

NPLS

Annual Report

2011-2012

The Year in Review



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Our mission is to provide
civil legal representation to
low-income people and ensure
equal access to justice for all.

*Legal Advocates For
Low-income Families*



NORTH PENN LEGAL SERVICES

What We Do

As a regional provider of free civil legal aid, NPLS helps low-income people in 20 Pennsylvania counties. A not-for-profit organization, NPLS understands the problems and issues affecting low-income people. NPLS works to protect the poor by providing access to the justice system. Services include individual representation, information and advice, community legal education, and support for those clients who take direct responsibility for handling some or all aspects of their legal problem.



The mission of North Penn Legal Services

(NPLS) is to provide civil legal representation to low-income people and ensure equal access to justice for all.

Message from the Executive Director



*Eugene C. Kelley, Esq.,
Board President*



*Victoria A. Coyle,
Executive Director*

NPLS fielded more than 42,500 phone calls this year and processed 9,475 intake applications. Of those, 8,138 were accepted for representation. The remaining 34,362 are part of the Justice Gap in Northeast PA. These people are qualified for legal services, had a case with legal merit—but because of lack of resources, were turned away.

When NPLS began 47 years ago, it was founded to ensure equal access to justice for all. Severe funding cuts over this past year led to two office closings and a staff reduction of 12. Despite these losses, NPLS' leadership has positioned the organization for stability and growth during this new program year.

Despite cutbacks, NPLS strengthened its commitment to offer quality services to all 20 counties in our service area. We applied for special funding to sustain priority areas of legal help—preserving homes, helping populations with special vulnerabilities, supporting families, maintaining safety, and providing economic stability. With a grant provided by the Pennsylvania IOLTA program, NPLS will begin a centralized effort to respond to debt collectors efforts on a program wide basis. The Lehigh Valley Fair Housing Project, begun in fiscal year 2011-12, will continue to assist low-income people who suspect they are victims of housing discrimination in 2012-13. A five-year grant from Pennsylvania Legal Aid Network will help sustain our vital mortgage foreclosure work, where we strive to save homes and work in conjunction with local foreclosure diversion projects to help homeowners make mortgages more affordable.

This Annual Report highlights the impact NPLS had during the 2011-12 program year on 16,975 people in Northeast PA.

Please note that this year, NPLS will post volunteer and donor listings on its website. We value the support of our volunteers and donors and hope that this change will improve the accuracy of the listings.

Client Impact Stories

Preserving Your Home:

Client Story: Kristin

Our client, Kristin, was renting her home when the bank foreclosed on the property. The bank had not given her proper notice of eviction and she came to NPLS for help. Rather than fight the eviction, an attorney for NPLS contacted the bank and requested a "Cash for Keys" agreement.

Banks don't advertise the Cash for Keys program, where they pay a tenant or homeowner to move out when their home is in foreclosure. However, if the tenant knows about Cash for Keys, a settlement can sometimes be negotiated to help with their moving expenses. This is cheaper for the bank and easier for the tenant than fighting an eviction or foreclosure.

With help from NPLS, Kristin received a Financial Relocation Agreement for \$1850, more than enough to cover her security deposit and moving expenses. Instead of fighting the improper eviction notice she is now happy in her new apartment.

Economic Stability:

Client Story: Laura

Laura contacted NPLS for help with a credit card company. Laura had a card with a limit of \$750 dollars, but was told she owed \$1500. Over and over she asked the credit card company to let her start a payment plan but received no answer. With her only income about \$1000 a month from Social Security, she couldn't pay her balance in full.

Last year, Laura's daughter passed away at the age of 23, and she lost her husband a few years before. With no family to help, Laura needed a legal advocate. An attorney for NPLS took her case. They contacted her creditor and showed that Laura was not actually in default according to her credit card agreement.

This meant the late fees, service fees, and finance charges that had doubled what she owed were dropped. Working with her attorney from NPLS, the creditor agreed to let Laura make manageable monthly payments on her balance instead of demanding payment in full.



Support for Families:

Client Story: Jacob

Jacob was nine when police responded to an anonymous call about a little boy wandering alone in a Wal-Mart parking lot. His mother and her boyfriend were not home at the run-down trailer where they had been living with Jacob, so police took him to the County Child and Youth Services (CYS).

An attorney from NPLS served as Guardian Ad Litem for Jacob. Through a school search, she found his birth certificate and requested that CYS locate his father. Jacob knew his father lived in another state, but he had lost track of Jacob because his mother moved constantly.

