Dear MLAC community,

Four years into the economic crisis that cut civil legal aid funding to the bone, we are happy to report that 2012 brought welcome news: in June, the state legislature adopted and days later the Governor signed an FY13 Budget for the Commonwealth containing $2.5 million more than the amount of MLAC's FY12 appropriation. Although it will not bring back the 77 legal aid attorneys laid off since the crisis began, it is an important step in stabilizing legal aid programs so that they can continue to serve the Commonwealth’s low-income residents. MLAC will seek a further increase in funding from the Commonwealth for FY14 in order to maintain progress.

Also at the end of FY2012, we were excited to hear that our proposal to Massachusetts Attorney General Martha Coakley for HomeCorps funds was accepted. This initiative provides legal representation for homeowners facing foreclosure or eviction. MLAC has partnered with the National Consumer Law Center to manage the two-year, $6 million project funded by a nationwide settlement over unfair lending practices. Although the project is temporary, we are proud that it will give legal aid programs an expanded ability to serve low-income people who need their help now. Additional details on the project can be found on the facing page.

Seeking out new sources of revenue like the HomeCorps grant is one of the key aspects of our strategic plan adopted in March 2012, which focuses on addressing the causes and ameliorating the effects of poverty by making equal justice for poor people a priority for all programs receiving MLAC funds. The plan is an exciting outline of the work we have before us for the next few years. Implementation of the plan represents a challenge to the board, the staff and the entire legal services community, but we have no doubt that we will succeed in meeting and even exceeding the plan's goals.

Finally, the past year has brought exciting changes to the legal aid community in Massachusetts. In two regions, existing programs consolidated or merged to create stronger, more efficient organizations. Community Legal Aid now serves the five Central and Western Massachusetts counties previously served by the Legal Assistance Corporation of Central Massachusetts and Western Massachusetts Legal Services. In the Southeast, South Coastal Counties Legal Services and the New Center for Legal Advocacy merged, retaining the SCCLS name. The new SCCLS is funded jointly by MLAC and the Legal Services Corporation and has a subsidiary, the Justice Center of Southeast Massachusetts, which operates free of LSC restrictions.

We continue to be inspired by the tenacity of legal aid advocates in the face of uncertain funding and the positive effects they have on the lives of their clients. The following pages contain examples of the work that MLAC is proud to support, from developing a statewide effort to inform utility consumers about their rights to saving the job and the home of a single mother who struggled to overcome breast cancer.

Sincerely,

Lonnie A. Powers, Executive Director
Rahsaan Hall, Chairman

Potential savings for Massachusetts as a result of MLAC-funded advocacy totaled an estimated $10 million. This includes $6 million in avoided medical and emergency shelter costs from legal assistance that kept low income families from losing their homes and more than $3 million in avoided medical and court costs as a result of assistance to domestic violence victims.

MLAC’s Medicare Advocacy Project helped 683 people appeal denials of Medicare coverage for the health care services they needed.
MLAC BEGINS FORECLOSURE PREVENTION EFFORT

MLAC and the National Consumer Law Center (NCLC) finalized an agreement at the end of FY12 to provide legal representation for homeowners facing foreclosure or eviction. The Borrower Representation Initiative (BRI), which began in September 2012 and is funded by a $6 million grant from the Massachusetts Attorney General, helps borrowers avoid foreclosure and loss of their homes.

The BRI is a collaboration of NCLC, MLAC-funded legal aid programs and the Attorney General’s HomeCorps project, which provides loan modification assistance. The BRI expands the range of free legal services offered to Massachusetts residents, including help with eviction representation and investigating fraudulent foreclosures.

The need for the BRI is clear: in the first quarter of 2012, the HomeCorps hotline received nearly 8,000 calls from distressed borrowers, many of whom need legal help to stay in their homes. To meet this need, legal aid programs participating in the BRI have added 19 attorney positions, enabling them to offer services throughout the Commonwealth.

Legal aid attorneys have extensive experience representing people in danger of losing their homes. Each year, MLAC-funded legal aid programs represent thousands of clients with housing issues, more than any other type of legal issue.

NCLC, which provides training and support for BRI attorneys, is a nationally-recognized expert on foreclosure prevention litigation. NCLC lawyers support the HomeCorps field attorneys by bringing to bear their substantive expertise on a range of issues (such as bankruptcy law, HAMP guidelines, and Fair Credit practices, etc.). The NCLC attorneys regularly consult with and advise field attorneys, serve as trainers and mentors and occasionally co-counsel on complex litigation.

