LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

MEETING OF THE GOVERNANCE
AND PERFORMANCE REVIEW COMMITTEE

OPEN SESSION

Thursday, January 22, 2015
1:00 p.m.

Westin Colonnade Hotel
180 Aragon Avenue
Coral Gables, Florida  33134

COMMITTEE MEMBERS PRESENT:
Martha L. Minow, Chairperson
Charles N.W. Keckler
Julie A. Reiskin
John G. Levi, ex officio

OTHER BOARD MEMBERS PRESENT:
Robert J. Grey Jr.
Harry J.F. Korrell, III
Victor B. Maddox
Laurie Mikva
Father Pius Pietrzyk, O.P.
Gloria Valencia-Weber
STAFF AND PUBLIC PRESENT:

James J. Sandman, President
Lynn Jennings, Vice President for Grants Management
Wendy Rhein, Chief Development Officer
Rebecca Fertig Cohen, Special Assistant to the President
Ronald S. Flagg, Vice President for Legal Affairs, General Counsel, and Corporate Secretary
Mark Freedman, Senior Assistant General Counsel, Office of Legal Affairs (by telephone)
Stefanie Davis, Assistant General Counsel, Office of Legal Affairs (by telephone)
Atitaya Rok, Staff Attorney, Office of Legal Affairs
David L. Richardson, Comptroller and Treasurer, Office of Financial and Administrative Services
Carol A. Bergman, Director, Office of Government Relations and Public Affairs
Carl Rauscher, Director of Media Relations, Office of Government Relations and Public Affairs
Jeffrey E. Schanz, Inspector General
Laurie Tarantowicz, Assistant Inspector General and Legal Counsel, Office of the Inspector General
John Seeba, Assistant Inspector General for Audit, Office of the Inspector General (by telephone)
Daniel O'Rourke, Assistant Inspector General for Investigations, Office of the Inspector General
Traci Higgins, Director, Office of Human Resources
Janet LaBella, Director, Office of Program Performance
Lora M. Rath, Deputy Director, Office of Compliance and Enforcement
Herbert S. Garten, Non-Director Member, Institutional Advancement Committee
Frank B. Strickland, Non-Director Member, Institutional Advancement Committee
Allan J. Tanenbaum, Non-Director Member, Finance Committee
Nikole Nelson, Executive Director, Alaska Legal Services Corporation
Don Saunders, National Legal Aid and Defenders Association (NLADA)
Lisa Wood, American Bar Association SCLAID Chair
Mary Ryan, American Bar Association Pro Bono Committee
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CHAIRMAN MINOW: Hello, everybody. I'd like to call to order the Governance and Performance Review Committee. So is anyone willing to make a motion to approve the agenda of the Governance and Performance Review Committee?

MOTION

MS. REISKIN: So moved.

CHAIRMAN MINOW: Thank you.

MR. KECKLER: Second.

CHAIRMAN MINOW: Great. Wonderful.

How about the minutes? We've had two meetings. There was an October and then a telephonic meeting. So can I just treat these minutes as having been approved?

MOTION

MS. REISKIN: So moved.

MR. KECKLER: Second.

CHAIRMAN MINOW: Wonderful. Thank you.

So we will turn now to a discussion of the Board evaluations, and Carol Bergman is joining us.
And first I want to say thank you to Carol on two fronts: One, that we don't have a GAO discussion here -- I think we can all have a moment of joy; but secondly, for putting together in such a readable format for each chair of the Committees the evaluations. And also I want to thank everyone on the Board for filling out your evaluations. This is just a terribly important part of good governance.

I think that each chair should be sure to take a look and see whether there's something moved raising explicitly with the Committees. But other than that, I think that it's most informative for the chair as thinking about the coming year.

I will just comment briefly on the overall evaluations that people said about the Board in general. And I think it was a very heartening kind of report about the level of understanding and commitment and engagement.

