representation and refer the client outside of our Program.

Client Withdraw (CW) This code should only be used, if we have actually started to represent a client (contacted third parties on client's behalf, started to draft documents, and the like) and the client either fails to keep in contact, or we lose contact with the client or the client advises us they do not wish to proceed with their case.

Insufficient Merit to Proceed (IM) This code should be used if a person is accepted as a client and due to new facts or facts unknown at the time we accepted the person as a client we determine that there is no bases in law or fact to proceed with a legal action.

Negotiated Settlement Without Litigation (NN) A settlement of our clients' claims is negotiated with the opposing party and brought to a conclusion without filing a court or administrative action.

Negotiated Settlement With Litigation (NL) A court action or

administrative action is filed on behalf of our client, or we are defending same on behalf of our client and a settlement is negotiated between the parties prior to a court or administrative decision.

**Administrative Decision (AD)** The case is brought to a conclusion by an administrative order (Welfare Department, Social Security Administration, etc.).

**Court Order (CD)** The case is brought to a conclusion by the order of a court (Assoc. Circuit Court, Circuit Court, etc.).

**Change in Eligibility Status (CE)** The case is being closed due to a change in client status (client becomes incarcerated, no longer has legal immigration status) or income and asset status (client obtains new job making more money, hits the lottery).

**Other (OT)** Please try not to use this closing code if possible. This code is to be used if none of the other codes cover the reason for closing the case.

cc: Dianne

LEGAL SERVICES OF EASTERN MISSOURI, INC.  
SELF-INSPECTION PROCEDURES  
FOR LSEM CASES

7/99

For a period of at least one year, LSEM will perform a quarterly self-inspection of its cases in order to monitor compliance with all regulations and case reporting procedures. Four different staff teams will be selected to perform each quarterly inspection. The first inspection will take place in October of 1999; the second inspection will take place in January of 2000; the third inspection will take place in April of 2000; the fourth inspection will take place in July of 2000. The Hannibal office staff shall have a separate team that will perform one self-inspection in April of 2000. If the program determines after the one-year period that additional self-inspections are necessary, this procedure will be reviewed and revised.

Cases to be inspected will be chosen at random. The self-inspection will include cases open at the time of the self-inspection, and cases that have been closed during the three months prior to the month of the self-inspection. Instructions and a checklist will be provided to staff prior to the self-inspection. Each team shall choose a team leader who will receive the instructions, the checklists, and a list of cases to be inspected. The team leader will be responsible for distributing the information to other team members.

Self-inspection teams should pay particular attention to the following:

- the client's name is recorded in the file;
- appropriate eligibility information is recorded in the file, including income, assets, and citizenship status;
- legal assistance is being provided or has been provided in the event of a closed file;
- open cases are still active files and work is still being performed for the client;
- closed files have been closed in a timely manner and the closing code is appropriate for the service provided.

All self-inspection forms completed by the teams will be turned in to the executive director or his/her designee by the 15th day of the month following the inspection. When a checklist form indicates that a file does not meet the appropriate criteria, or when any information is missing from the file, a copy of the checklist shall be provided to the case handler. The case handler will be responsible for taking any actions that are necessary to get the appropriate documentation for the file. A copy of the checklist will also be provided to the case handler's supervisor.

**LEGAL SERVICES OF EASTERN MISSOURI, INC.  
CHECKLIST FOR LSEM CASE INSPECTIONS**

7/99

IS THIS CASE: \_\_\_\_\_ Open OR \_\_\_\_\_ Closed

- 1. Client's name: \_\_\_\_\_
- 2. Case number: \_\_\_\_\_
- 3. Open date of case: \_\_\_\_\_
- 4. Closing date of case, if applicable: \_\_\_\_\_
- 5. Name of case handler: \_\_\_\_\_
- 6. Is the case handler an attorney or paralegal: \_\_\_\_\_
- 7. Client's household income: \_\_\_\_\_
- 8. Client's household assets: \_\_\_\_\_
- 9. Number of people in household: \_\_\_\_\_
- 10. Is attestation of citizenship or alien status documentation in file; OR in a telephone case, is there any indication of citizenship or alien status in the file? \_\_\_\_\_
- 11. What legal assistance is being provided or has been provided to the client?  
\_\_\_\_\_
- 12. Is there a notation in the file to indicate the date(s) on which the legal assistance was provided? \_\_\_\_\_ If yes, indicate date(s): \_\_\_\_\_
- 13. If legal assistance has already been provided, when did it end? \_\_\_\_\_
- 14. If assistance has ended, has the file been closed? \_\_\_\_\_ If yes, was the file closed in a timely manner? \_\_\_\_\_ If the file has not been closed, is there current activity on the case? \_\_\_\_\_ Does it appear that the case should still be open? \_\_\_\_\_
- 15. If the case is closed, what is the closing code? \_\_\_\_\_ Does that code seem appropriate for the service provided in the case? \_\_\_\_\_
- 16. Was the pink Case File Compliance Checklist in the client's file? \_\_\_\_\_

\_\_\_\_\_  
NAME OF PERSON WHO INSPECTED FILE

\_\_\_\_\_  
DATE OF INSPECTION

## LEGAL SERVICES OF EASTERN MISSOURI, INC.

6/99

## POLICY ON TIMELY CASE CLOSING AND MANAGEMENT REVIEW

Data entry personnel shall enter all case closing data information into the client data base immediately upon receipt of same.