In FY12, new federal revenue for civil legal aid clients won by MLAC-funded organizations totaled an estimated $27 million, including $11 million in SNAP (food stamps) benefits and $8 million in SSI/SSDI (disability) payments.

MLAC-funded programs closed 23,657 cases. This assistance benefited 91,670 individuals and family members in Massachusetts.

MLAC’s Battered Women's Legal Assistance Project assisted 2,108 domestic violence victims, most with complex cases involving physical safety, child custody and support, financial security, health care coverage, and other issues.

MLAC’s Disability Benefits Project closed 958 cases, winning federal SSI/SSDI benefits for clients in 84 percent of cases in which a decision was made. The project brought $585,252 in direct federal reimbursement to Massachusetts as well as $7,199,545 in payments to clients over just the first year of benefits.

914 private attorneys collectively donated 45,522 hours of skilled pro-bono assistance through MLAC-funded programs, representing a value of more than $10 million, nearly double the assistance received in FY09. This dramatic increase was the result of full-time help provided by deferred law firm associates to some legal aid programs.

MLAC-funded organizations employed 178 attorneys and 49 paralegals (full-time equivalents).
Daniele Bien-Aimé of Brockton will never forget the afternoon of April 15, 2011. She was hard at work as a Haitian Creole medical interpreter when her mobile phone rang. Unable to answer, she ignored the call.

The phone rang a second time. Again she ignored it, this time with growing trepidation. Perhaps something had happened to one of her two young daughters.

As soon as she could, Daniele picked up her phone. Her doctor was on the other end of the line.

“Daniele, you have breast cancer.”

Time seemed to stand still at that moment for Daniele. She remembers trudging to her car, shutting the door and beginning to sob. Just one week earlier she had buried her mother, who died after a long battle with breast cancer. Was Daniele about to meet the same fate?

Over the next few days, she met with surgeons and oncologists and subjected herself to a battery of tests, which required her to take a medical leave of absence from her job. In June 2011, both of Daniele’s breasts were removed and she began chemotherapy.

The treatments proved effective, and soon Daniele was well enough to return to work while continuing her weekly chemo sessions. But her employer informed her that she had already used all of her sick time. If she missed another day even for chemo, she would be fired.

It was an agonizing decision. Daniele could either treat her cancer or save her job. She decided to continue her chemo and a few weeks later, a termination letter arrived in the mail.

“I didn’t know my rights, but I knew at the time that it was wrong,” Daniele recalled. “I told them that I didn’t choose to be sick.”

Losing her job meant losing not only her income, but her health insurance as well. Without insurance, she had no choice but to stop her chemotherapy. And with no income, she was unable to pay the rent on her Brockton apartment. Soon her landlord filed suit in housing court to evict her.

So it was that Daniele found herself with no job, no health insurance and no way to finish her cancer treatment. To top it all off, she and her daughters would soon be homeless.

“God, what have I done to you to deserve this?” Daniele wondered.

Luckily, Daniele found legal help through a partnership between South Coastal Counties Legal Services (SCCLS) and the Brockton health center where she was receiving chemo. An SCCLS attorney contacted Daniele’s employer, asserting her right to accommodations under the Americans with Disabilities Act and requesting that her job be reinstated.

The employer initially refused, but after threatening a lawsuit, Daniele’s attorney convinced the employer to rehire her and offer time off to finish her chemotherapy sessions.

The attorney also successfully negotiated a settlement with Daniele’s landlord, who dropped the eviction lawsuit and gave Daniele a grace period to pay her rent.

In June 2011, that’s exactly what happened. MassHealth stopped paying Remon for his personal care attendants because his doctor hadn’t returned a necessary form by the deadline.

“... this is the beauty of legal aid. They’re there for people who may fall through the cracks...”

Remon didn’t know there was a problem until the checks stopped coming. By the time he had fixed the problem and been reapproved, the lapse in payments left him owing his attendants $4,000. MassHealth claimed they were not responsible and would not pay, even after Remon filed an appeal.
Meet Charlie Harak, National Consumer Law Center

Have you ever been in fear of living in your home without heat, water or electricity? For one elderly woman from Billerica, this was a very real fear. In fact, she was facing a choice between keeping the lights on or keeping her home. It wasn’t until she got in touch with Charlie Harak, an attorney at the National Consumer Law Center in Boston, that she realized she was eligible for a program that would decrease her bills to a manageable amount so that she could pay them and keep her home.

