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March 15, 2001

Leonard Koczur
Acting Inspector General
Office of Inspector General
Legal Services Corporation
750 First Street NE, 11th Floor
Washington DC 20002-4250

Re: Response to the Office of Inspector General's *Review of Case Service Data*
Grantee: Passaic County Legal Aid Society
Recipient No. 331080

Dear Mr. Koczur:

Passaic County Legal Aid Society (PCLAS) is grateful for the courteousness and professionalism of the OIG's staff during and after their visit to our office under the leadership of Mike Griffith. We also appreciate the extension of time we were given to respond to the draft report due to my illness. We are still, of course, concerned about the two week period of time diverted to accommodating the OIG audit, not to mention the pre-audit work required for this audit and the time for all the work associated with the other audits and monitoring visits to which we have been subjected. [redacted]

I must also mention that Mr. Griffith and his team did their best to accommodate the needs of our extremely busy legal services program, and their two week audit of pulling/downloading and examining files and meeting with staff was as agreeable as we could want under the circumstances.

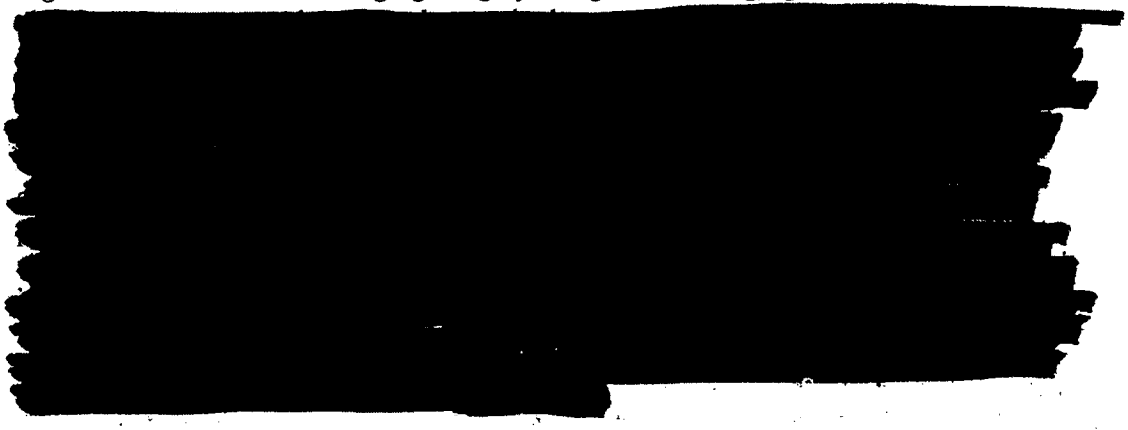
The OIG's draft audit report, entitled *Review of Case Service Data*, focussed on PCLAS' grant activity during 1998-1999. During their review, OIG auditors determined that:

- Approximately 11 percent of the cases opened during 1999 were duplicate cases.
- A number of cases where legal services were performed were not properly documented.

PCLAS disputes certain specific findings of the OIG as noted below in Section I.

PCLAS also emphasizes in the strongest possible terms that none of the errors were determined to have been committed intentionally or maliciously.

The OIG's findings must be viewed in light of the success of PCLAS' visionary and holistic legal work in the community representing both individual clients and community groups. PCLAS is the only program in New Jersey that has an explicit policy of encouraging its clients to become self-sufficient. Even our mission statement states that the poor, who suffer with day-to-day problems, are able to help solve them, given the appropriate resources, authority and support. During 1998 and 1999, PCLAS concentrated our efforts on being responsive to the community's needs, expanding services to our client population, securing and diversifying our financial base and racially diversifying our attorney staff. As such we were not able to devote a great deal of money to establishing and implementing procedures to monitor case forms or adapting sufficiently to computerized record keeping. Vision, innovation and growth do come with some costs, and such costs we bear fairly if we must. We also had an extraordinary high caseload and were managing a highly charged and changing environment.



Nevertheless, we have addressed all of the OIG's findings and the OIG's recommendations were already implemented by FY2000 and we know that we have experienced fewer incidences of error since 1999.

