

**Legal Services Corporation
Meeting of the Audit Committee
Open Session
Monday, October 17, 2011**

MINUTES

Chairman Victor B. Maddox convened an *open session* meeting of the Legal Services Corporation's ("LSC") Board of Directors Audit Committee ("Committee") on Monday, October 17, 2011 at 3:35 p.m. The meeting was held at the American Bar Association, 321 North Clark Street, Chicago, Illinois.

The following Committee members were in attendance:

Victor B. Maddox, Chairman
Harry J. F. Korrell, III
Gloria Valencia-Weber
David H. Hoffman, Non-Director Member

The following Board members were present:

Sharon L. Browne

Also in attendance were:

Victor M. Fortuno, Vice President for Legal Affairs,
General Counsel, and Corporate Secretary
Mattie Cohan, Senior Assistant General Counsel,
Office of Legal Affairs
Katherine Ward, Executive Assistant, Office of Legal
Affairs
Kathleen Connors, Executive Assistant to the
President

David L. Richardson, Comptroller and Treasurer,
Office
of Financial and Administrative Services
Jeffrey E. Schanz, Inspector General
David Maddox, Assistant Inspector General for
Management and Evaluation, Office of the
Inspector General
Ronald "Dutch" Merryman, Assistant Inspector General
for Audit, Office of the Inspector General
Robert E. Henley, Jr., Non-Director Member, Finance
Committee
Linda Perle, Center for Law and Social Policy
(CLASP)
Teresa Low

The following summarizes actions taken by and presentations made to the Committee:

MOTION

Professor Valencia-Weber moved approval of the agenda. Mr. Korrell seconded the motion.

VOTE

The motion was approved by a voice vote and the agenda was approved. During discussion Chairman Maddox agreed to include a standing item providing for routine input from the Inspector General on future agendas.

Chairman Maddox then introduced the new Non-Director member of the Committee, David Hoffman of Sidley Austin.

MOTION

Professor Valencia-Weber moved approval of minutes of the Committee's July 20, 2011 meeting. Mr. Korrell seconded the motion.

VOTE

The motion passed by a voice vote and the minutes were.

Due to technical difficulties with the telephone connection, the report on the 403 (b) Thrift Plan ("Plan") annual review and an update on the annual Plan audit were deferred.

The Committee reviewed proposed revisions to its Charter with Senior Assistant General Counsel Mattie Cohan, Jeffrey Schanz, Inspector General ("IG") and Assistant IG for Audit, Ronald Merryman. After discussion it was agreed that the Committee would consider at a future meeting a revised draft of the Charter prepared in consideration of their comments. Robert Henley a Non-Director member of the Finance Committee, offered comments regarding the current draft charter and offered to make reference resources available to staff to aide in the rewrite.

The Committee accepted the written report on contracting procedures prepared by Comptroller and Treasurer David Richardson.

Victor Fortuno, Vice President for Legal Affairs, General Counsel and Corporate Secretary, discussed with the Committee the major management processes it might review during 2012, three of which were:

- the Continuation of Operation Plan;
- program quality evaluations; and
- the Corporation's banking practices.

The Committee asked to be briefed on program quality evaluations at its January 2012 meeting.

Mr. Schanz reported that the entrance conference for the annual audit of the Corporation was held on October 11, 2011 and advised of his belief that the corporate auditors would meet the timeline they provided.

No comments from the public were received and there was no further business to come before the Committee.

MOTION

Professor Valencia-Weber moved to adjourn the meeting and Mr. Korrell seconded the motion.

VOTE

The motion passed by a voice vote and the meeting adjourned at 4:42 p.m.

I hereby certify that this is a true and correct copy of the minutes adopted by the Legal Services Corporation Board of Directors Audit Committee on January 19, 2012.



Victor M. Fortuno
Vice President for Legal Affairs,
General Counsel & Corporate Secretary