Appendix H

To: Access to Justice Commission  
From: David Rosenberg, on behalf of the Resource Enhancement Committee  
Re: Philanthropy Campaign, structure, AJC’s future role  
Date: 11/25/2013

As you will recall, the AJC received a $20,000 grant to conduct a feasibility study of whether a fund-raising campaign aimed at wealthy non-lawyers and businesses might generate substantial funds for the civil legal aid/access to justice world. The AJC’s Resource Enhancement Committee (REC) after considering several consulting firms retained Community Philanthropy Consulting (CPC) to conduct the feasibility study. During the spring, REC and CPC jointly worked on refining the goals and approaches which the study would take and identifying individuals who would agree to provide CPC with their candid views on the feasibility of a campaign during one on one interviews. A Case Statement was prepared describing what civil legal aid programs do and why it is important and describing what contributed funds might be used for. CPC then conducted 36 interviews during the summer and early fall. While the names of the individuals who were interviewed by CPC are not being disclosed, the AJC can rest assured that they are significant individuals representative of diverse interests throughout the Commonwealth. I am pleased to attach for your review the October 30, 2013 Feasibility Report prepared by our consultants (who, by the way, did a first-rate job)

A. The Key Conclusions of the Feasibility Study
There is a great deal of information and many observations contained in the report which I think you will find interesting. The following are the key conclusions reached by our consultants and, in general, endorsed by the REC.

1) An annual campaign seeking $4,000,000.00 to $5,000,000.00 seems achievable. This would be generated primarily from affluent individual donors and foundations rather than from businesses.
2) Since the awareness of the concept of civil legal aid appeared to be so low on the part of the people being interviewed, the first phase of any fund-raising campaign will have to focus on education and awareness among potential donors. It was interesting to note that, once the consultants explained what kinds of situations civil legal aid lawyers resolved (particularly when concrete examples were given) virtually all of the people interviewed stated that they now realized that providing legal aid to the poor was quite important.

3) While some portion of the funds raised by the campaign might be used in imaginative ways to offset the loss of funding over the past several years in the legal services community, the clear impression which the REC has received from our consultants is that the donor community will be more inclined to contribute to the campaign if their money is used to fund new types of projects (such as those involving technology and those involving innovative ways to make the delivery of legal services more cost-effective).

4) There was some confusion/ambiguity regarding the way this campaign (aimed as it will be at affluent potential donors, other than lawyers) will relate to the fund-raising efforts which the legal services programs currently engage in. It was clear that potential donors will want to be shown that the legal profession is making major contributions, in cash and in pro bono services, to the cause. This is a subject that will have to be carefully considered as the campaign begins and matures.

5) As envisioned by the consultants, the campaign would consist of three phases:
   Phase I (January, 2014 to October, 2014) will emphasize Education/Awareness and Volunteer Cultivation;
   Phase II (November, 2014 to June, 2015) Major Gifts Campaign; and
   Phase III (July, 2015 to December, 2015) a Broad-based Campaign. Needless to say, neither the timeline of these three phases nor their precise contours are intended to be rigid, but rather to demonstrate the general direction which the campaign will be following.

B. Governance and the Role of the AJC.

The Campaign will be led by two groups. First, the REC intends to establish a charitable, not for profit 501(c) (3) corporation to run the fund, including both its yearly fund raising effort and its fund distribution activities. (Ropes and Gray has kindly agreed to organize the
corporation and seek tax exempt status for it.) Second, the board of directors of this corporation will recruit a “leadership” group which will spearhead the actual fundraising efforts (and will be discussed below).

The corporate entity would initially have a board of directors of perhaps nine individuals who will represent a broad array of interests (the by-laws would permit, for example, 7 to 21 directors so that there would be room to add new interests). The “interests” represented on the board might include one or more members of the following: the AJC, the business community broadly defined, the legal services community, the private bar, and additional individuals from the public at large, one of whom should be someone with ties to the philanthropic community, one of whom could be a retired judge, one of whom might be a former state official, one might be a member of the social services community, and one might be a former client of a legal services program. The corporation would retain the discretion to change the composition of its board as circumstances might dictate. This board would be a working board, which would be responsible for such things as the development of the fund-raising leadership group (to be discussed below), the development of thoughtful plans for using the funds, the consideration of staffing of the entity or contracting with third parties to run the fund-raising/grant making efforts, as well as fulfilling the usual governance responsibilities of all charitable corporations such as oversight of the administration of the funds, monitoring the performance of the grants, etc.

The board, with help from a fund-raising consultant, would recruit a fund-raising leadership team, hopefully to be chaired by one of the key philanthropists in the Commonwealth. We hope to be able to enlist some of the people whom our consultants interviewed to serve on this team. It would be this team which would attempt to obtain “leadership” contributions from the group of wealthy non-attorneys we are hoping to target, work with the Board and staff to shape the annual campaign and be our ambassadors to the philanthropic community.

C. The Relationship of the Campaign to the Commission:
The REC has given a good deal of thought to this issue; and Gerry and I have discussed it with Justice Gants. It might well be valuable to have the imprimatur of the AJC on this campaign effort, by, for example, calling it an affiliate of the AJC or building into its by-laws close links to the Commission. However, we have reached a different conclusion: namely, that the fund should be independent from the Commission but connected to it by initially having one or two
commission members invited to serve on the fund’s corporate board, and having periodic progress reports provided to the Commission by the fund. We have come to this conclusion for several reasons: first, it seems inappropriate to have a committee of the Supreme Judicial Court endorsing or closely connected to a fund-raising effort; second, the judges on the Commission would have particular issues to navigate if this entity were a “creature” of the SJC; and, finally, the current AJC has a 2015 sunset provision which might be a juncture when the SJC discontinues the Commission or provides it with a changed mission.

D. Staffing and funding the effort
To move forward with the campaign, the new corporation will need to hire a fund-raising group and, either directly or by contract, some limited staff resources. Based on our initial estimates, we anticipate needing approximately $125,000 for the first two phases of the campaign. We will have to think creatively about how to obtain funds to hire the consultants and staff members. Foundation grants are one obvious source. The REC has already discussed some potential foundations to approach. Several of the REC members are putting together a strategic action plan to be discussed at the REC’s December meeting which will include issues pertaining to organizing the corporation as well as raising funds for its work.

One final thought: the individuals whose names are listed below have spent a tremendous amount of time, energy and thought addressing this important subject. They have my personal thanks as well as those of the Commission.

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