A. EXPANSION INTO NEW MODALITIES AND NON-TRADITIONAL AREAS OF POVERTY LAW

In the audited period PCLAS expanded into non-traditional areas of poverty law, revealing an admirable ability to leverage LSC funding to increase legal services coverage to respond to the community's needs:

- PCLAS is one of only two programs in New Jersey that has a functioning Community and Economic Development (CED) legal practice area. The PCLAS CED Unit specializes in providing legal assistance that helps empower the poor and strengthen

community-based organizations (CBO's) that work with and provide services to the poor. The CED Unit has built effective relationships with these CBO's and strengthened their capacity to rebuild the community and solve problems facing inner city neighborhoods. This initiative meant focusing more attention and resources on collaborations with other CBO's. It meant finding new and different ways to continue providing important assistance to the poor.

- PCLAS also strengthened traditional units through innovative projects such as providing weekly or fortnightly *pro se* divorce and welfare clinics using multilingual and multimedia approaches.

- PCLAS is the only legal services program in the New Jersey and one of the few in the country that actively enforces the Earned Income Tax Credit. PCLAS is the only state legal services program whose intake workers determine whether each client is eligible for the Earned Income Tax Credit.

- PCLAS is the only legal services program that also has comprehensive holistic approach to urban education issues. We represent the Head Start programs in New Jersey and NAACP in their cases related to the Abbott v. Burke decision. In collaboration with these mighty education institutions, PCLAS is building a unique collective to help ensure that every low-income child obtains a quality education. The Deputy Director of PCLAS received the 2000 Humanitarian of the Year Award from Region 2 of the Head Start National Association, that includes New York, New Jersey, Puerto Rico, Connecticut and most of the Eastern Seaboard.

- PCLAS is the only program that is actively involved in the enforcement of the Community Reinvestment Act, the law than requires banks to provide below market credit to people in low-income minority communities. We have established partnerships with banks including CITIGROUP that awarded $50,000 to help poor individuals set up IDA accounts.

- PCLAS was one of the first legal services programs to assist public housing tenants cope with HUD's HOPE VI regulations, ensure the tenants were properly relocated and given Section 3 benefits and assisted HUD expand tenant representation rights regulations.

- PCLAS has one of the most effective public communications programs among LSC's. It regularly communicates to the public about its activities through newspaper articles and television stories, thanks to its excellent relationship with the press. John Atlas, PCLAS' Executive Director, is the only director in the state who sits on the editorial Advisory Board of a major daily newspaper. We are also in the process of creating informational public access television shows that reach a mass audience.

- PCLAS is the only program with an Economic Empowerment Board (in addition to its Board of Trustees) comprised of members of the business, professional, and public interest sectors.

- PCLAS is the only program in New Jersey that was recognized by the Legal Services Corporation and the White House in Washington, DC during the 25th anniversary of the Legal Services Act.

- PCLAS is the only county program to have had its staff invited by New York City Legal Services to conduct a legal education program for legal services attorneys in New York City.
- PCLAS is the only county program to have had its staff invited by the New York State Bar Association and others throughout the country to discuss new directions in legal services to help the poor.
- PCLAS is the only program in the state to have had its staff invited to provide training for Leadership New Jersey on new and innovative ways to deliver human services.
- PCLAS is the only county LSC program that was recognized and honored by its local city council for its innovative strategies to help the poor.
- PCLAS staff is invited to provide training at the national Management Information Exchange (MIE) training for legal service and public defender attorneys.
- PCLAS staff sit on several community organizations' boards of directors, including a large hospital in the County.
- Other accomplishments of PCLAS include organizational development: increasing the number of employees to serve the poor, promoting diversity in the workplace by increasing the number of minority staff, promoting minority staff to leadership positions, developing an outreach office to other parts of Passaic County, and initiating self help clinics.
- The local reputation of PCLAS with the bar association, the courts, government agencies, and community-based organizations is excellent. For example, when there were cutbacks in Title III funding for senior citizens, PCLAS was the only agency in Passaic County that did not experience cutbacks because of reduced funding. Instead, it received full funding of its Senior Citizen program.
- PCLAS is also the largest recipient of Ryan White Title I client advocacy funding, to help clients infect or affected by HIV.

