

**csaco** COMMUNITY SERVICES ANALYSIS LLC



**ALABAMA  
LEGAL AID  
SOCIAL RETURN  
ON  
INVESTMENT  
ANALYSIS**

## **ALABAMA LEGAL AID ORGANIZATIONS SOCIAL RETURN ON INVESTMENT SUMMARY**

In normal financial analysis, Return on Investment is the ratio of money gained or lost relative to the money invested. In social service organizations, Social Return on Investment measures the financial values created by the organization through delivery of services to the community.

Social Return on Investment (SROI) is an internationally standardized and accepted process for measuring and understanding the financial impact of a social services organization. While SROI is built on the logic of cost/benefit analysis, it is different in that it measures the comparable value of organizations whose results cannot be easily measured in money.

The Legal Aid organizations in the State of Alabama that participated in this analysis are:

### **Alabama State Bar Volunteer Lawyers Program**

The Alabama State Bar Volunteer Lawyer Program is a civil legal advocacy organization dedicated to opening the door to equal access to justice for all disenfranchised and low-income people and communities throughout Alabama by providing outreach, training, education, and quality representation.

The Volunteer Lawyer Program provides legal assistance, advice and representation to low-income residents of the State of Alabama. During the fiscal year 2014 the Volunteer Lawyer Program lawyers and paralegals provided assistance to more than 1,800 people and delivered \$3,842,099 in total benefits to the community.

These totals also include the services delivered by the Montgomery County Volunteer Lawyer's Program, which was a part of the Alabama State Bar program until 2013, when the Montgomery County Bar Association formed their own Volunteer Lawyer's Program. The 2013 partial year results for closed cases included matters that were handled by attorneys in Montgomery County under the Alabama State Bar Volunteer Lawyers Program.

### **Birmingham Volunteer Lawyers Program**

The Birmingham Volunteer Lawyer Program is a civil legal advocacy organization dedicated to opening the door to equal access to justice for all disenfranchised and low-income people and communities in the Birmingham area by providing outreach, training, education, and quality representation.

The Volunteer Lawyer Program provides legal assistance, advice and representation to low-income residents of the Birmingham area. During the fiscal year 2014 the Volunteer Lawyer Program lawyers and paralegals provided assistance to nearly 2,000 people and delivered \$3,107,642 in total benefits to the community.

### **Legal Services Alabama**

Legal Services Alabama (LSA) serves low-income people by providing free civil legal aid and assistance and by promoting collaboration to find solutions to problems of poverty from eight offices located in: Anniston, Birmingham, Dothan, Huntsville, Mobile, Montgomery, Selma and Tuscaloosa.

During the fiscal year 2014 the Legal Services Alabama lawyers and paralegals provided assistance to over 18,000 and delivered \$64,533,900 in total value to the community.

### **Madison County Volunteer Lawyers Program**

The Madison County Volunteer Lawyers Program is a civil legal advocacy organization dedicated to opening the door to equal access to justice for all disenfranchised and low-income people and communities throughout Alabama by providing outreach, training, education, and quality representation.

The Volunteer Lawyers Program provides free legal assistance, advice and representation to low-income residents of Madison County. During the fiscal year 2014 the Volunteer Lawyers Program lawyers and paralegals provided assistance to more than 1,900 people and delivered \$3,530,267 in total value to the community.

### **South Alabama Volunteer Lawyers Program**

The South Alabama Volunteer Lawyers Program is a civil legal services organization dedicated to opening the door to equal access to justice for all disenfranchised and low-income people and communities throughout Mobile, Baldwin, Washington, and Clarke counties by providing outreach, training, education, and quality representation.

During the fiscal year 2014 the South Alabama Volunteer Lawyers Program lawyers and paralegals provided assistance to more than 1,000 people and delivered \$2,114,583 in total value to the community.