I think one thing that I'm sure we'll hear from the President as we go forward is how to make sure that we continue the implementation. Several members talked about implementing the mission and message
elements of the 40th, following up on the anniversary event, and other messaging issues. Those were things that I saw coming out of the overall Board evaluations as followup.

Does anyone else have comments? Julie?

MS. REISKIN: I just have a question. The number of evaluations was greater than the number of Board members. And I was just curious. Was that Committee members? I mean non-Board Committee members?

MR. LEVI: I assume that was non-Board auxiliary members.

CHAIRMAN MINOW: Yes.

MR. LEVI: I mean non-Board directors?

MS. BERGMAN: We sent the evaluation form, the Survey Monkey, to all of the Board members and all of the nonvoting Board members. And mostly, the nonvoting Board members only evaluated the Committees on which they served. But some chose to also evaluate their experience on the Board itself.

So each chair of the Subcommittee got the raw data so you could see who evaluated your Committee. The public document doesn't have anything for
attribution, so you can't separate that out. But the raw data for the Board evaluations went to John and Martha, and so they have the list of -- they could see that some nonvoting Board members -- and obviously one could make a decision or a recommendation about how we want to do that moving forward. But there was not uniformity.

But almost everybody responded to complete some evaluation in this process.

CHAIRMAN MINOW: Thank you for shepherding the sheep.

Yes, Father Pius?

FATHER PIUS: More of a procedure question. I think some of the comments had recommended possibly adding a "Not applicable" option to some.

CHAIRMAN MINOW: Category?

MS. BERGMAN: Yes.

FATHER PIUS: Which I thought was a decent idea. I remember at least a few times myself thinking maybe "Not applicable" would be my best vote on that.

So just something to think about.

MS. BERGMAN: Absolutely. No, we had a couple
of people who said that also in separate emails to me, that they either wanted a neutral or an N/A option, that everything seemed to be either yes or no, black or white. And we will certainly include that next time around.

But the good news it seemed like everything was comfortable with Survey Monkey. It worked for everybody, and so that was a very effective way to be able to do it.

CHAIRMAN MINOW: Any other general comments about the evaluation? Evaluation process? Oh, yes, Julie?

MS. REISKIN: Not about the evaluation. I forgot. I had one question about the minutes, whenever it's appropriate.

CHAIRMAN MINOW: Please. Sure. Now is good.

MS. REISKIN: In the minutes, there was --

CHAIRMAN MINOW: This is for the meeting or the telephonic meeting?

MS. REISKIN: I think it was the meeting. And it's nothing wrong with the minutes. It was just a followup. You had mentioned a study about federally
funded agencies, that the GAO was going to look at
that, and I was wondering if you'd heard any more.

MS. BERGMAN: No. The responses were not due
until February, so there wouldn't be anything at this
point. But it was a report back to the Committee
chairs that had requested it. So generally, those
things at some point are made public when they're
final, and so hopefully by the April Board meeting I
can make people aware of that.

MS. REISKIN: So you'll keep an eye on it --

MS. BERGMAN: Absolutely.

MS. REISKIN: -- and let us know what is

happening with that?

MS. BERGMAN: Yes.

MS. REISKIN: Okay. Thank you.

MS. BERGMAN: Sure.

CHAIRMAN MINOW: Great. And thank you, Carol,

again on this.

So now we'll turn to -- an important task of
this Committee is to do an oversight of the evaluations
of the President and Inspector General. So we will
turn to Jim's, and thank you very much, Jim, for your
sending along your self-evaluation. Do you want to say anything?

PRESIDENT SANDMAN: I generally like to stand on my brief, but I would like to emphasize two things. One, there are a number of things that don't appear to be very glamorous that we're doing to improve LSC's infrastructure that I think are very important, and a number of them are reflected in the report I did on our progress in meeting the goals of the strategic plan.

But things like creating a single data portal, as we call it, one-stop access to all information that we have about grantees, that's something we've never had before. It's something that's critically important to our ability to do effective oversight of our grantees and to break down barriers between offices within LSC.