On a monthly basis, data entry personnel will run reports by case handler of all open cases, including type of case, case number, and date the case was opened. A copy of each case handler's report shall be given to the case handler, and a copy to his/her supervisor. The case handler and his/her supervisor will review the monthly report together. They will notify the data entry supervisor immediately in writing of any cases on the report which should have been closed, and will provide the closing date and reason closed. If there are any cases on the case handler's monthly report that his/her supervisor has reason to believe haven't been closed in a timely manner, the supervisor will obtain a written explanation from the case handler and work with the case handler to get the case completed and closed. A copy of the written explanation will be forwarded to the data entry supervisor.

A quarterly report on all open cases, including the date each case was opened, type of case, and case handler's name, will be forwarded to the executive director on the last day of the quarter for review. If there are any cases in the quarterly report which have written explanations due to untimely closing, the statements will be forwarded with the report to the director. The executive director or designee will meet with the case handler and his/her supervisor on cases with written explanations of untimely closing to make sure the case is closed expeditiously without negative consequences to the client.

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## LEGAL SERVICES OF EASTERN MISSOURI, INC.

MEMORANDUM

TO: All Managing Attorneys  
FROM: Dianne Taylor  
RE: COMPLIANCE CHECKLIST TO BE USED FOR ALL CASE FILES  
DATE: July 1, 1999

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It is extremely important that all case files we open and close be in compliance with the Legal Services Corporation (LSC) rules and regulations. All case files of all staff under your supervision must be checked now to ensure compliance with those rules and regulations. You must check case files that have already been closed in 1999, any case files currently open, and all case files opened and closed in the future.

Attached is a compliance checklist to be used for all case files, including cases that have already been closed in 1999. If anything is missing from the file, you must get the information for the file so that it is in compliance with the LSC rules and regulations.

This checklist must be in every case file. Cases that are currently open must be checked for compliance as well. If any information on the checklist is missing from the case file, you must get the information for the file so that it is in compliance. The checklist should be reviewed frequently during the duration of the case, including when the case is opened, during case reviews, and when the case is closed.

As a managing attorney, you are responsible for disseminating this information and the checklists to all staff under your supervision. Please make sure that all files are checked for compliance now and in the future.

I appreciate your cooperation.

Thank you.

DT:bs  
attachment



LSEM Case File Compliance Checklist

Page 2

45 CFR PART 1609

\_\_\_\_\_ Potentially Fee Generating? Yes No  
 \_\_\_\_\_ Attempted referrals documented in file? \_\_\_\_\_ (advocate initial)  
 OR \_\_\_\_\_ Falls within Bar Association exceptions? Yes No  
 \_\_\_\_\_ If yes, approval by director in file & on file with director? \_\_\_\_\_  
 (advocate initial)  
 \_\_\_\_\_ Exception: client is eligible because seeking public benefits.

45 CFR PART 1636

\_\_\_\_\_ Client is plaintiff/petitioner, or there is intent to pursue litigation? Yes No  
 If yes, client identified to defendant? Yes No \_\_\_\_\_ (advocate initial)  
 If yes, client identity & signed statement of facts in file & to director? \_\_\_\_\_  
 (advocate initial)  
 If case is filed in court, it must be disclosed to LSC. Is all case information on file with  
 director's office for reporting? \_\_\_\_\_ (advocate initial)

45 CFR PART 1633

\_\_\_\_\_ If case is a defense of an eviction in public housing, initial here that there are no  
 allegations against the client of drug possession, manufacture or sale: \_\_\_\_\_  
 (advocate initial)

45 CFR PART 1637

\_\_\_\_\_ Client incarcerated at any time during representation? Yes No  
 If yes, documentation separately filed with director? \_\_\_\_\_ (advocate initial)

45 CFR PARTS 1642 AND 1609

\_\_\_\_\_ Check here that there will be no attorney's fees requested unless the case falls under  
 the exceptions. In that instance, director approval is necessary.

WHEN FILE IS CLOSED:

\_\_\_\_\_ Closing letter sent? Yes No  
 If yes, client satisfaction letter sent? Yes No  
 \_\_\_\_\_ Case closed on case management system and compliance checklist reviewed? \_\_\_\_\_  
 (advocate/secretary initial)

( O V E R )

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