Jacob's father turned out to be a ready, willing and able parent who came to Pennsylvania to visit Jacob throughout the custody process. Jacob was bright and energetic, but lacked simple skills like telling time and counting. His guardian ad litem from NPLS advocated for a psychological educational evaluation.

A psychologist determined that Jacob's only learning disability was his inconsistency in education. He had already attended ten schools in six different states. An IEP and extra help would get him back on track. Thanks to his advocate at NPLS, Jacob now lives with his father, step-mother and biological sister and will get extra help in reading and writing during third grade.

Client Story: Kelly and Mary

Kelly and Mary are sisters who were placed in foster care two years ago after being neglected by their mother. Their father lives close by but was having trouble finding proper housing. When they were staying with their Dad during the summer the school denied their enrollment. Kelly was a junior in high school when she found out that she couldn't participate in school activities. A staff lawyer at NPLS contacted the Superintendent, the Director of Special Education, and the Director of Student Services. Since the father's housing was transitional and not permanent, the girls could legally be considered homeless. NPLS argued that the girls would suffer irreparable harm if they were forced to change schools since school had been one constant in their lives. The matter was quickly resolved and the girls were permitted to stay in their school.



Populations with Special Vulnerabilities:

Client Story: Gary

Last September Gary came into an office of NPLS for help. Gary had Power of Attorney for his elderly father who lives out of state. The agency that dispenses his father's food stamps sent a notice saying they had overpaid a claim by almost \$1700.00 and it would need to be repaid. Gary made it in to the office on the last day he could appeal. NPLS took the case and immediately filed an appeal with a local assistance office. Within a few days the local office reported that the claim was being rescinded because it was made in error. With the help of NPLS in meeting the deadline to appeal, Gary's father was not stuck paying back \$1700 that he didn't owe.

Safety:

Client Story: Mikey

Last year 3-year-old Mikey was living in foster care when his father John wanted custody of him. Mikey was ready to move in with his father when a staff attorney from NPLS spoke to John and learned that John works full time and Mikey would be cared for at home by his father's girlfriend, Pamela. The staff attorney asked the court to have Children and Youth Services check out Pamela before Mikey moved in. The attorney learned of a number of open investigations on Pamela for abusing and neglecting her own biological children. Fortunately, this information came out because the NPLS staff attorney pressed for a background check. Mikey is now thriving with his foster family and will likely be adopted by them.

Economic Impacts

By helping the poor, we produce ripple effects benefiting every segment of the community.

Our Total Economic Impact in FY 2011-12: \$7.8 Million

\$442,416

Savings in Support for Families

\$37,400

Savings for Populations with Special Vulnerabilities

\$659,808

Savings in Domestic Violence Abuse Cost

\$1,877,500

Savings in Emergency Shelter Cost

\$6,667,793

Federal Funds in State

Economic Stimulus Effect: \$12.27 million

Federal funds we bring into the state: \$6.6 million

Multiplier for Pennsylvania x 1.86

Total economic stimulus effect on local Economies in our service area: \$12.27 million

Financial Position

YEAR ENDED JUNE 30, 2012 (with comparative totals for the year ended June 30, 2011)

	2012	2011
ASSETS		
Cash and cash equivalents	662,543	\$700,438
Client escrow funds	40,412	11,391
Accounts receivable		
PLAN	330,624	375,276
Other	314,186	266,960
Prepaid expenses	98,020	105,113
Property and equipment - net	212,124	295,381
Total assets	<u>1,657,909</u>	<u>\$1,754,559</u>
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	68,282	\$177,385
Accrued compensated absences	105,970	117,247
Client trust deposits	40,412	11,391
Total liabilities	<u>214,664</u>	<u>306,023</u>
Net assets		
Unrestricted	860,642	738,360
Temporarily restricted	582,603	710,176
	<u>1,443,245</u>	<u>1,448,536</u>
Total liabilities and net assets	<u>1,657,909</u>	<u>\$1,754,559</u>
STATEMENT OF CASH FLOWS		
Cash flows from operating activities		
Change in net assets	(5,291)	\$63,247
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by (used in) operating activities:		
Depreciation and amortization	83,258	68,071
Increase (decrease) in:		
Accounts receivable	(2,574)	217,619
Prepaid expenses	7,093	(14,614)
Increase (decrease) in:		
Accounts payable and accrued expenses	(109,104)	(198,745)
Accrued compensated absences	(11,277)	3,656
Net cash equivalents provided by (used in) operating activities	<u>(37,895)</u>	<u>139,234</u>
Cash flows from investing activities		
Purchases of equipment	<u>—</u>	<u>(64,479)</u>
Net cash and cash equivalents (used in) investing activities	<u>—</u>	<u>(64,479)</u>
Net increase (decrease) in cash and cash equivalents	(37,895)	74,755
Cash and cash equivalents		
Beginning of year	700,438	625,683
End of year	<u>662,543</u>	<u>\$700,438</u>