B. DIVERSIFIED FINANCES

PCLAS also devoted significant administrative time to diversifying our financial resources. It now has more funding sources than most county legal services programs in New Jersey. Our funding sources include NAPIL, Americorps/VISTA, private law firms from outside Passaic county, United Way, several banks, foundations, corporations, and others in the business community. We are also the only county program that has a VISTA program. The Americorps/VISTA program, though extremely valuable to PCLAS and the community has been taxing on the administration of the agency but is now fully incorporated. The Americorps/VISTA volunteers are attorneys and paralegals who provide individual services and conduct community legal education programs in the areas of domestic violence, public housing, Earned Income Tax Credit (EITC) campaigns, and predatory lending. PCLAS is the only county program with NAPIL fellows, and it has attracted three of them to its staff in the past few years.

C. TALENTED AND DIVERSE STAFF

PCLAS also dedicated a great deal of resources to recruiting extraordinarily talented staff to fit its new holistic approach to legal services and community and economic development in a multicultural and multilingual environment. PCLAS, thus, had to address an entirely new set of needs of a highly talented but inexperienced staff whose had almost doubled since 1997.

Our records reveal this growth: We had only ten funding sources in 1996, but 20 in 2000 and multiple grants from most of them. Our budget was $1.5m in 1996 and $2.5 in 2000. Our staff numbered 30 in 1997 and 47 in 2000. We firmly believe that the real administrative burdens and challenges that are part of managing a dynamic program should not be used to diminish and demoralize our program and our successes in our work. Indeed, while we are working hard to address all bureaucratic requirements of LSC we do see our priorities as clear and our judgment as sound.

Our innovations are no longer in their infancy and are now relatively firmly established. Thus, we have been able since the end of 1999 to adjust our resources accordingly to institute changes to address clerical and bureaucratic errors. Specific "next steps" intended to correct such errors will be discussed in Section III. Comments related directly to OIG's findings appear in Sections I and II.

SECTION I. DUPLICATES

PCLAS agrees that some duplicate files were unintentionally created for particular clients during 1998 and 1999, primarily because of inexperience with the KEMP database management system and the staff's continue reliance on hardcopy checks and incomplete training on the new and ever-changing information technology. Most of our support staff have been with PCLAS over 15-30 years and have borne much of the burden of the technological revolution, going from only 4 computers in 1996 to 40 in 2000. PCLAS has been committed to retaining all our staff and training them to use the new technology and the transition has been appropriately paced.

Even so, PCLAS disputes the OIG findings that the following cases were duplicates:

1. 99-8005954 and 99-8006390

The client first sought assistance on 8/30/99 to prevent being locked out of her apartment for neglecting to pay her rent. File 99-8005954 was opened as a landlord/tenant matter. The client did not have her rent money, so the casehandler advised and assisted her to seek rental assistance from welfare.

The client returned to the office en 9/29/99, alleging that her prior landlord had sold the personal property which she left in the apartment (she had since moved to a new address). The casehandler advised the client on small claims and gave the client the phone number for the lawyer referral service and advised her to hire a private attorney and sue the landlord in small claims court. File 99-8006390 was incorrectly opened as a landlord/tenant matter. The case should have been opened as a consumer matter, since the client had sought assistance in suing the landlord for damages for loss of property.

2. 99-8002737 and 99-8003607

The client first sought assistance on 1/12/99 because her welfare benefits were terminated for failure to comply with federal work requirements. File 99-8002739 was opened as an AFDC/Other Welfare matter.

The client returned to the office on 3/22/99 because she was locked out of her apartment for not paying her rent. File 99-8003607 was opened as a landlord/tenant matter. This was not a duplicate of the first file, because the client sought assistance for eviction/lock out, not a welfare problem – a separate problem code.

3. 99-8006542 and 99-8007239

The client initially sought assistance on 10/7/99 after receiving a letter that her welfare benefits were being reduced. File 99-8006542 was opened as an AFDC/Other Welfare matter. The casehandler investigated the reason for the reduction.

The client also sought assistance on 10/7/99 to determine her Social Security benefits. File 900-8007239 was thus opened as a SSI matter, as this is a separate legal issue and problem code from the welfare matter.

4. 99-8002760 and 99-8007774

The client, G M came into the office on 1/14/99 inquiring about child support. File 99-8002760 was opened as a child support matter.

The client M P (a completely different person) came into the office on 12/30/99 regarding a SSI matter. File 99-8007774 was opened as a SSI matter. It is unclear why the OIG report lists this file as a duplicate of the previous file. The clients are two different, unrelated people with separate legal issues.

5. 99-806615 and 99-807433

The client first called the office on 10/13/99 seeking assistance in filing for a bankruptcy. File 99-806615 was opened as a bankruptcy matter.