"Utility bills are so big and so scary that some people don’t even open them," Charlie explains. He has devoted his career to advocating for utility customers’ rights, but he spends most of his time working to ensure that utility companies play fair when it comes to dealing with customers who are behind on their bills. This systemic advocacy work doesn’t leave a lot of time to help individual consumers like the elderly woman from Billerica. So several years ago, he started a training program called Project Stay Connected that teaches non-attorney advocates at social service agencies about the options available to utility customers who struggle to pay their bills.

Training non-lawyers to teach people about their right to gas and electricity service might seem like an unorthodox approach, but Project Stay Connected trainings have been enthusiastically received—and quite successful. Nearly 4,000 advocates in Massachusetts have attended one of the trainings, and arrearage management programs, which forgive some debt and establish payment plans for eligible customers, helped residents across the state save more than $17 million last year.

>>> Visit www.nclc.org to learn more about Project Stay Connected.

Seeking Justice, Rebuilding Lives

Like so many Americans, Ellen lost her job during the economic recession. Trained as a medical biller, she realized after a long search that those jobs had all but dried up. So Ellen accepted a telemarketing position, only to find that the requirements of the job were next to impossible for her to fulfill. Not only was she unemployed again, but now the state claimed she owed several thousand dollars in unemployment insurance because she quit her job.

Determined to keep the benefits she knew she was entitled to, Ellen turned to Greater Boston Legal Services. At her unemployment hearing, Ellen’s GBLS attorney successfully argued that because the position was not a suitable job for her, she should be able to quit without jeopardizing her unemployment insurance.

Remon’s attendants continued to work without pay during the lapse, and he vowed to repay them, even out of his own pocket. On his very limited income, saving $4,000 would have taken more than six years.

Fortunately, Remon found Greater Boston Legal Services (GBLS). After unsuccessfully attempting to convince MassHealth to cover the expenses, a GBLS attorney sued on Remon’s behalf. The agency then agreed to pay the full $4,000 it owed. Now Remon can continue to receive the high level of care he needs, free from worry.

“I know this may not seem like a big case since it was over a few missed paychecks,” Remon said. “But this is the beauty of legal aid. They’re there for people who may fall through the cracks, like me — and for me, this case was huge.”
**Center for Law and Education**
- General Support: $86,136
- Technology Grants and Equipment: $6,488
- Total: $92,624

**Center for Public Representation**
- General Support: $146,435
- Disability Benefits Project: $33,269
- Technology Grants and Equipment: $8,946
- Total: $188,650

**Disability Law Center**
- General Support: $172,278
- Disability Benefits Project: $182,257
- Technology Grants and Equipment: $5,017
- Total: $359,552

**Massachusetts Advocates for Children**
- General Support: $68,047
- Total: $68,047

**Prisoner’s Legal Services**
- General Support: $111,981
- Technology Grants and Equipment: $3,885
- Total: $115,866

**Massachusetts Law Reform Institute**
- General Support: $1,033,660
- Battered Women's Legal Assistance: $82,867
- Website: $271,933
- Farm Workers: $19,280
- Technology Grants and Equipment: $82,018
- Total: $1,489,758

**National Consumer Law Center**
- General Support: $86,138
- Total: $86,138

**Total Statewide Programs**
- $2,400,635

**Eastern Region**

**Greater Boston Legal Services**
- General Support: $2,247,814
- Medicare Advocacy Project: $289,288
- Disability Benefits Project: $325,790
- Battered Women’s Legal Assistance: $766,096
- Technology Grants and Equipment: $146,898
- Total: $3,825,886

**Community Legal Services and Counseling Center**
- General Support: $62,103
- Disability Benefits Project: $17,025
- Battered Women's Legal Assistance: $21,166
- Total: $100,294

**Metrowest Legal Services**
- General Support: $295,043
- Disability Benefits Project: $45,931
- Battered Women’s Legal Assistance: $100,556
- Technology Grants and Equipment: $15,998
- Total: $457,528

**Total Eastern Region**
- $4,383,708

**Northeast Region**

**Community Legal Aid**
- General Support: $1,958,574
- Medicare Advocacy Project: $96,556
- Disability Benefits Project: $243,412
- Battered Women’s Legal Assistance: $667,520
- Technology Grants and Equipment: $59,203
- Fellowships: $50,000