## **HIGHLIGHTS OF ALABAMA’S LEGAL AID PROVIDERS SOCIAL RETURN ON INVESTMENT ANALYSIS RESULTS**

<b>TOTAL NUMBER OF SERVICES PROVIDED IN ALABAMA DURING FISCAL YEAR 2014</b>	<b>24,977</b>
<b>IMMEDIATE DIRECT VALUE OF SERVICES</b>	<b>\$30,378,458</b>
<i>The direct value of Legal Aid services is the fair market replacement cost value of those service (what it would cost the members of the community to replace the services if the Legal Aid organization did not exist, plus the actual dollar amount of legal settlements and court awards.</i>	
<b>LONG-TERM IMPACTS OF SERVICES</b>	<b>\$46,750,033</b>
<i>The long-term impacts of Legal Aid services are the consequential financial impacts to the community resulting from the outcomes of the legal aid services. These consequential benefits include savings in community supports costs, reductions in community medical care expenses, additional community income and taxation revenues from benefit programs, savings in housing and support costs for homeless families, and savings in community law enforcement, court systems, and other government agency costs.</i>	
<b>TOTAL VALUE OF SERVICES</b>	<b>\$77,128,491</b>
<b>TOTAL FUNDING FOR ALABAMA OPERATIONS</b>	<b>\$8,727,996</b>
<b>SOCIAL IMPACT RETURN ON INVESTMENT</b>	<b>884%</b>
<b>For every \$1 invested in Alabama Legal Aid during the year, the citizens of Alabama receive \$8.84 of immediate and long-term financial benefits.</b>	

The Social Return on Investment analysis completed for Alabama’s Legal Aid organizations is a measurement of the values delivered during the fiscal year 2014. These values are based on the number of clients and the types of legal matters handled during this period.

The Social Return on Investment value varies between the different Legal Aid organizations based on the number of matters, the types of legal issues, the long-term outcomes achieved in these matters, and the amount of time donated by volunteer lawyers to each organization.

The Social Return on Investment for Alabama's Legal Aid organizations is higher than comparative values for many other types of social service organizations based on two primary factors:

Many types of legal services delivered result in significant future cost savings or additional income to the State of Alabama. These long-term values include (among many others):

- Multiple year income from Social Security and/or Disability benefits that were previously denied, terminated, or reduced;
- Long-term savings on children's medical and other support costs resulting from child support payments that were previously not obtained;
- Obtaining unemployment compensation benefits that had previously been unfairly denied;
- Significant savings on costs for emergency housing and family assistance resulting from enforcement of landlord/tenant law;
- Cost savings and benefits resulting from other legal aid services available to qualified low-income individuals and families.

Another significant reason for the high value of Alabama's Legal Aid Social Return on Investment is the number of volunteer ("pro bono") hours of legal services delivered by attorneys in Alabama.

These pro bono services would be less available and less efficient if not for the operations of the Legal Aid organizations.

Alabama Legal Aid provides the necessary infrastructure, including attorney recruitment, training, and recognition, client screening, administrative support, technical assistance, and follow-up services for clients and pro bono volunteers.

Alabama's Legal Aid organizations provide services in over 200 types of legal problems. Their major areas of services are:

**Housing Issues:**

Matters involving loss of housing due to foreclosure, eviction from subsidized or private housing, public housing issues, private landlord/tenant problems, and sub-standard housing conditions.

**Family Issues:**

Matters involving domestic violence, divorce, separation and annulment, child custody and visitation, paternity, child and elder abuse, spousal and child support, guardianship, and adoption.

**Employment Issues:**

Matters involving employment discrimination, wage claims and Fair Labor Standards Act violations, tax issues, and employment rights issues.

**Public Benefits Issues:**

Matters involving public programs such as Social Security benefits, Medicare and Medicaid, food stamps, temporary assistance for needy families, veterans' benefits, and unemployment compensation.

**Consumer Protection:**

Matters involving bankruptcy, debt and wage garnishments, unlawful collection practices, tax issues, debt collections, and repossessions.

