

# 2016 Annual Report

Community Legal Services... Making a Difference Every Day



*"Equal Justice For All"*  
**COMMUNITY**  
LEGAL SERVICES, INC.



# LETTER FROM OUR BOARD PRESIDENT

Dear Friends and Colleagues:

Every time I get to talk about CLS, I remind people that during the Pledge of Allegiance, we pledge our allegiance to a nation that provides "liberty and justice for all." Community Legal Services *lives* that pledge every day, and I am so proud to be a part of this organization. During my tenure on the Board I have enjoyed watching CLS continue to grow and find new ways of providing legal services through both direct client representation and advocacy efforts. This dual-pronged effort makes our justice system more accessible to Arizona residents and more efficient for all who use it - pro per clients and attorneys alike. I'm so proud of the thoughtful and generous people that work and volunteer for CLS and have dedicated their time to improving the lives of Arizonans. Their work benefits us all—not just our CLS clients but Arizona as a whole—and that effort is reflected in the economic benefit studies we have commissioned in recent years. The most recent study, which looked at 2016 data, found that for every \$1 invested in CLS, the social return on investment is \$6.14 — a phenomenal return on investment by any measure.

Thank you so much for the opportunity to lead this organization for a year as your President. I hope I continued to advance our cause and look forward to supporting CLS as we live our promise to provide liberty and justice for all.

Sincerely,

*Susan*



Susan Brichler Trujillo, Esq.  
CLS Board President, 2016/17



# BOARD and MANAGEMENT TEAM MEMBERS

## C CLS Board of Directors 2016—2017 LS Board of Directors

Susan B. Trujillo, President	Anne Chapman
Michelle Roddy, Vice President	Jami M. Cornish
Carlene Higgins, Secretary	Kevin D. Quigley
Kenneth Moyer, Treasurer	Molly Moffet
Robert Pastor, Immediate Past President	Jennifer Holsman Tetreault
Liza E. Laguaña-Merrill, At Large Executive Committee	Hon. Ed Burke (Ret.)
William L. Emerson, At Large Executive Committee	Jennifer Elias
Michael Kielsky	John Phillips
Veronica Hernandez	Diana Moll
Michael Breeze	Normando de Halle
	John Ruot
	Claudia Sirrine

Community Legal Services' Board of Directors includes attorneys and client representatives from the geographic areas in which we provide services. Board members are uncompensated and appointed to the board by a local, county or state bar association or a local community organization..

Lillian O. Johnson, Executive Director  
Sharon E. Sergent, Deputy Director  
Pamela Bridge, Litigation and Advocacy Director  
Leesa Bowman, Finance Director  
Amanda Caldwell, Managing Attorney, Farmworker, Employment & Tax, Central Phoenix and San Luis Offices  
Martin Coleman, Managing Attorney, Yavapai County Office  
Patricia J. Gerrich, Director, Volunteer Lawyers Program (VLP)  
Nancy S. Guadagno, Resource Development Director  
Robyn James, Manager, Telephone Access Project (TAP)  
Jeffrey Katz, Managing Attorney, Housing Law, Central Phoenix Office  
Dina Lesperance, Managing Attorney, Health & Economic Stability, Central Phoenix Office  
James Marshall, Managing Attorney, Yuma County Office  
Patricia Madsen, Managing Attorney, Family Law, Central Phoenix Office  
Sarah Youngblood, Managing Attorney, East Valley Office

# CLS – ENGAGING IN STRATEGIC ADVOCACY

Through our commitment to ‘strategic advocacy’  
CLS’ advocates’ goal is to achieve  
*lasting, systemic change* for clients  
and low-income communities.

Strategic advocacy practice areas were designated as  
a result of a year-long planning process. Our mission, strategic  
practice areas and CLS’ priorities guide our work.

