

# *LEGAL SERVICES OF NORTHWEST JERSEY™*



## *2007 ANNUAL REPORT*



PROVIDING EQUAL JUSTICE FOR LOW-INCOME PEOPLE IN  
HUNTERDON, MORRIS, SOMERSET, SUSSEX AND WARREN COUNTIES



## **LSNWJ EXECUTIVE COMMITTEE**

Thomas J. Welchman, Esq. - President  
Thomas E. Bracken, Esq. - Vice-President  
Jane Herchenroder, Esq. - Secretary  
Elizabeth H. Smith, Esq. – Treasurer  
Kevin Hahn, Esq., Member

## **LSNWJ TRUSTEES**

Christine Restifo  
Gordon S. Graber, Esq.  
William J. Lovas, Esq.

Marianne McConnell, Esq.  
Larry S. Raiken, Esq.  
Miles S. Winder, III, Esq.

Patrick T. Collins, Esq.  
Janet C. Lucas, Esq.  
Stuart C. Ours, Esq.

Leonard Friedman, CPA, Advisor

## **LSNWJ STAFF**

### **MANAGEMENT & FINANCE TEAM**

Diane K. Smith, Esq., Executive Director  
Deborah P. Smith, Finance Administrator  
Ellen Dazet, Finance Team  
Carol A. Buttke, Finance Team

### **REGIONAL UNITS**

Jack S. Cain, Esq., Education Rights  
Carol Lynn Fine, Esq. Workers' Rights  
William C. Penkethman, Jr., Esq.  
Anti-Predatory Lending  
Tiesh I. Reaves, Esq., Health Care Access  
Andrea L. Strack, Esq., Family Representation  
Robin Keegan, LSW, Social Work  
B. Tatiana Dallmann, Language Services

### **HUNTERDON COUNTY TEAM**

Martha Gonzalez, Esq., Program Director,  
Public Entitlements Team Leader  
Alisa Grossman, Esq.  
Victoria Reiners, Esq.  
Vivian Kale  
Jennifer Stoy

### **WARREN COUNTY TEAM**

Grace E. Kelly, Esq., Senior Attorney  
Angela Arabia-Meyer, Esq.  
Gina M. Knight, Esq.  
Dorothy Razawich, Esq.  
Theresa Kist, Office Manager  
Patricia Melillo  
Billie Jean Staples

### **MORRIS COUNTY TEAM**

William F. Matrician, Esq., Program Director  
Gerald Brennan, Esq., Housing Team Leader  
Monica Hardy, Esq.  
Rita Marcus, Esq.  
Heather Oakley, Esq.  
Elide Young, Office Manager  
Joan Marron  
Claudia Ruiz Von Briel  
Gladys Gil  
Elizabeth Imagna  
Mary Anne Wright

### **SOMERSET COUNTY TEAM**

Richard A. Mastro, Esq., Consumer Team Leader  
Norma Melendez-Galinsky, Esq.  
Carol Vadimsky Spicer, Esq.  
Elizabeth Szabo, Esq., Family Team Leader  
Irene L. Corcoran  
Maggie Lattrell  
Sulma Marino  
Denyse S. Mitterhofer  
Karl Clough, Volunteer

### **SUSSEX COUNTY TEAM**

Theresa A. Henninger, Program Manager  
Michael L. Wojcik, Esq., Individual Rights Team Leader  
Joanne Armstrong Brandwood, Esq.  
Robert D. McLellan, Esq., Volunteer  
Michele Curcio  
Leanne D'Angelo

# ***LEGAL SERVICES OF NORTHWEST JERSEY***

This is the fifth Annual Report of Legal Services of Northwest Jersey since the merger of Hunterdon County Legal Services, Legal Aid Society of Morris County, Somerset Sussex Legal Services and Warren County Legal Services into LSNWJ. Back in 2002, the idea of a merger of these four strong programs, all with different cultures, priorities and delivery systems, seemed overwhelming, but with the work of dedicated staff and Board members, we created a five year plan for a successful merger. This is how we did.

Corporate – Governance: LSNWJ completed the due diligence and legal work necessary to accomplish the corporate merger. We developed a trademarked name and logo and branded our new identity with the community and our funders. LSNWJ adopted By-laws, created the Board structure and implemented a Board with representation from all five counties that has developed into a cohesive entity governing the merged organization. LSNWJ created a Management Team, consisting of the managers of each of the prior corporations, to guide decision-making. As LSNWJ has developed into a single entity, the Management Team's functions have changed with many aspects of administration becoming more centralized.