STATEMENT OF ACTIVITIES

	Unrestricted	Temporarily Restricted	Total 2012	Total 2011
Revenues and other support				
Contracts and grants	5,418,723	7,214	5,425,937	\$5,962,812
Contributions				
In-kind	240,833	—	240,833	196,329
Other	39,550	—	39,550	45,700
DAP equitable payments	42,824	—	42,824	93,304
Interest income	1,817	—	1,817	2,636
Other income	3,866	—	3,866	2,281
Net assets released from restrictions	134,787	(134,787)	—	—
Total revenues and other support	<u>\$5,822,400</u>	<u>(127,573)</u>	<u>5,754,827</u>	<u>6,303,062</u>
Expenses				
Program services	5,066,827	—	5,066,827	5,443,433
Management and general	632,447	—	632,447	736,139
Fundraising	60,844	—	60,844	60,243
Total expenses	<u>5,760,118</u>	<u>—</u>	<u>5,760,118</u>	<u>6,239,815</u>
Change in net assets	122,282	(127,573)	(5,291)	63,247
Net assets - beginning	738,360	710,176	1,448,536	1,385,289
Net assets - ending	<u>\$860,642</u>	<u>\$582,603</u>	<u>1,443,245</u>	<u>\$1,448,536</u>

STATEMENT OF FUNCTIONAL EXPENSES

	Program Services	Management and General	Fundraising	Total 2012	Total 2011
Salaries	\$ 3,058,316	\$ 410,646	\$ 38,847	\$3,505,809	\$ 3,570,502
Fringe benefits	1,047,617	134,308	13,582	1,195,507	1,346,496
Consultants and contractors	69,591	8,538	—	78,129	194,149
Travel	30,149	14,012	—	44,161	67,461
Space costs	411,540	16,869	—	428,409	435,726
Consumable supplies	32,757	5,805	—	38,562	73,536
Equipment rental and maintenance	24,242	14,832	—	39,074	29,777
Other	309,357	27,437	10,415	347,209	454,097
Depreciation and amortization	83,258	—	—	83,258	68,071
Total expenses	<u>\$5,066,827</u>	<u>\$632,447</u>	<u>\$60,844</u>	<u>\$5,760,118</u>	<u>\$6,239,815</u>

Getting Results:

North Penn Legal Services Outcomes for 2011-12 Program Year

- Handled 12,287 cases. The most significant increases were in employment, housing, and juvenile cases.
- Closed 8,602 cases, in which we provided direct services that helped nearly 18,366 people:
 - Litigated 2447 cases in court, and 493 in administrative tribunals.
 - Enhanced our clients' economic security by obtaining awards totaling \$2 million, primarily in disability cases, plus \$219,819 in monthly benefits, and relieving clients of \$5,293,867 in debt through bankruptcy, litigation defense and negotiation.
 - Obtained 696 Protection From Abuse Orders and 541 custody and visitation orders.
 - Provided counsel and advice or limited action to 4,833 clients.
- Turned away 25,687 applicants, most of whom were financially eligible for services.
- In an attempt to reach eligible applicants we were otherwise unable to serve, we developed self-help materials, distributed 5,708 informational pamphlets and conducted outreach events to 2,508 people. Materials were also made available on our website and the website itself received 132,309 page views.