## CLS’ Strategic Advocacy Practice Areas

Family Law

Health and Economic Stability

Housing

Consumer

Employment

## CLS Priorities

Support for Families

Maintaining Economic Stability

Preserving the Home

Assistance to Agricultural Workers

Access to the Legal System

Preserving and Improving Involvement of  
the Private Bar in Serving the Legal  
Needs of the Low-Income Community

Strengthening Legal Communities  
through CLS’ Legal Work

Delivery of Services

## Approaches for Achieving Results that Benefit a Broad Community:

### Litigation

Coordinate cases, focus  
on widespread issues, affirmative  
litigation

### Policy Advocacy

Legislative advocacy, rule making  
advocacy, serving on taskforces,  
boards, etc.

### Community Lawyering

Assisting client organizations  
with legal needs

### Outreach and Education

Involvement in community, share  
resources, distribution of  
dissemination of printed materials.



# CLS—MAKING A DIFFERENCE, EVERY DAY

***Our Vision...**Access to Justice for All.*

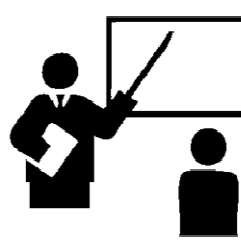
***Our Mission:** Community Legal Services is committed to eliminating poverty based inequities in our civil justice system by providing high-quality legal advice, advocacy and assistance to low-income Arizonans.*



Advocacy



Litigation



Education



Collaboration



## HOUSING LAW

Kept more than **5,328** people or **31%** of our clients in 2016 in their homes by fighting unfair evictions, foreclosures and Fair Housing violations.

Empowered more than **5,397** women and children or **32%** of our clients to escape their abusers, achieve personal safety and live free of abuse and violence.

## FAMILY LAW



## HEALTH & ECONOMIC STABILITY

Helped more than **2,615** persons or **15%** of our 2016 clients preserve the basic necessities of life, including health care, social security benefits, food and economic assistance.

## CONSUMER LAW

Obtained justice for more than **2,518** vulnerable people or **15%** of our clients who faced the loss of their already limited income due to consumer fraud.



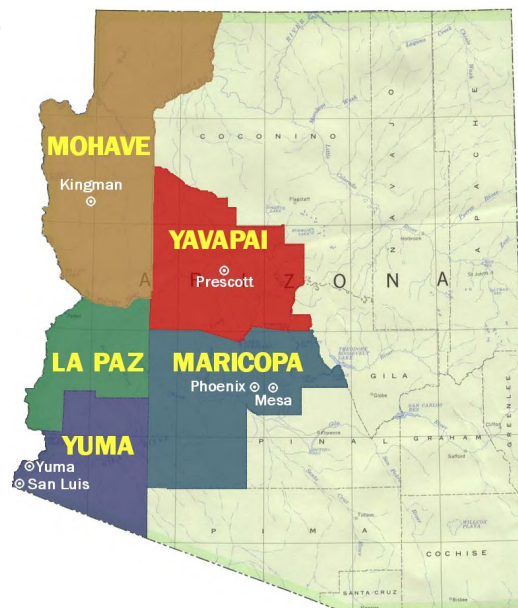
## EMPLOYMENT LAW

Helped ensure safe job conditions, unemployment insurance, wages earned and freedom from discrimination and harassment for more than **1,216** individuals, or **7%** of our 2016 clients.