The client came into the office on 12/1/99 seeking specific assistance with her VISA bill. File 99-8007433 was opened as a consumer matter related to that visa bill. The latter case was different from the bankruptcy, because the client was seeking assistance in paying a particular bill. That was a consumer case and a different problem code.

PCLAS requests that the auditors amend their report accordingly.

SECTION II. LEGAL SERVICES PERFORMED BUT NOT PROPERLY DOCUMENTED

PCLAS agrees that, in some instances, legal services were performed but not properly documented by the casehandlers, usually because the casehandlers were giving advice over the telephone or was services a large number of emergency matters that day. Once again PCLAS reiterates in the strongest possible terms that none of the errors were determined to have been committed intentionally or maliciously. PCLAS during 1998 and 1999 had an extraordinary high caseload and was managing a highly charged and changing environment exacerbated by changes in the state [redacted]

opposed PCLAS' vision of empowerment and diversity. PCLAS concentrated our efforts on being responsive to the community's needs, expanding services to our client population, securing our financial base and racially diversifying our attorney staff. As such we were not able to devote a great deal of money to establishing and implementing procedures to monitor case forms or adapting sufficiently to computerized record keeping.

However, PCLAS disputes the OIG findings that legal services were not properly documented in the following cases:

7. 99-8001764

The client came into the office after being served with a mortgage foreclosure complaint. The casehandler states in the notes on the case form that she tried to refer the case to another attorney, but was unsuccessful. The notes state that the client never returned. As PCLAS does not handle mortgage foreclosure cases, the only advice available to the client was a referral. We could not further advise the client, because he never returned to the office, and he did not have a telephone.

8. 99-8001764

The client was seen on 1/13/99 for assistance in obtaining welfare benefits. The client's welfare caseworker had informed her that she could not collect welfare benefits unless she first applied for unemployment benefits. The PCLAS casehandler stated in her notes that she called Ms. Murphy, the welfare caseworker's supervisor, and left a message. She then advised the client to apply for county welfare and told the client that she would continue to attempt to reach Ms. Murphy.

The notes state that Ms. Murphy called the casehandler back and informed her that she had granted the client's welfare application because her office had failed to initially advise the client to apply for unemployment benefits. The client came into the office seeking benefits, and the notes reflect that the casehandler called the welfare supervisor and advised the client to apply for county welfare benefits. In the end, the client received benefits. The legal advice and disposition of the case are clearly stated in the notes on the case form. The legal work is properly documented.

9. 99-8003131

The client came into the office on February 11, 1999 seeking a referral. According to the case form, the client fell under the Ryan White grant, which signifies that she had HIV or AIDS. The casehandler stated in his notes that he referred the client for counseling related to the needs of the HIV client. We refer many of our Ryan White clients for counseling, as this is the only advice they may require at the time they come into the office. We have prepared a general counseling kit for clients that may contain a model will, health care directive, standby guardianship etc, confidentiality and disclosure agreements, power of attorney etc.

10. 99-8004505

The client called the office on May 20, 1999 inquiring about her deceased husband's pension benefits. The casehandler stated in her notes that she gave the client

the pension benefits fund's address and phone number. As we do not handle non-divorce cases involving pension benefits, there was no further advice to give the client.

11. 99-8004520

The client sought assistance on 7/26/99 because social security was calculating her benefits from the time that she was determined eligible for SSI instead of from the time of her initial SSI application. The client wanted to know why she was not credited for the extra months. After meeting with the client, according to the casehandler's notes. she was in the process of investigating the matter when the client decided not to pursue the case. Thus, the case was closed and no further advice was necessary.

SECTION III. "NEXT STEPS" TO PREVENT FUTURE ERRORS

1. More intensive Kemp database training has begun and will continue

Casehandlers have been individually trained on the Kemp System in order to ensure that they know how to look for and reopen files for the same client with the same problem within the appropriate period.

Kemp training is ongoing and will be intensified in the coming months. In fact, PCLAS is already in the process to seeking a trainer for on-site training sessions for casehandlers and administrative staff.

PCLAS will send three supervising staff members to New Orleans at the end of April for Kemp training so that these individuals will expand their knowledge of the Kemp system and be able to train other PCLAS casehandlers on the use of Kemp.