Resources: LSNWJ communicated with all our funders about the merger and our commitment to maintaining client services and an office in each county. LSNWJ was successful in maintaining and, in some cases, increasing local funding. We standardized units of service and costs of services across multiple contracts. LSNWJ hired a Finance Administrator, organized a Finance Team and implemented new accounting software that provides the multi-tiered analysis necessary in an organization with multiple funders and offices. LSNWJ obtained capital grants to upgrade existing space and to assist in moving two of our offices (Somerset and Sussex) into different office space that better meets the needs of our clients and staff. We had hoped to hire a resource development person, however, funding has not permitted us to achieve this goal.

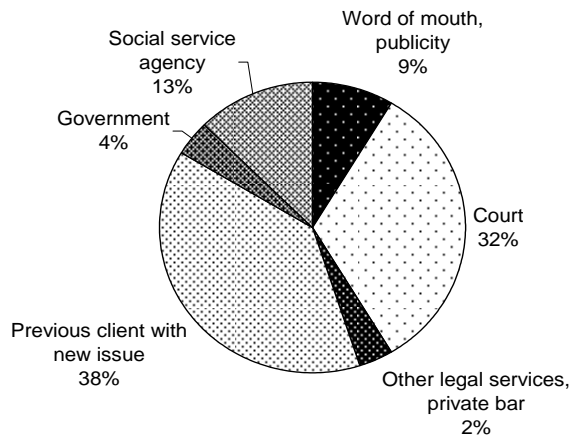
Human Resources: LSNWJ implemented an organization-wide salary scale and benefit package, including leave time, retirement, health and dental benefits, flexible spending account, employee assistance plan, and credit union. We succeeded in making our salaries and benefits comparable to those of other public interest organizations. LSNWJ created an online corporate bulletin board to facilitate communication and holds program-wide events in April and December of each year, during which training is provided, staff milestones are recognized and our accomplishments are celebrated.

Delivery of Legal Services: Governance, resource development and human resources are, of course, not ends in themselves. That work is necessary so that we can accomplish our goal of making equal justice a reality for low-income people in our region. LSNWJ concentrated most of its effort in implementing a successful merger in the area of delivery of legal services. While administration became centralized, guidance on service delivery has been provided by attorneys and staff located in each of our offices. LSNWJ organized its work into Teams – Consumer, Family, Housing, Individual Rights, and Public Entitlements. The formation of the Teams, with team members from all our offices working together, has fused LSNWJ into a cohesive organization. LSNWJ also uses the team model for special projects, e.g., the Intake Team developed comprehensive intake procedures while the Volunteer Team works on coordinating and expanding our use of volunteers. Five years ago, the value of contributed services was \$233,162. By 2007, after several years of hard work by the Volunteer Team, the value of such services had increased by 75% to \$390,254.

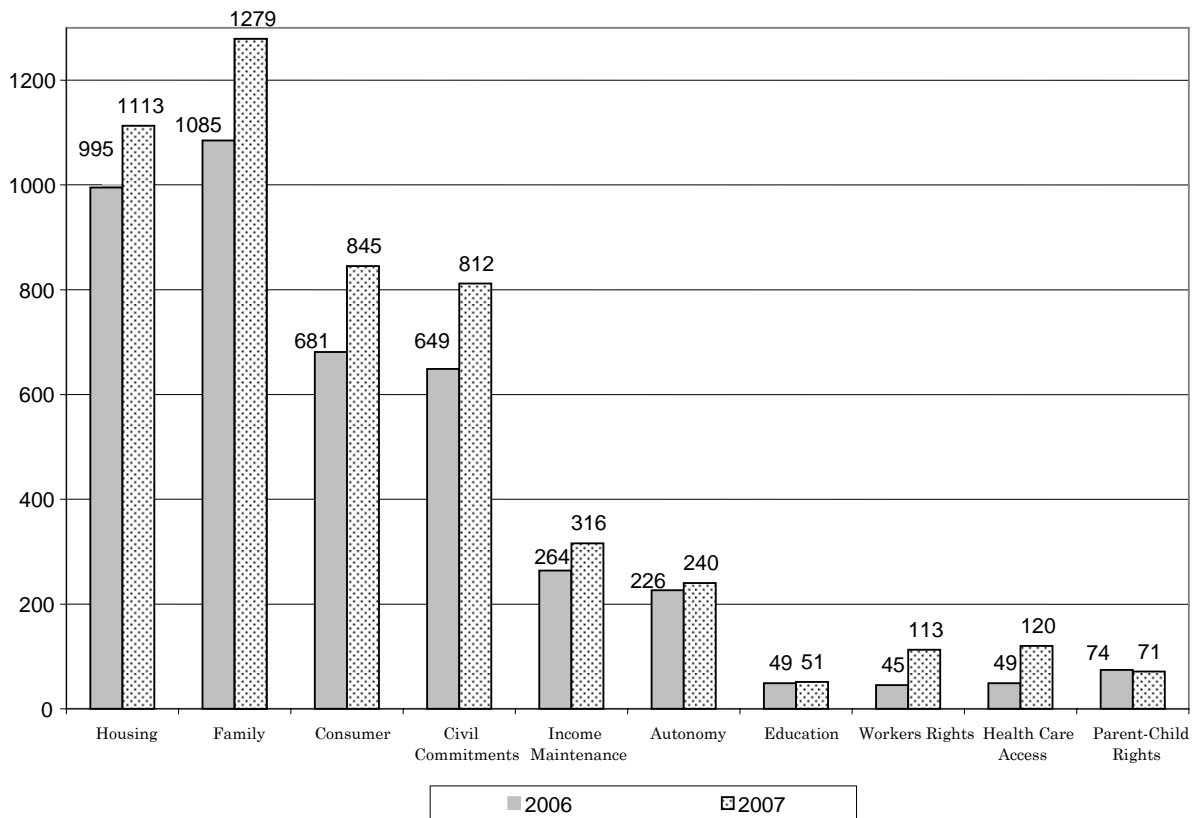
In 2007, LSNWJ took a hard look at our delivery of services to people with limited English proficiency and to people with disabilities. As a result of that evaluation, LSNWJ implemented our Language Services Initiative, which included development of a comprehensive policy on language access, the hiring of a Spanish-English interpreter-translator and earmarking significant funds for contract interpreters and translators. LSNWJ devoted significant resources to making all our offices and services fully accessible to people with disabilities.