# HELP IN OUR SERVICE AREAS

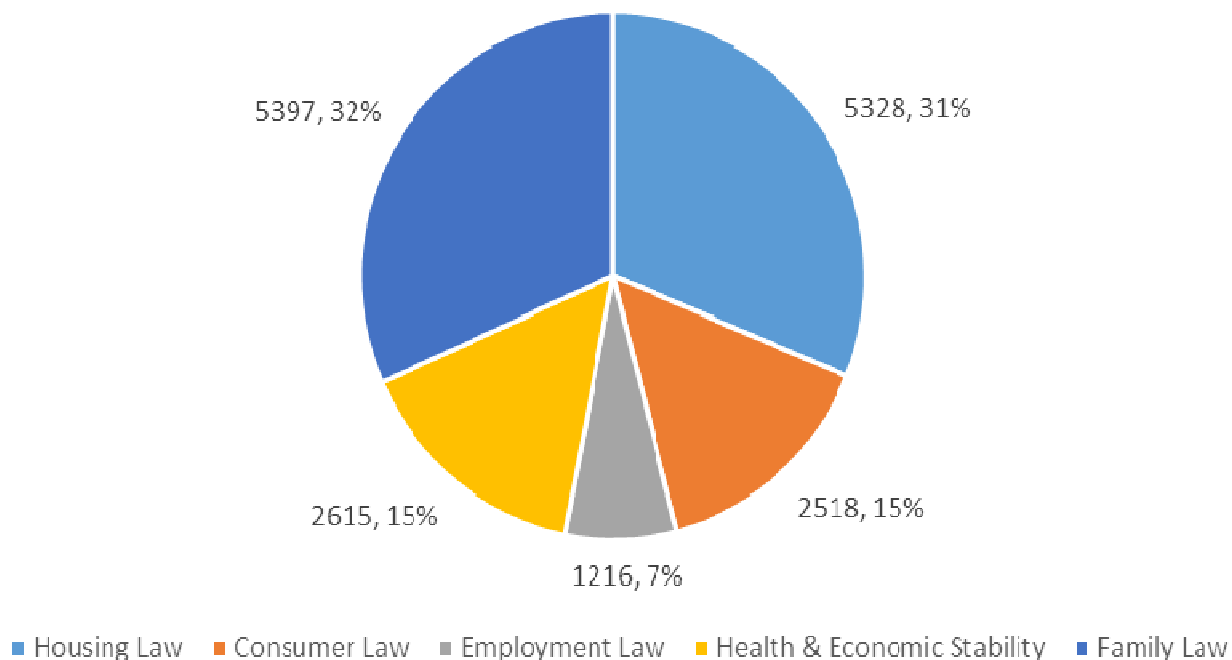
There are almost 1 million persons living at or below the Federal Poverty Guidelines (\$24,600 annually for a family of four) in our Arizona service area, which includes Maricopa, Mohave, Yavapai, Yuma and La Paz Counties.

CLS provides legal help to those at 125% of the Federal Poverty Guidelines (at or below \$30,750 annual household income or a family of four).



During 2016, CLS provided access to the civil justice system for more than 17,000 individuals. Our staff provided direct representation, legal assistance, advocacy and conducted outreach activities, making a significant and meaningful impact in the lives of our clients and their families.

Strategic Practice Areas



# ECONOMIC BENEFITS FOR OUR CLIENTS

**In addition to resolving our clients' civil legal problems,  
we obtained more than \$11.5 million in  
economic benefits for them and their families.**

## **Housing Law**

**\$ 3,574,864**

Homeownership & Foreclosures	\$3,180,059
Rental Housing	\$ 394,805

## **Family Law**

**\$ 3,242,364**

Clients received equitable portions of retirement, marital homes or other marital property. Clients received spousal maintenance, child support , back child support or modifications. Client s avoided portion of marital debt.

## **Consumer Law**

**\$ 2,591,918**

Reduced or eliminated clients' debts ,  
Clients' assets restored, clients compensated for loss or damage, etc.  
Clients' defenses to claims enforced, warranties enforced.

## **Health Care and Economic Stability**

**\$ 1,825,106**

Unemployment Compensation	\$ 376 952
Tax Law	\$ 574 736
Health Care Law	\$ 308,203
Economic Stability	\$ 594,065
Employment Law	\$ 61,150

## **Miscellaneous**

**\$ 356,440**

Clients' tort debt was reduced or eliminated or  
obtained other monetary relief.

**TOTAL**

**\$11,590,692**

# SOCIAL RETURN ON INVESTMENT (SROI)

During 2016, CLS helped more than 17,000 clients and achieved more than \$11 million in economic benefits for them and their families.

