

DC IOLTA PROGRAM

LAWYER FREQUENTLY ASKED QUESTIONS

Before Opening an Account

Q. Should I open a DC IOLTA Account?

Every member of the DC Bar who receives client funds is subject to the trust rules governing the DC Bar. Under the rules that took effect on August 1, 2010, unless you fit within an exemption, you must place eligible client funds in a DC IOLTA account. As of August 1, 2010, lawyers may no longer “opt-out” of the DC IOLTA program.

Q. How do I know what funds should go into a DC IOLTA account?

If you are holding funds for a client that would not earn net interest for the client – either because you won’t hold them for long, or because they are nominal in amount – those funds should go into a pooled, interest-bearing IOLTA account. The rules contemplate that lawyers will exercise their good faith judgment in deciding which funds are IOLTA-eligible.

Q. I practice both inside and outside the District of Columbia. What should I know?

As of August 1, 2010, new Rule 1.15 provides an exemption for members of the DC Bar who are admitted and “principally practicing” in a jurisdiction other than DC, and fully participating in that jurisdiction’s IOLTA program. Many lawyers in your circumstance currently maintain separate IOLTA accounts: one for their DC matters and one for matters in the other jurisdiction. As of August 1, 2010, you can comply with DC’s rules by maintaining separate IOLTA accounts, or by having a single IOLTA account that remits to DC or whichever jurisdiction where you are admitted and “principally practicing.” If you are uncertain of how the new rule fits your circumstances, email iolta@dcbfoundation.org or call Daniel Mills, Director, DC Bar Practice Management Advisory Service, 202-737-4700 ext. 3212 or dmills@dcb.org.

Q. Where do I go for more info about my IOLTA obligations for other states?

A good starting point is the IOLTA program in the other state in which you are admitted. A directory of IOLTA programs, with contact information is available at: www.iolta.org.

Opening a DC IOLTA Account

Q. How do I open a DC IOLTA Account?

Download the [DC IOLTA Account Registration Form](#). It provides the instructions you will need. Make sure to send the completed form to the DC Bar Foundation by fax (202-467-3753) or mail: 80 M Street SE, 1st Floor, Washington, DC 20003. Make

sure to open your account at an approved bank. Print out the [checklist](#) of steps to remember when opening a DC IOLTA account.

- Q. How do I find an approved bank for my DC IOLTA Account?**
Your DC client trust funds, including your IOLTA funds, must be held at a DC Bar approved bank. The DC Bar Foundation posts a lists of all approved banks on our website [here](#).
- Q. How do I decide which bank to use for my DC IOLTA Account?**
We encourage you to select a DC Prime Partner Bank, as these banks have made a commitment to our community by providing higher interest rates on DC IOLTA accounts. IOLTA revenues in DC support critically-needed civil legal services in our city's poorest communities. DC Prime Partner Banks have generously agreed to *do better for IOLTA*, and are our partners in supporting access to justice. Opening your IOLTA account with a DC Prime Partner Bank helps put more money to work to provide free legal services for the most vulnerable in our community.

Managing a DC IOLTA Account

- Q. Client funds were mistakenly deposited in my DC IOLTA account. What should I do?**
The DC Bar Foundation will refund, through your bank, any interest that was paid to the DCBF as a result of the erroneous deposit. You will need to work with your bank to get them to calculate the interest that was paid to DCBF on these funds. A letter on firm letterhead, accompanied by the bank's written analysis of the account, will be needed to start the refund process. Email iolta@dcbfoundation.org with questions and to get the process started.
- Q. I would like to learn more about handling client funds. Are there any resources?**
Yes. The District of Columbia Bar has a Practice Management Advisory Service which can answer certain questions. Contact Director Daniel Mills at 202-737-4700 ext. 3212 or dmills@dcb.org. The DC Bar also regularly offers courses that provide practical information on the handling of client funds. Check the DC Bar's current CLE offerings for more information.