**Total Northeast Region**
- $1,656,501

**Southeast Region**

**South Coastal Counties Legal Services**
- General Support: $1,240,134
- Medicare Advocacy Project: $61,137
- Disability Benefits Project: $175,189
- Battered Women’s Legal Assistance: $422,661
- Fellowships: $75,000
- ED Search grant: $10,000

**Total Southeast Region**
- $1,984,121

**Central/West Region**

**Community Legal Aid**
- General Support: $1,958,574
- Medicare Advocacy Project: $96,556
- Disability Benefits Project: $243,412
- Battered Women’s Legal Assistance: $667,520
- Technology Grants and Equipment: $59,203
- Fellowships: $50,000

**Total Central/West Region**
- $3,075,265

**Grants to Programs FY12**

- $13,500,230 total
## Statement of Activities and Changes in Net Assets
For the year ending June 30, 2012

<table>
<thead>
<tr>
<th>Appropriated Projects</th>
<th>Disability Benefits Project</th>
<th>Medicare Advocacy Project</th>
<th>Battered Women’s Legal Assistance Project</th>
<th>General Support</th>
<th>MLAC IOLTA</th>
<th>Technical Assistance</th>
<th>IOLTA Administrative Services</th>
<th>MLAC Administrative</th>
<th>Fixed Asset Fund</th>
<th>Total All Funds</th>
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<td><strong>REVENUE</strong></td>
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<td>Commonwealth of Mass.</td>
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<td>66,039</td>
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<td>15,995,971</td>
</tr>
</tbody>
</table>

| **EXPENSES**          |                             |                           |                                          |                 |            |                     |                          |                   |                |                 |
| Grants Awarded        | 1,178,888                   | 446,980                   | 2,437,263                                | 6,410,403       | 2,781,661  |                     |                          |                   |                | 13,255,195     |
| Loan forgiveness      |                             |                           |                                          |                 |            |                     |                          |                   |                | 70,083         |
| Salaries              |                             |                           |                                          |                 |            |                     |                          |                   |                | 1,033,396      |
| Occupancy             |                             |                           |                                          |                 |            |                     |                          |                   |                | 263,068        |
| Professional services |                             |                           |                                          |                 |            |                     |                          |                   |                | 473,381        |
| Payroll taxes and fringe benefits |             |                           |                                          |                 |            |                     |                          |                   |                | 241,792        |
| Other support services|                             |                           |                                          |                 |            |                     |                          |                   |                | 135,133        |
| Fellowships           | 174,910                     |                           |                                          |                 |            |                     |                          |                   |                | 174,910        |
| Depreciation          |                             |                           |                                          |                 |            |                     |                          |                   |                | 35,676         |
| Travel                | 4,866                       |                           |                                          |                 |            |                     |                          |                   |                | 14,550         |
| Office                | 5,133                       |                           |                                          |                 |            |                     |                          |                   |                | 19,296         |
| Total expenses before allocation of administrative expense | 1,178,888 | 446,980 | 2,437,263 | 6,449,971 | 2,812,176 | 66,039 | 1,163,802 | 1,125,675 | 35,676 | 15,716,470 |
| Allocation of Administrative Expense | 87,345 | 33,117 | 180,578 | 477,061 | 347,574 | -1,125,675 | | | | |
| **TOTAL EXPENSES**    | 1,266,233                   | 480,097                   | 2,617,841                                | 6,927,032       | 3,159,750  | 66,039              | 0                          |                   |                | 15,716,470     |
| Excess (deficiency) of revenue | -86,410 | -32,733 | -178,308 | -485,224 | 2,035,196 | -937,344 | 0 | 0 | -35,676 | 279,501 |

| **NET ASSETS**        | June 30, 2011               |                             |                                          |                 |            |                     |                          |                   |                |                 |
|                       | 0                           | 0                          | 0                                        | 1,112,309       | 0          | 0                    |                          |                   |                | 74,396         |
| Transfer to other funds | 86,410                   | 32,733                     | 178,308                                  | 485,224         | 1,720,019  | 937,344              | 0                          |                   |                | -35,676        |
| **NET ASSETS**        | June 30, 2012               | 0                          | 0                                        | 0               | 1,427,486  | 0                    | 0                          |                   |                | 38,720         |
|                       | 0                           | 0                          | 0                                        | 0               | 1,466,206  | 0                    | 0                          |                   |                | 1,186,705      |