Housing Law	5,328 or 32% of our clients
Family Law	5,397 or 27% of our clients
Health and Economic Stability	2,615 or 18% of our clients
Consumer Law	2,518 or 16% of our clients
Employment Law	1,216 or 7% of our clients

**Community Legal Services is a great investment!**

For Every \$1 invested in CLS in 2016, the 2016 SOCIAL RETURN ON INVESTMENT was 614%, or for every dollar invested in CLS, \$6.14 was invested back into the communities in which we provide services.

Source: SROI 2017, CSACO

Community Legal Services' Social Return On Investment (SROI') is the measurement of the financial values created through the delivery of our services to the community.

For example, persons who receive assistance in retaining employment require less future financial support, including medical assistance from their communities. In the future, their tax



Community Legal Services protects our clients against loss of housing and for many, prevents homelessness. We empower tenants and homeowners through direct representation, legal advice, advocacy, and community education and outreach activities.



## **Woman with Disabilities Protected from Harassment and Eviction**

An elderly woman with a developmental disability lives in a Prescott Valley low-income senior living community. She was subjected to retaliation by her landlord after she complained to the landlord about chronic bullying abuse by a male resident. The landlord singled out the woman and four other persons who also complained of bullying by the same resident and informed these five tenants their leases would not be renewed. The landlord successfully evicted one of the five residents who complained.

The Managing Attorney of Community Legal Services' Yavapai County office determined that the accused male resident had a pattern of bullying women and men who are physically frail or disabled. The Yavapai Office prepared a federal court complaint seeking an affirmative declaratory and injunctive relief on the theory that the landlord discriminated against our client on the basis of sex and disability because its' employees had knowledge of the bullying and failed to take appropriate action.

After informing the attorney for the landlord that CLS was imminently going to file the complaint and request a temporary restraining order (TRO) to stop the eviction, the landlord agreed to reverse the decision and enter into new lease with our client who is now feeling secure about her living situation.

# FAMILY LAW: Protection Against

CLS supports the safety and well-being of the family through the legal process, focusing on victims of domestic violence and children at risk of abuse or neglect.



## **CLS Helps Ensure the Safety of a Woman Living with a Serious Mental Illness**

A mother living with a serious mental illness was a victim of rape and domestic violence by her husband. Her mental health issues were exacerbated by post-traumatic stress disorder (PTSD) caused by the trauma she experienced prior to fleeing the parties' home with their children. Following a Temporary Orders Hearing, the father of the parties' three children had temporary sole legal decision-making authority, and our client had minimal supervised parenting time. The woman was pressured into a settlement agreement that would continue to restrict her decision-making and parenting time with the children. The criminal investigation against the father for sexual abuse and domestic violence had stalled. Although a Family Court advisor had been appointed to investigate the children's safety while in the father's care, no investigation was yet underway.

A Community Legal Services' Family Law Attorney provided direct representation for the mother and was able to assist the parties in reaching a new temporary orders agreement which gave them joint legal decision-making authority and allowed the mother unsupervised parenting time. However, soon after, the father hired private counsel and reversed his position on all matters. The CLS attorney attempted to negotiate with the father's attorney, but the father fired that attorney and hired a new attorney. After a very lengthy settlement conference, the parties finally agreed to final orders that are in the mother's favor and in the best interest of the parties' children. The mother has also been able to progress through treatment and therapy and is no longer in need of medication for anxiety, manic depression, and PTSD. Now that she is away from the abusive relationship, she is continuing to progress and she looks forward to a safe and stable future for herself and her three children.

CLS' Consumer Law practice protects our clients' already limited incomes. Our advocates focus on cases that protect Arizonans from having their limited incomes attached by creditors, and from being disadvantaged by unfair or business practices.