So I see things like that, and our move toward the purchase of a new grants management system, as being integrally related to our progress in meeting the recommendations of the Fiscal Oversight Task Force as well as meeting the goals of the strategic plan.
The second thing I just want to emphasize is that I believe I benefit enormously from having a very strong team of professionals who work with me. And if I have made any progress in accomplishing anything, the credit goes to them.

CHAIRMAN MINOW: Thank you.
Julie?

MS. REISKIN: Could you send that to me? I don't think I got that. I got --

MR. LEVI: It wouldn't have gone to everybody.

CHAIRMAN MINOW: Didn't everybody get it?

MR. LEVI: No.

MS. REISKIN: I got Jeff's but I didn't get this. Everyone else did?

CHAIRMAN MINOW: You did not get it?

MR. LEVI: Did it only go to the Committee?

MS. REISKIN: I'm on the Committee.

CHAIRMAN MINOW: No. I don't understand that. So I will send it --

MR. KECKLER: I don't think I got it, either.

CHAIRMAN MINOW: I'll send it right now. I'm so sorry. I thought I did.
I will summarize a little bit. I think, in general, no suspense here, Jim has done a superb job, and a superb job on both leadership and management; implementation of strategic plan and pro bono, real progress on both; and also on the issues, nitty-gritty, and building a team that's effective.

One thing that I don't know if everyone knows is that there are opportunities for staff members also to give evaluations, and confidentially to John and to me. And they're mostly anonymous, and we have some of those.

Again, in general, you exceed expectations or meet expectations. And so I think that's really just to be utterly commended. And I know we all feel incredibly grateful for your leadership, and I just think it's worth underscoring, your ability to build a respected position in relationship to partners and in relationship to our funders. That is front and center, absolutely central, and you've done it, and also your ability to recruit really good staff.

John?

MR. LEVI: Yes. I think I got it, and I
printed it out, but I think it's upstairs.

Jim, in a couple of places you were a little hard on yourself, I thought, and -- I'm not current on this -- something about the data project that you said, I didn't meet this. And maybe there was one other. I don't know if you want to speak to that at all.

But the LSC of today is so different than the LSC just a few years ago, and that is a credit to your leadership. And so if we embark on some things that are difficult to accomplish, and they're new worlds and they're projects, and for whatever reason the time slips a little bit in them, I don't regard that as not meeting expectations.

CHAIRMAN MINOW: Right.

MR. LEVI: You're being too hard on yourself. So I want to make that public statement and say I think that's just part of the game, and thank God we're in that game.

CHAIRMAN MINOW: You can make a rebuttal, Jim.

(Laughter.)

MR. LEVI: Because you put us there. That's the public welfare. That's a good example. And so I
want to just say thank you. I know I speak for the
rest of the Board in feeling that way.

CHAIRMAN MINOW: You certainly do. And
another one that's worth highlighting is the advances
in technology. And we'll hear more in detail about the
TIG conference, but I think there there's a real
leadership demonstration. And the very prompt and
quick implementation of the new line item on pro bono,
I think it's just incredible to see that take hold
right now.

I think that the ongoing questions, in the
spirit of what John says, it's not at all criticism.
It's how to do more outreach to the unexpected
communities, the communities that don't already love
and admire and support LSC, and the chambers of
Congress, of the world, and business communities, and
small business communities. And I think that that's
part of the strategic plan, and that's an appropriate
thing to be turning to in the future, I think.

MR. LEVI: And in this environment, the
confidence that the Congress has in us to raise the
funding for two very critical projects because they
have confidence that we will administer them correctly
is, I think, a huge vote of confidence in you and your
team.

CHAIRMAN MINOW: I also think it's really
great, and this is again less flashy, to have as an
aspiration being a model in good practices. And I
think that we will turn in a moment or so to the
revision of Code of Ethics and Conduct, and that's a
great example of trying to do that.