2. Supervisory review has been and will continue to be improved

Supervisors are now closely reviewing every case that the casehandlers close to ensure that all legal advice and client information is properly documented. If not, the case is returned to the casehandler to correct the errors.

Weekly case review conferences have already been instituted in PCLAS' largest unit (Housing and Public Entitlement) and is replicated in its other units on a fortnightly basis.

Supervising attorneys of units print out monthly or weekly lists of open cases so that the casehandlers are aware of which cases remain open for review to ensure that cases are closed in a timely fashion with proper documentation.

3. An Intake Task Force has been established and will continue to improve procedures

The task force was established in 1999 and has made recommendation over time including in December 2000 regarding changes in the policy and procedures for case management, addressing such things as interview memos, client and project files, a tickler system, case transfer procedures, and case closure procedures.

The task force made recommendations in March 2001 regarding a new way to conduct intake that would better utilize the Kemp system and provide a uniform method of gathering information to determine a client's eligibility for assistance as well as to avoid duplication without resorting to hard copy case cards.

The Intake Task Force is also considering recommending assignment of one or more specific individuals prepare all case intake forms at the end of each day in order to ensure appropriateness and accuracy of case records.

A record of all duplicates is now kept and such deletions from Kemp noted in a file kept by the Dr. Levine, the Administrator for Program Development.

4. Responsibility for the PAI Program has been elevated

Responsibility for coordination of the PAI Program was transferred from a paralegal to a Supervising Attorney in late 2000 in order to improve and expand the program.

The Supervising Attorney serving as PAI coordinator now ensures that PAI cases remain open until the volunteer attorney is finished with the case. This aids in preventing duplicate PAI files from now on.

Casehandlers have been directed to pass cases onto the PAI coordinator when the case is a conflict or if PCLAS does not handle that type of matter.

5. Management practices are improving

Efforts are underway to improve performance evaluation so that casehandlers and supervisors are held accountable for fulfilling their responsibilities, including appropriate and accurate record keeping. In 2000 the Board hired two sets of consultants to assist with IT and human resources issues. PCLAS also hired a PHD with over 20 years of experience to develop compliance systems for management and further intends to supplement the administration with more hires, resources allowing.

Supervisors will pay special attention to the appropriate orientation, training, and mentoring of new staff members, as the need arises, particularly in compliance areas.

SECTION IV. CONCLUSION

Once again we thank the OIG for its professionalism.

[redacted] While PCLAS takes full responsibility for some of the duplicates and incomplete intake forms discovered during the OIG audit, it urges OIG to consider the fact that most of the Supervising Attorneys under whom these errors occurred are no longer at PCLAS. They have been replaced with very experienced individuals who, by virtue of being new to PCLAS, are taking a fresh look at procedures. bring a new vigor to poverty law and serving the poor in Passaic County. We believe that it is important to encourage this new team of hardworking individuals and build their moral, affirming all the extra work they do for so little money. It does little justice to them or the many that they serve to demoralize our office over petty issues that in the scheme of things pale in comparison to what we achieve with so little.

In addition, please note that PCLAS, without waiting for the OIG report, had already initiated changes to improve its record keeping processes, as described in Section III.

Although the audit showed that PCLAS had some duplicate cases and incomplete documentation, the findings resulting from its recent audit are not of the same magnitude as those of other agencies audited by OIG in the past year or so.

In addition, the record-keeping errors at PCLAS were not nearly as numerous as they might have been when one considers the difficulties of adapting to a computerized record-keeping system for a staff that had maintained paper records as recently as 1996 and didn't install the Kemp system until late 1997 (just prior to the OIG audit period).

Moreover, PCLAS is the only legal services organization in Passaic County. This means that thousands of people depend on it for legal assistance in civil cases, so we take this responsibility very seriously.

At PCLAS, we are extraordinarily proud of the service we provide to approximately 5,000 clients each year. It is clear now that the climate in Washington mandates that the high priority we have always placed on enhancing client services needs to be properly balanced with significant resources being diverted to improve administrative procedures and documentation, and particularly IT competence to comply with the bureaucratic responsibilities LSC funded organizations. We trust that our commitment to re-dedicate ourselves to this important task is evident in this response. We thank you again for your time and consideration, and the opportunity that you have given us to respond to your draft report.

Very respectfully yours,
Passaic County Legal Aid Society

By: Maxim Thorne

Maxim Thorne
Deputy Director

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