## **Victim of Identity Theft Receives Loan Discharge and Reimbursement**

When an unknown person used a man's identity to fraudulently receive a federal student loan, the man contacted Fannie Mae, the servicer of the loan, to explain that he never entered into this loan agreement. Fannie Mae assured him he would not be obligated to repay the loan. Unfortunately, Fannie Mae was incorrect, and eventually, debt collectors began contacting the man about the loan. At that time, he contacted Community Legal Services' (CLS) Mohave County Office. The CLS Staff Attorney repeatedly contacted the Department of Education on the man's behalf to explain what had happened, in order to discharge the loan. Eventually, the Department of Education agreed with the Community Legal Services' attorney, and as a result, the Department discharged more than \$10,000.00 in fraudulent student loans. Additionally, our client was refunded the money the Department withheld from his tax refund.

## **Loan Obligation Significantly Lowered**

A man was sued by a debt buyer on a \$30,000 loan obligation. Community Legal Services Consumer Law Project Attorney represented the man and submitted discovery and scheduled a 30(b)(6) deposition. This type of deposition allows a corporation or other entity to designate a witness to testify on the organization's behalf and requires only that the designated witness be able to testify about information "known or reasonably available to the organization. Through CLS attorney's representation, the man was able to settle the debt for \$5,000 in monthly installment payments of \$100 each. This result was particularly important because bankruptcy was not an option as the man's home had a value significantly in excess of the homestead exemption.

# HEALTH AND ECONOMIC STABILITY

In order to improve and maintain the stability of families and individuals, CLS places a high priority on cases and matters in which members of our client community are denied access to vital healthcare services and essential economic supports. Clients may receive services ranging from resource referrals to formal representation at administrative hearings or in courts of law.



When a man renewed his Nutrition Assistance (NA) benefit, the Department of Economic Security (DES) informed him that his NA benefit would be reduced since his wife recently started receiving Social Security benefits. The man came to Community Legal Services for help. A CLS Health and Economic Stability Unit Paralegal found the man's benefits were reduced improperly and DES had calculated his income incorrectly. With assistance from his CLS' advocate, the man was able to correct the error with DES. As a result, the man's monthly benefit of \$16 increased to \$270 for his household. During this time, the CLS Paralegal discovered the man's Supplement Security Income (SSI) had been terminated as the Social Security Administration (SSA) determined that he had more than \$2,000 in resources. In addition to terminating the man's benefits, Social Security also charged the man with an overpayment of \$733. The confusion stemmed from a bank loan the man had taken out and repaid it in full within two weeks. Because this money was a loan, Social Security should not have treated it as income, nor as a resource. However, Social Security, by improperly treating the loan as a resource, had found him financially ineligible for SSI. Before contacting CLS, the man attempted to resolve this issue on his own, however, he was never able to provide verification that the money received was actually a loan. CLS contacted the bank on the man's behalf and was able to help him obtain the necessary documents. As a result of CLS' legal intervention and assistance, the man's SSI benefits were restarted and his overpayment was removed. In addition, he received a lump sum SSI payment for the months that he was not paid, totaling more than \$3,000.



# FARMWORKER, EMPLOYMENT AND TAX

CLS assists agricultural workers throughout Arizona. CLS is dedicated to ensuring legal access and protecting the rights of agricultural workers through community education, advocacy, self-help assistance, community collaboration and direct representation to resolve income tax and employment issues.



An agricultural worker received Workers Compensation benefits following an industrial injury while working for a lettuce company. Because of a wage miscalculation, the worker received a notice that his Workers Compensation for \$1,688.70 per month would be lowered to \$128.74 monthly and he had an overpayment of \$2,633.63. Such a decrease in his benefits would be devastating for the man and his family.

A CLS Advocate helped the client file a Request for Hearing and contacted the attorney for the insurance company and provided proof of the client's wages. Just before the hearing, the attorney informed the CLS advocate that because of the documentation supplied by CLS, the client's monthly award would not be reduced but instead, increased to \$3,000 per month. Also, the overpayment would be set aside and the client would receive a retroactive check for \$4,650.02. Because of CLS'