While we have accomplished much in the past five years, we have significant challenges in the next few years. The foreclosure crisis and failing economy have greatly increased the demand for services. At the same time, LSNWJ and the other legal services providers in New Jersey are facing an unprecedented funding crisis. One of LSNWJ's major funders is the IOLTA Fund, which is comprised entirely of interest earned on funds in lawyer trust accounts. The historically low interest rates, coupled with the sluggish real estate market and economy, has resulted in a devastating drop in IOLTA funding. While the State of New Jersey included some additional funding for legal services in the current State budget, there remains an anticipated decrease in funds that, if it goes unaddressed, will significantly curtail the availability of legal assistance for low-income people. All our partners must do their part this year to avoid the catastrophe that awaits the low-income community if replacement funding is not secured. We must find a way to make equal justice a reality and not just an empty phrase emblazoned on our courthouses.

## How clients come to LSNWJ



## Cases by type



In addition to the 4,930 individuals and families provided legal assistance in 2007, 480 people received self-help booklets, 750 people accessed self-help materials from the LSNWJ website, more than 3580 people received legal education materials and 1488 people attended community education provided by LSNWJ.

## LEGAL SERVICES OF NORTHWEST JERSEY

Statement of Financial Position  
Year Ended December 31,

|                                       | 2006                    | 2007                    |
|---------------------------------------|-------------------------|-------------------------|
| <b>ASSETS</b>                         |                         |                         |
| <b>CURRENT ASSETS</b>                 |                         |                         |
| Cash and cash equivalents             | \$ 256,983              | 455,875                 |
| Cash - temporarily restricted         | 28,247                  | 31,338                  |
| Cash – escrow                         | 2,813                   | 2,814                   |
| Due from grants and contracts         | 440,999                 | 363,388                 |
| Prepaid expenses                      | 75,078                  | 65,758                  |
| Misc Receivables                      | 3,531                   | 10,238                  |
| Total current assets                  | <u>807,651</u>          | <u>929,411</u>          |
| <br>                                  |                         |                         |
| PROPERTY & EQUIPMENT, NET             | 186,324                 | 186,324                 |
| <br>                                  |                         |                         |
| <b>OTHER ASSETS</b>                   |                         |                         |
| Cash - permanently restricted         | 48,277                  | 48,277                  |
| Security Deposit                      | 5,033                   | 8,233                   |
| Total other                           | <u>53,310</u>           | <u>56,510</u>           |
|                                       | <br>                    |                         |
|                                       | \$ 1,047,285            | 1,180,415               |
|                                       | <u><u>1,047,285</u></u> | <u><u>1,180,415</u></u> |
| <br>                                  |                         |                         |
| <b>LIABILITIES AND NET ASSETS</b>     |                         |                         |
| <b>CURRENT LIABILITIES</b>            |                         |                         |
| Accounts Payable & Accrued expenses   | \$ 163,843              | 71,151                  |
| Accrued Vacation                      | 11,256                  | 131,344                 |
| Client escrow                         | 2,813                   | 2,814                   |
| Refundable advances                   | 9,296                   | 140,283                 |
| Total current liabilities             | <u>287,208</u>          | <u>345,592</u>          |
| <br>                                  |                         |                         |
| <b>COMMITMENTS</b>                    |                         |                         |
| <br>                                  |                         |                         |
| <b>NET ASSETS</b>                     |                         |                         |
| Unrestricted – Operations             | 461,915                 | 524,817                 |
| Unrestricted - Property & Equipment   | 186,324                 | 194,494                 |
| Temp restricted                       | 63,561                  | 67,235                  |
| Permanent                             | 48,277                  | 48,277                  |
| Total Net assets                      | <u>760,077</u>          | <u>834,823</u>          |
| <br>                                  |                         |                         |
| <b>TOTAL LIABILITIES &amp; ASSETS</b> | <br>                    |                         |
|                                       | \$ 1,047,285            | 1,180,415               |
|                                       | <u><u>1,047,285</u></u> | <u><u>1,180,415</u></u> |