Julie?

MS. REISKIN: Yes. I think a couple things --
and again, not having read it, maybe this is in here --
but in terms of what we mention as a Board. I think we
need to really highlight his leadership in that 40th
celebration because that was epic and that was amazing.
And that needs to be written down as our comment as
that way, way exceeded not only expectations but
wildest dreams.

CHAIRMAN MINOW: Right.

MS. REISKIN: And then the other two things
that I think are important are being able to accomplish
a culture change in the amount of time he did, that's a
true culture change, not just, oh, we've got to say
these words until the next one quits, kind of thing.
It's really remarkable and very difficult to do. A lot
of nonprofit leaders fail at that.

Then the other, what is most important to me,
I think, is the reputation of LSC in the client
community has changed dramatically. I got, and I will
share, the evaluations from "LSC in the Client Voice"
that Jim and I now do annually at NLADA, and standing
room only. Lots of comments. And a lot of the
comments called out Jim.

CHAIRMAN MINOW: That's terrific.

MS. REISKIN: And the client community is
saying, he's here and he's listening, and that's huge
and that's new, and thank you.

CHAIRMAN MINOW: I think those are excellent.

I'm sorry, Julie, I have to also, though, commend you
on that because I think you've played an absolutely
pivotal role in making that a priority. And I know
that Jim is there with you at every second, but I
really do want to underscore your role.

I think that the biggest understatement in
Jim's self-evaluation is he has the item, "Close out the remaining GAO recommendations," and he says, "I met this goal."

(Laughter.)

CHAIRMAN MINOW: I think we have achieved that, with Carol's wisdom and your finesse, and it really is a genuine accomplishment.

I know that John's already talked about the difficulty of moving ahead on the data collection, and we'll talk about that further. And I do think that everyone on the Board wants to be helpful on that front.

So this is on evaluation. Jim has also set out goals for next year, and I want to turn to that in a minute. But anyone have comments? Gloria?

PROFESSOR VALENCIA-WEBER: Last week I was able to attend the TIG conference, the first ever for me, and Jim unfortunately was not able to go. And it was interesting, among the participants there, how much they commented that they were sorry that Jim was not there and that he truly understood the frontiers which they're working at in a way that's very hard sometimes
to get people in the pro bono or nonprofit world to understand.

CHAIRMAN MINOW: Super. Any others on the review?

(No response.)

CHAIRMAN MINOW: So going forward, I think it's absolutely the right statement of goals -- making progress, demonstrable progress, on the strategic plan goals. We had an element of the strategic plan that said we would actually have an update where we are and everything, so I'm sure we'll do that and be able to talk about what the benchmarks will be.

I love the goal of completing the implementations of the Fiscal Oversight Task Force. I think we're very close, and that's very exciting.

Hiring additional staff with fiscal expertise we do need to talk about as well as other vacant positions and how to connect that with the funding issues. I think that that is a huge priority. I can say, watching from afar, it looks to me like you're understaffed. That's my view.

So I think even if it means actually spending
money that you're saving for the rainy day, I think we need to spend it because you shouldn't have to work so hard. But frankly, the whole staff -- everybody's doing more than one job, it seems to me. But that's just from where I sit.

As to the other goals, I think they're all quite appropriate. And certainly finding ways to raise additional funds, I know you're hard at work on that, Jim, and look forward to hearing updates about that. I know that John is also working on that front very hard, and Wendy as well, and we will try to have some really demonstrable success from those efforts this year.

Any other statements about goals for this coming year? Yes, please?

PRESIDENT SANDMAN: I'd like to add two things. I do want the full Board to have an opportunity to review my self-evaluation --

CHAIRMAN MINOW: Sorry.

PRESIDENT SANDMAN: -- and the accompanying description of the progress we've made in meeting the goals of the strategic plan. And I would be grateful for the Board's feedback. And we could do that during
the full Board meeting on Saturday so that people don't have to be rushed right now.

