

January 23, 2014

Dear Grantees,

RE: ANNUAL FUNDING GUIDELINES

The Foundation undertakes an annual review of its current and projected financial position in order to provide some forward guidance to grantees and potential applicants. The assessment of our capacity to support renewed operating grants and approve new project grants is intended to provide grantees an appreciation of the context in which the Foundation Directors expect to be making decisions over the coming year. We also take this opportunity to highlight any priorities that the Board has established and new initiatives underway or likely to be undertaken by the Foundation.

REVENUE OUTLOOK

For the current fiscal year ending March 31, 2014, the Foundation expects revenue to be slightly higher than that of 2012-13, due to somewhat higher average balances in law firm pooled trust accounts. With 25% of that interest revenue legislated to be paid to Legal Aid Alberta, and the additional contributions to Legal Aid committed by the Foundation in each of 2014 and 2015, we expect, once again, to be drawing down reserve funds in order to maintain typical grant renewal levels. Notwithstanding a need to access reserve funds, the Foundation remains committed to program and project funding that addresses the legal service needs of the most vulnerable populations in Alberta, including those involved with family law matters.

APPLICATION PROCESS

We will continue efforts to streamline the application process itself, and to expect grantees to demonstrate their accountability for grant funds by the appropriate evaluation metrics and methodology. That is, the Foundation seeks to better understand the impact, in terms of quality and quantity of actual outcomes, not simply activities and outputs. This type of reporting will provide an opportunity for organizations to clearly demonstrate how they remain relevant and vital contributors to the justice sector.

STRATEGIC PLANNING / GRANTEE SURVEY

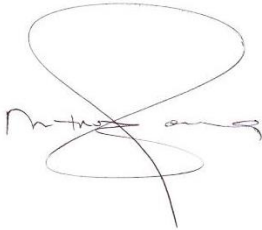
The Foundation has engaged the services of an external consultant to assist in articulation of a strategic plan, intended to take shape by June of this year. We will examine the role that ALF should be taking and the priorities that ALF should be continuing or adding to its operations, and will develop appropriate operational strategies to implement in response. As part of that planning process you can expect to receive a short request for input and feedback on what ALF might do differently, and why, with confidential responses being directed back to our consultant. For example, are there particular trends, needs, challenges or opportunities we should be more aware of and responsive to? We welcome your candid and constructive feedback as we strive to achieve even greater return on our justice community investments in Alberta.

STAFF UPDATE

The Foundation is pleased to announce that Patricia ("Trish") Cameron will be joining our staff in the new position of Program Coordinator. Trish will be starting later this month and brings the benefit of a long career in the non-profit sector.

Having celebrated our 40th anniversary in April 2013, the Foundation expects to grow and evolve in the coming years along with our many long-time and newly funded grantees, as they respond to community needs in Alberta. This includes the Foundation's continued participation in provincial or national justice sector initiatives to improve access to timely and appropriate legal information and services in Alberta for those who need it most. We thank you for your continued efforts in meeting those needs and look forward to working with you over the coming year.

Yours truly,

A handwritten signature in black ink, appearing to read "Anthony G. Young". The signature is stylized with large loops and a long horizontal stroke.

Anthony G. Young, Q.C.
Chair