**Other Community Issues:**

Matters involving varied areas such as education, health care and health insurance, mental health and disabilities, immigration, wills and estates, powers of attorney and advance directives, health issues, torts, civil rights, licenses, Indian tribal law, assistance for non-profit organizations, and other individual rights issues.

**Government and Legal System Cost Savings:** Cost savings to the community's government agencies and court systems through work reduction and increases in efficiencies from the legal aid and assistance services provided by Alabama Legal Aid.

**CONSOLIDATED IMMEDIATE AND LONG- TERM BENEFITS FROM  
INDIVIDUAL LEGAL AID SERVICES**

<b><u>SERVICES DELIVERED BY PARTICIPATING ALABAMA LEGAL AID ORGANIZATIONS</u></b>	<b><u>NUMBER OF CLIENTS</u></b>	<b><u>DIRECT VALUE OF SERVICES</u></b>	<b><u>LONG-TERM OUTCOME VALUE</u></b>
Bankruptcy & Debtor Relief	1,027	\$5,094,011	\$5,464,800
Collections/Repossessions/Garnishments	3,174	\$6,369,048	\$1,380,255
Contracts & Warranties	452	\$307,020	\$24,390
Collection Practices/Credit	311	\$145,506	\$5,500
Loans & Installment Purchases	40	\$23,527	\$300
Public Utilities	42	\$1,108	\$6,700
Unfair Sales Practices	71	\$48,213	\$5,440
Other Consumer Finance Issues	150	\$127,418	\$9,880
Special Education/Learning Disabilities	3	\$2,201	\$0
Access to Education	3	\$1,100	\$0
Vocational Education	1	\$300	\$0
Student Financial Aid	4	\$3,900	\$0
Other Education	17	\$7,503	\$0
Employment Discrimination	25	\$6,210	\$0
Wage Claims and Fair Labor Standards	24	\$10,602	\$5,904
Earned Income Tax Credit	27	\$149,362	\$0
Tax Issues	94	\$955,877	\$0

<b><u>SERVICES DELIVERED BY PARTICIPATING ALABAMA LEGAL AID ORGANIZATIONS</u></b>	<b><u>NUMBER OF CLIENTS</u></b>	<b><u>DIRECT VALUE OF SERVICES</u></b>	<b><u>LONG-TERM OUTCOME VALUE</u></b>
Prescription Drug Issues	2	\$600	\$0
Adoption	104	\$102,949	\$111,600
Custody and Visitation	1,305	\$1,195,241	\$0
Divorce/Separation/Annulment	5,176	\$5,252,058	\$4,641,200
Adult Conservatorship	179	\$141,005	\$737,010
Name Change	60	\$38,014	\$0
Parental Rights Termination	11	\$13,602	\$0
Paternity	43	\$46,744	\$214,848
Domestic Abuse	1,739	\$3,550,444	\$2,183,491
Support	609	\$494,044	\$1,265,400
Other Family Issues	161	\$184,210	\$0
Neglected and Abused Dependents	5	\$1,900	\$0
Emancipation	20	\$21,711	\$0
Minor Guardianship	52	\$42,101	\$0
Other Juvenile	25	\$11,400	\$0
Medicaid Issues	68	\$106,661	\$219,515
Medicare	4	\$5,141	\$63,343
Private Health Insurance	10	\$1,801	\$0