CHAIRMAN MINOW: Very good.

PRESIDENT SANDMAN: And second, on the suggestion, the helpful suggestion, that I try to focus on getting our message out to people beyond the usual audiences, I have met recently with Carl Rauscher, and he's identified four cities where he thinks there might be opportunities to speak to audiences who aren't the usual access to justice audiences that I get invited to address.

The challenge is, it's kind of a catch-22. You're not going to get invited to speak to an audience if no one knows what you do. And no one knows what we do. And I can't foist myself on an audience who's never heard the term "legal aid" and doesn't know what the Legal Services Corporation is.

How you get positioned to get invitations of the type that we should be working toward is very tough. And one way to do it is through intermediaries, to get kind of translators who are already connected to the audiences that we're trying to reach and to get
them to make the pitch instead of our trying to make
the approach directly.

But it is hard. I get lots of speaking
invitations, most of them, the vast majority, the
overwhelming majority, are to access to justice
conferences. They're to the legal aid community. It
is important to engage with those audiences and to give
them pep talks. There are a lot of reasons to devote
time to that.

But I'm preaching to the choir when I speak to
audiences like that. I'm not doing anything to move
the needle on public awareness of the importance of and
need for legal aid.

CHAIRMAN MINOW: I think that's really well
said and striking. I think it's probably going to be
very challenging. But my small piece of advice is, do
not accept a single invitation to a group to which you
have already appeared for the coming year. Find
someone else, a surrogate, someone else to do that.

As to the groups, you're quite right, where
they don't know, they've never heard of the terms or if
they have they don't know what it means, I think that
there still are ways to find a connection.

So when we had the Small Business Administrator at our 40th, it just seemed to me that's a natural entree to the Chamber of Commerce, to just pitch it as what small businesses get out of legal services. And I think people in her office would be happy to open those doors.

So I think each audience is going to have something of a different angle, but that's what it takes. And it's not foisting yourself. They're all trying to fill their speaker series, all of them, and they will be so grateful once they hear you.

So it's finding the way to make the connection, I think. And I think everyone on the Board wants to be helpful in that regard and has ties and links. And if you're willing to do it and actually not go to any of the familiar faces right now, and turn to any of us and anyone on the staff that you think is appropriate to do those familiar ones, which do need to be maintained, but have as a goal that a year from now it'll be a very different list, that would be a worthwhile exercise, at least, it seems to me.
MR. LEVI: I want to say I think in your first few years of your tenure, it was actually very important and talk to the community of our grantees and the access to justice commissions because they needed to see you. They need to have confidence in us through you. And I think you have done that so admirably.

Now maybe we can help you and help Carl network a bit to find other places that would -- because they won't be disappointed. And then that will have its own momentum. And so what you hear is, I think, a Board that's willing to use its own networks to help you.

You shouldn't take that as -- that's not to get in your way, either. But I think Martha -- I don't know whether -- Harry and others are raising their hands. But I think people would help.

MR. KORRELL: Yes. I know in Seattle there are general counsel roundtables, CEO roundtables. They meet at the big law firms. We host them, you know, the breakfast bagels. Those kinds of things seem to happen all the time.

I would just think any of the major law firms
is quarterly hosting some group of business leaders. I mean, you remember from your time in law firms. Right? The CEO roundtable, whatever. We can all reach out, and if you remind us by asking us, we're more likely to do it.

PRESIDENT SANDMAN: I do want to report on one very interesting experience I had yesterday. Last summer I was invited to be the keynote speaker at Covington & Burling's annual pro bono awards lunch. And that's always an interesting experience for me.

I spent enough time in a competitor law firm that when I go to visit a law firm like Covington, I feel like a voyeur. And I'm really interested in the food they serve, and what their offices look like.

(Laughter.)