County Offices

Luzerne County

Wilkes-Barre
570.825.8567
Hazleton
570.455.9512

Carbon County

877.515.7195

Monroe/Pike Counties

Stroudsburg
800.532.8282 | 570.424.5338

Lehigh/Northampton Counties

Bethlehem
610.317.8757

Lackawanna County

Scranton
800.982.4387 | 570.983.3075

Wyoming/Sullivan Counties

Tunkhannock
877.515.7738

Bradford County

Towanda
877.515.7732

Wayne County

Honesdale
877.515.7465

Lycoming/Clinton/Tioga Counties

Williamsport
800.326.7436 | 570.323.8741

Columbia/Montour Counties

Bloomsburg
570.784.8760

Northumberland/Snyder/Union Counties

Sunbury
570.286.5687

Hi Mr. McLaughlin,
As a token of my appreciation for all your hard work and the successful outcome of my appeal, I would like you to have this gift card. I received the money a few days ago and you will be happy to know that it was distributed to the proper parties, namely my father and sister. They both thank you as well as I do also.
From the bottom of our hearts,
Respectfully,
Jeanne Mera,
Pop and Sister



Why Pro Bono Matters

The challenge for private attorneys doing pro bono is to find cases that fit into their niche. For example, lawyers who specialize in contracts might not be familiar with family law, but a custody agreement is basically a contract. A lawyer who works with tax law understands bureaucracy and can apply that to helping a family stay in their home when their house is threatened by foreclosure. Lawyers working on pro bono cases can do the most good by finding places to apply the skills they already have.

The issues NPLS addresses are critical to the community. Problems with habitability, natural disasters, conditions in private or public housing and foreclosure or eviction threaten the stability of the home. While these could affect anyone, low income individuals face extra hurdles in securing safe and affordable housing. With fewer resources and less mobility than higher income people, pro bono help is especially applicable to housing issues.

Another way pro bono work can help low income individuals is in access to health care. Many low wage jobs don't offer any health insurance, let alone affordable insurance, for employees. Without insurance or assistance, medical bills can mount and individuals can have trouble getting the care they need. An attorney that understands how insurance companies and government agencies work can help clients navigate the process of obtaining and paying for health care or qualifying for assistance.

Job issues are another barrier to economic stability. Low income individuals are at a unique disadvantage to fight back against unfair firing or employment discrimination. Whether unable to find a job or unable to work, the economic stability of the home suffers. Outcomes for clients who receive pro bono help from NPLS include self-sufficiency, living violence-free, and obtaining viable housing and public benefits.

Each one of these situations offers a chance to help a client in the NPLS service area. Staff attorneys at NPLS and private practice attorneys can work together and ensure that everyone has equal access to the court system by working on cases pro bono—for the public good.

The Power of Pro Bono

Total number of attorneys who provided case services	194
Total number of cases accepted by pro bono attorneys	336
Total number of open pro bono cases pending	213
Total number of hours of services provided	1,615
Estimated expenditures on pro bono training, coordination and oversight	\$240,833
Dollar value of services provided (valued at \$150.00/hr.)	\$242,265





A Day in the Life of a Poverty Lawyer

On any given day, an NPLS lawyer can face the following:

Student loans are a part of higher education. For lawyers, they can mean debt of \$100,000 or more. Loan Repayment Assistance Programs (LRAPs) help offset the cost for attorneys who go to work for civil legal aid offices, making it possible for more low income clients to get legal help they would otherwise be denied.

Legal aid lawyers serve their communities by providing affordable counsel to clients, meeting them in the office, representing them in court, and visiting them at home if necessary. Staff attorneys may or may not have a specialized area of law but will take on 150 cases at a time and help each client through the legal process. In addition, legal aid lawyers provide services that include workshops held at the office, outreach events and fairs held in the community and assistance at social service agencies. Attorneys and staff at NPLS often find they are social workers as well as legal aid workers.

Many clients just need to speak to an attorney. The law prevents anyone but an attorney from giving legal advice, so this is critical. Something as simple as properly filing documents with the court helps streamline the flow of cases on the docket, preventing backlogs and problems with paperwork. This saves

each client the stress of appearing in court without specialized training and saves judges the frustration of wanting to see people get a fair day in court without a working knowledge of the ins and outs of the civil legal system.

Gaining access to needed health care can be critical. If disability or illness precludes a person from working, applying for benefits might be the only way to preserve the family income. Permanent disability or veterans benefits are a long term help. Short term benefits can also carry a family through a rough time.

Ensuring that a family moving from welfare to work gets all available benefits and programs helps a family maintain income and preserve the basic economic security and stability of the home, as can intervening to prevent an eviction or foreclosure. This type of early intervention helps prevent bigger problems down the road.

Clients experiencing domestic violence don't have the luxury of ample time. Securing a protection from abuse order can't wait. Getting to court is paramount to the safety of the client and possibly the children as well. Help in dealing with the legal aspects of domestic violence and referrals to the appropriate service agencies is key to preventing the ongoing cycle of abuse that comes from a child growing up in an abusive home.

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