<b><u>SERVICES DELIVERED BY PARTICIPATING ALABAMA LEGAL AID ORGANIZATIONS</u></b>	<b><u>NUMBER OF CLIENTS</u></b>	<b><u>DIRECT VALUE OF SERVICES</u></b>	<b><u>LONG-TERM OUTCOME VALUE</u></b>
Federally Subsidized Housing	371	\$763,089	\$251,370
Homeownership and Real Property	316	\$518,898	\$86,360
Private Landlord/Tenant Issues	2,896	\$2,728,047	\$995,366
Public Housing	394	\$778,526	\$296,861
Mobile Homes	29	\$57,244	\$7,938
Mortgage Foreclosures	785	\$1,720,072	\$1,932,930
Mortgage Predatory Lending Practices	57	\$80,909	\$1,543,455
Other Housing Issues	189	\$161,898	\$64,170
Temp. Assistance for Needy Families	2	\$896	\$0
Social Security	59	\$105,902	\$0
Food Stamps	136	\$111,360	\$280,800
Social Security Disability Insurance	133	\$399,401	\$6,347,292
Supplemental Security Income	306	\$608,767	\$16,749,331
Unemployment Compensation	300	\$492,986	\$192,660
Veterans Benefits	30	\$11,601	\$88,920
State and Local Income Maintenance	7	\$10,300	\$11,952
Other Income Maintenance Issues	467	\$455,647	\$0
Immigration/Naturalization	11	\$5,203	\$36,000
Disability Rights	10	\$2,801	\$0

<b><u>SERVICES DELIVERED BY PARTICIPATING ALABAMA LEGAL AID ORGANIZATIONS</u></b>	<b><u>NUMBER OF CLIENTS</u></b>	<b><u>DIRECT VALUE OF SERVICES</u></b>	<b><u>LONG-TERM OUTCOME VALUE</u></b>
Legal Assistance for Non-Profit Organizations	16	\$27,500	\$0
Licenses	48	\$45,603	\$30,000
Torts	199	\$153,963	\$0
Wills and Estates	1,098	\$808,797	\$849,000
Advance Directives/Power of Attorney	509	\$219,773	\$0
Municipal Legal Needs	2	\$600	\$0
Wills for Heroes	576	\$458,800	\$571,000
Other Miscellaneous Legal Issues	162	\$99,884	\$0
Govt/Court System Efficiency Savings	24,486	\$3,917,760	\$0

***Note to these total values: These are the consolidated values for all of the participating Legal Aid organizations in Alabama. Not all services are provided by every organization.***

***The detailed description of these services, the basis for the immediate and long-term values, the individual quantities of each service, and the total benefit value calculations are contained in the Valuation Worksheet books for each organization.***

## **SUMMARY OF SOCIAL RETURN ON INVESTMENT ANALYSIS VALUE**

The total immediate direct and longer-term consequential value of Alabama Legal Aid services delivered in Alabama during the year was \$78,826,109.

Of this total, approximately \$1,697,618 in value will not actually be received due to various factors such as parents not making required child support payments; nonpayment of wage claims; nonpayment of housing claims and repairs; and the death or relocation out of the state by benefit recipients.

**The net value resulting from Alabama Legal Aid activities during the year totaled \$77,128,491.**

**The total funding investment for legal aid services made by city, state, and federal government agencies, and from contributions from foundations, corporations and individuals totaled \$8,727,996.**

**The total Net Social Return on Investment for Alabama's Legal Aid legal services programs during the 2014 fiscal year was **884%**.**

**For Every \$1 invested in Alabama's Legal Aid services, they deliver \$8.84 in immediate and long-term consequential financial benefits.**

## **ABOUT COMMUNITY SERVICES ANALYSIS LLC**

Community Services Analysis LLC is the leading provider of Social Return on Investment Analysis in the United States. Since 2007 CSACO has completed over 100 SROI studies for local and state agencies around the country, including such clients as the State of Pennsylvania Department of Education, the State of California Department of Rehabilitation, the City of Philadelphia, United Way, United Cerebral Palsy, Habitat for Humanity, the State of Arizona Library and Public Archives, and multiple Legal Aid organizations.

Community Services Analysis LLC is the first organization in the United States to be a member of The SROI Network, the international Social Return on Investment standards and accreditation organization, and has been recognized by many national social services organizations such as ANCOR (*the American Network of Community Options and Resources*), ACCSES (*the American Congress of Community Support and Employment Services*), and NLADA (*the National Legal Aid and Defenders Association*).

In 2013, following a detailed analysis of multiple Cost Benefit/Return on Investment methodologies and providers, the National Legal Aid and Defenders Association selected CSACO as their exclusive SROI analysis national partner.