## LSNWJ STATEMENT OF ACTIVITIES

### For the Year Ended December 31, 2007

***Support and Revenue***

|                          |                         |
|--------------------------|-------------------------|
| Grants and contracts     | 3,989,055               |
| Contributions            | 46,644                  |
| Contributed space        | 91,689                  |
| Contributed services     | 390,254                 |
| Contributed Equipment    | 46,506                  |
| State SSI reimbursements | 11,005                  |
| Interest income          | 17,470                  |
| Miscellaneous            | 4,222                   |
| <b>Total</b>             | <b><u>4,597,025</u></b> |

***Personnel Expenses***

|                               |                         |
|-------------------------------|-------------------------|
| Management & Administration   | 269,886                 |
| Lawyers                       | 1,553,891               |
| Paralegals & Legal Assistants | 548,394                 |
| Support Staff                 | 342,850                 |
| Payroll taxes                 | 232,611                 |
| Employee benefits             | 552,721                 |
| <b>Total Personnel</b>        | <b><u>3,500,353</u></b> |

***Other Expenses***

|                              |                         |
|------------------------------|-------------------------|
| Audit                        | 28,800                  |
| Travel                       | 31,567                  |
| Space & occupancy            | 142,549                 |
| Contributed space            | 91,869                  |
| Consumable supplies          | 63,545                  |
| Equipment maintenance        | 13,289                  |
| Training                     | 20,146                  |
| Insurance                    | 37,071                  |
| Telephone                    | 21,996                  |
| Library, research            | 29,814                  |
| Case expenses                | 29,918                  |
| Dues and fees                | 9,965                   |
| Contract services to clients | 52,162                  |
| Other direct costs           | 17,565                  |
| Grant reconciliation         | 2,474                   |
| In-kind services             | 382,103                 |
| Depreciation                 | 47,093                  |
| <b>Total Other Expenses</b>  | <b><u>1,021,926</u></b> |

**TOTAL EXPENSES** **4,522,279**

Support & revenue over expenses\* 74,746

\* LSNWJ earmarked a portion of these funds to increase the reserve and the balance toward 2008 operational expenses as we anticipate a substantial deficit in 2008.

## LSNWJ CONTACT INFORMATION

Websites: [www.lsnj.org/lsnwj](http://www.lsnj.org/lsnwj)  
[www.lsnwj.org](http://www.lsnwj.org)  
E-mail: [lsnwj@lsnj.org](mailto:lsnwj@lsnj.org)

TDD: (866) 201-3672

### Hunterdon County Division

82 Park Avenue  
Flemington, NJ 08822-1172  
Phone: (908) 782-7979  
Fax: (908) 782-9761  
E-mail: [lsnwj-hunterdon@lsnj.org](mailto:lsnwj-hunterdon@lsnj.org)

### Morris County Division

30 Schuyler Place, 2<sup>nd</sup> floor  
P.O. Box 900  
Morristown, NJ 07963-0900  
Phone: (973) 285-6911  
Fax: (973) 605-8991  
E-mail: [lsnwj-morris@lsnj.org](mailto:lsnwj-morris@lsnj.org)

### Somerset County Division

34 W. Main St., Suite 301  
Somerville, NJ 08876-2218  
Phone: (908) 231-0840  
Fax: (908) 231-6780  
E-mail: [lsnwj-somerset@lsnj.org](mailto:lsnwj-somerset@lsnj.org)

### Sussex County Division

18 Church Street, Suite 120  
Newton, NJ 07860-1702  
Phone: (973) 383-7400  
Fax: (973) 383-3469  
E-mail: [lsnwj-sussex@lsnj.org](mailto:lsnwj-sussex@lsnj.org)

### Warren County Division

91 Front Street, P.O. Box 65  
Belvidere, NJ 07823-0065  
Phone: (908) 475-2010  
Fax: (908) 475-1719  
E-mail: [lsnwj-warren@lsnj.org](mailto:lsnwj-warren@lsnj.org)

---

**LSNWJ**  
**34 W. Main Street, Suite 301**  
**Somerville NJ 08876-2218**