PRESIDENT SANDMAN: But I made a pitch during the course of my speech there for a particular type of pro bono work, assisting low-income people who live right in your own back yard, and to be sure that that kind of work gets the attention it deserves in the pro bono programs at big law firms.

And I had a meeting yesterday with the
chairman of Covington & Burling, who told me, and I hadn't known this, that because of what I said, he personally took on a landlord/tenant case in the Superior Court of the District of Columbia, which he had never done before. He's got to be 60 years old. And he had gotten a very successful settlement for his client.

CHAIRMAN MINOW: Wow.

PRESIDENT SANDMAN: So that was a lawyer audience, but it wasn't an audience of my usual suspects. And it made my day.

CHAIRMAN MINOW: This is for me the last comment that I have here. But that story exemplifies what I wanted to say anyway.

We are privileged to have at our helm someone who is an exemplification of the values of legal services, who communicates those values so effectively and persuasively, and who sets a standard of service that is contagious. So would everyone join me in a round of applause?

(Applause)

CHAIRMAN MINOW: And now we will turn to the
Inspector General's evaluation. Did everyone get this?
Good. Okay. Excellent.
Mr. Inspector General.
MR. SCHANZ: Yes, Madam Chairman. The reason I sent my evaluation, my performance standards, to the full Board is I report to the full Board under general supervision.
CHAIRMAN MINOW: Of course.
MR. SCHANZ: So I sent it to the entire Board.
CHAIRMAN MINOW: Thank you for doing that.
MR. SCHANZ: And then if you would allow me a little bit of discretion here, I have several prefatory remarks.
I've served for two Boards, and I want to note that in those almost seven years now that I've been the Inspector General, I have never seen anybody have to travel from Seattle to Miami. So I want to recognize Harry. I think that is the long-distance travel award for Board members.
CHAIRMAN MINOW: You have Father Pius saying, what am I?
(Laughter.)
MR. SCHANZ: Oh, okay. I stand corrected, Father Pius.

CHAIRMAN MINOW: But I think Harry appreciates it.

MR. KORRELL: I do. But I do have to defer that recognition.

(Laughter.)

MR. SCHANZ: I also want to note the absence of Sharon Browne, who was a key element of this Board, and I very much liked working with her. That's the second prefatory remark.

The third prefatory remark, as you look through my standards and my assessment of performance, is you'll see that I've turned over the staff a little bit. I'd like to introduce the new Assistant Inspector General for Investigation. And Ms. Chairman, when you mentioned SBA, we perked up because Dan -- if you would, please -- Dan came to us from the SBA.

CHAIRMAN MINOW: We're very delighted to welcome you here, and look forward to a wonderful set of experiences. And any entree to SBA would be great.

MR. SCHANZ: Okay. Thank you for entertain
those comments. And Father Pius, I apologize. I don't know where your schedule is, but I know you have wings.

CHAIRMAN MINOW: So thank you. As I think everyone knows, the Inspector General reports both to this Board and to the Congress. And the best way to look at the evaluation is to look at the accomplishments over the past year, which are very well laid out in the document.

I think that one of the things that I would want to underscore is your very good work on the training front and the training out to the field. I think that it's exemplary, and it's just the right tone, and it's the best possible road to prevention of problems. So that's what I would underscore.

Do other people have things that they'd like to mention? Julie?

MS. REISKIN: I agree. I think the prevention is really important. I think you've done a great job. I have no concern about that.

I did have a little concern about mentioning dollar amounts as an accomplishment because if you didn't recover any questioned costs, that might not
mean that you're doing a bad job. It might mean that we're doing a good job of prevention.

So just maybe a sentence after that or before it, if you're going to put dollar amounts, so that it doesn't appear that we're going to up-rate you if you get more money back. You know what I'm saying, I think.

MR. SCHANZ: Yes, I do. That's a statutory requirement, though, that we provide to Congress in our Semiannual Report. There's two financial categories. One is questioned costs. So we're statutorily required to do that.