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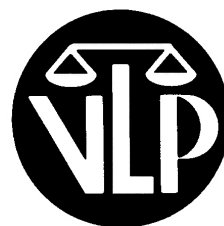
A single mom came to CLS seeking assistance after her Unemployment Insurance was denied. The client worked for a dry cleaning business for 26 years and asked to transfer to another division because her doctor advised her the chemicals used in the process were affecting her health. She was told there were no transfers available. She then resigned because her health deteriorated and she could no longer work around the chemicals. She was denied Unemployment Insurance and appealed. A CLS attorney represented her at her hearing. The client testified about her transfer request and the denial. She testified that she presented a doctor's note to her supervisor who refused to allow her to transfer. The Administrative Law Judge (ALJ) sided with the employer and found the client not eligible for benefits. The ALJ did not believe the client's health was in jeopardy. CLS appealed the decision. CLS Senior Staff Attorney wrote and filed a first level appeal to the DES Appeals Board. The Appeal's Board decided that the client did not present enough evidence from her doctor about the effect of the chemicals on her health. CLS appealed that decision to the second level Appeals Board review before a three judge panel. CLS presented the case again and won. The client won all of her back unemployment benefits of approximately \$16,000. The client continued to seek employment where her health would not be jeopardized.

# VOLUNTEER LAWYERS PROGRAM

The Volunteer Lawyers Program (VLP) provides civil legal assistance to eligible low-income Arizonans who are residents of and/or have legal issues in Maricopa County. Individuals who are eligible for services receive legal advice, brief service, or assistance with self-advocacy or representation by private attorneys who volunteer their time and services.

## **VLP staff and volunteers assist low-income Arizonans by providing...**

- Bankruptcy Court Assistance
- The Children's Law Center - Adoption, Minor Guardianships, Volunteer Court Appointments, Free Advice Clinics for Teens
- Community Clinics
- Debt Collection and Bankruptcy
- Direct Legal Representation
- Family Lawyers Assistance Project (FLAP)
- HIV/AIDS Law Project
- Medical—Legal Partnership Clinics
- Tenants' Rights Clinic



# VOLUNTEER LAWYERS PROGRAM

## VLP 2016 ADVISORY COMMITTEE

David Wm. Engelman, Esq.

Richard B. Siever, Esq., Chair

### **Community Legal Services Appointments**

Hon. Brian S. Rees

Gregorio M. Garcia, Esq.

### **Law College Appointments**

Douglas J. Sylvester, Dean, Sandra Day O'Connor College of Law at ASU

Teri Adam, Sandra Day O'Connor College of Law at Arizona State University

### **Ex Officio Members**

Kyle Hirsch, (MCBA Board President), Bryan Cave

Susan B. Trujillo, Esq., (2016 CLS President) Quarles & Brady

Lillian O. Johnson (CLS Executive Director), Community Legal Services

Allister Adel, (MCBA Executive Director), Maricopa County Bar Association

Patricia J. Gerrich, Esq., (VLP Director), Volunteer Lawyers Program

### **Special Advisors**

Landon A. Burns, Esq., Kutak Rock LLP

Hillary Gagnon, Esq., Jennings Haug Cunningham

Hon. (Ret.) Frank X. Gordon, Jr.

James R. Gough, Legal Assistant, Warner Angle Hallam Jackson and Formanek

Kevin Heaphy, Esq., Ryley Carlock & Applewhite

Mark Kalish, Esq.

Susan L. B. Lagerman, Esq.

Jennifer N. MacLennan, Esq., Gust Rosenfeld

Michael R. Ross, Esq., Gallagher & Kennedy

Jonathan T. Hasebe, Esq., Gallagher & Kennedy

Amanda Sheridan, Esq., Snell & Wilmer LLP

Lauren E. Stine, Esq., Quarles & Brady

Jack Wilenchick, Esq., Wilenchick & Bartness

# FINANCIAL



Community Legal Services

Statements of Activities

Years Ended December 31, 2016 and 2015

|                                   | 2016             | 2015             |
|-----------------------------------|------------------|------------------|
| <b><u>REVENUE AND SUPPORT</u></b> |                  |                  |
| Legal Services Corporation        | 5,612,263        | 5,165,960        |
| Contributions                     | 374,048          | 464,467          |
| United Way                        | 108,044          | 188,783          |
| Government contracts              | 825,358          | 923,668          |
| Grants and other awards           | 662,800          | 94,669           |
| Interest income                   | 1,725            | 2,200            |
| Attorney fees                     | 7,800            | 9,304            |
| <b>TOTAL REVENUE AND SUPPORT</b>  | <b>7,592,038</b> | <b>6,849,048</b> |
| <b><u>EXPENSES</u></b>            |                  |                  |
| Program services                  | 5,864,469        | 5,809,071        |
| Management and general            | 1,192,777        | 1,149,184        |
| Fundraising                       | 116,950          | 126,386          |
| <b>TOTAL EXPENSES</b>             | <b>7,174,146</b> | <b>7,084,641</b> |
| Change in net assets              | 417,842          | (235,593)        |
| Net assets, beginning of year     | 976,889          | 1,212,482        |
| Net assets, end of year           | 1,394,731        | 976,889          |

Source: Audited Financial Statement



# PLEASE SUPPORT CLS

Thank you for your interest in helping Community Legal Services ensure low-income Arizonans have equal access to our justice system. When you make a gift to CLS, you join others who support our efforts to provide the highest quality legal services to low-income residents in the communities we serve. Those who make generous contributions of time, expertise and financial support are of significant importance to us, and help make our work possible. We encourage you to contact us to learn more. There are many ways in which you can help. Please consider the following:

## **Tax Credit for Donations to Community Legal Services**

Community Legal Services is listed as a Qualifying Charitable Organization (formerly Working Poor Tax Credit) by the Arizona Department of Revenue. Donations to CLS may be eligible for this tax credit. For more information, visit the Arizona Department of Revenue at [www.azdor.gov](http://www.azdor.gov) and click on Tax Credits, or contact your financial advisor or tax preparer. Checks or credit card donations are always welcome! Your tax receipt will include information on the tax credit.

## **Make a Credit Card Donation via PayPal—One Time or Recurring Gifts**

CLS accepts credit card donations made with a Visa, MasterCard, American Express, or Discover Card via PayPal. Visit our website [www.clsaz.org](http://www.clsaz.org) to make a donation. PayPal allows you to make monthly recurring gifts. Each donation will generate a PayPal receipt, and CLS will provide you with a year-end acknowledgement and tax statement for each donation year.

## **Include CLS in Your Bequest and Other Planned Giving Vehicles**

Equal access to justice for all, regardless of income, is one of our most deeply held values, and part of the very fabric of our society. When you support Community Legal Services through your will or with another kind of planned gift, you re-enforce your commitment to equal access to justice, while making a statement about your belief in the importance of community. In addition, you ensure that these values endure into the future. You may save on taxes, increase your income, and pass on more resources to your heirs, depending on the type of gift. A planned gift is particularly appropriate if you wish to make a significant contribution to CLS but cannot do so at the present time. Speak to your financial advisor about one of many planned giving opportunities.

## **For More Information:**

Please contact CLS' Resource Development office at 602-258-3434 x 2150 or email [resourcedevelopment@clsaz.org](mailto:resourcedevelopment@clsaz.org).



# OUR LOCATIONS

## **Central Phoenix Office—Administration and VLP**

305 South 2nd Avenue, Phoenix, AZ 85003

(602) 258-3434



## **Farmworker Program—San Luis County Office**

845 East B Street, Suite 1, P.O. Box 2045, San Luis, AZ 85349

(928) 627-8023

## **East Valley Office**

1220 S. Alma School Rd. #206, Mesa, AZ 85210

(480) 833-1442

## **Mohave and La Paz Counties Office**

2701 E. Andy Devine, Suite 400, Kingman, AZ 86409

(928) 681-1177

## **Yavapai County Office**

148 N. Summit Avenue, Prescott, AZ 86301

(928) 445-9240

## **Yuma County Office**

204 South 1st Avenue, Yuma, AZ 85364

(928) 782-7511