The other one is funds put to better use. An example of that would be if we had an ED that was rogue and spent all the money on himself, which I do have a live example of that, and I think the Board knows, too. But that money could be used to better use by funding more grantees and more representation of the poor. That would be the other category. So those are statutory requirements.

CHAIRMAN MINOW: Thank you.

Charles?
MR. KECKLER: Thank you. Just to follow up a bit on that point, thank you, Jeff, for the comparison at the end of your report between the two years. Indeed, one of the most notable points there is the distinction between questioned and unsupported costs going down in FY 2014 over FY 2013, from 301 in 2013 to 58 in 2015.

Since your level of investigation and activity hasn't gone down, I'm hopeful. Am I being over-optimistic to think that there's a little bit less of a problem now?

MR. SCHANZ: Well, what I will say in response to that, Charles, is it's trending the correct way. That doesn't mean that with 134 programs, we don't cover all 134. We do review all of the IPA reports that come in, so we have an opportunity to review the financial statements of each grantee in the front end. But what we have found is sometimes those IPA reports, they're designed to opine on the financial statements, not to drill down into where we might find some issues or fraudulent things.

Julie, your point is more compelling than you
even realize. I'm old. I've been in the community for 40-some years, the IG community, and that was a question way back when: Do we go witch-hunting for numbers and questioned costs?

As long as I've been an IG, including in HHS at the time and DOJ and now LSC, we don't do that. I mean, you can make artificial -- and we used to joke we'd arrest the same guy crossing the border to drive up our statistics for budget purposes.

But we don't do that, so we take the issues where we we find them. And if it results in questioned costs, then it results in questioned costs, and Management's equipped to deal with those.

I think, Charles, your point is very well taken. I hope we're making a difference. I remember when this Board started, I kept asking Vic Maddox, where's the deterrence here? We have people sitting in jail. Why do people take those chances? I don't know. I haven't thought like a criminal, I guess.

But there are limited opportunities out there, and we're trying to make sure there's absolutely no opportunities for fraud. We've been working hand in
CHAIRMAN MINOW: Well, you've anticipated how I was going to end, but there are other people who want to make comments. But I can't resist saying right now, something that is just absolutely a hallmark of your leadership is your collaboration and constructive relationship with Management.

I want to commend both you and Jim for that and for the transparency that's a real advantage for this Board, to be able to see the progress, the numbers of investigations and the heads-up. So I think that we've seen just a tremendous growth in that area, and it's really heartening to see.

John wanted to say something, and then Father Pius.

MR. LEVI: I also want to say, Jeff, we shouldn't do a review of the IG or the IG's office in a sense without recognizing that you had this independent peer review. You had some issues that were flagged to you.

I want to congratulate you on how, instead of running from them, you went right to work on correcting
them, taking care of the issues that needed to be addressed and putting them behind you in the rear view mirror.

As we all know, these things occasionally occur, and then it's a matter of leadership as to how you respond to them. And so I want to congratulate you on that, even though I'm getting ahead of the Audit Committee.

MR. SCHANZ: Well, that's where I'll address it. But thank you very much, Mr. Chairman. I have some quality staff who have taken the bull by the horns, as it were. And there isn't a manager, I don't believe, that can't improve.

So when I get a report like this -- when I used to be a field auditor, I would say, "I'm here to help you." And I literally was. And the more enlightened people, the grant recipients, would say, "Okay. Well, this is an opportunity to improve."

So I haven't fallen off that train. I'm still on that, if I was doing it, and so I should receive what I have given out.

CHAIRMAN MINOW: Father Pius?
FATHER PIUS: Most of my comments were in there, so I'll just follow up briefly and give my appreciation for that sense that the leadership that you give, the example you give in leading, that your job isn't to boost the numbers for reports to Congress but to make sure that the real end is kept in mind, and that is that the funds of the Federal Government are spent in the way they're meant to be spent, for the benefit of the poor.

That is, more than anything else, I think, what your role is, is to make sure that the money that's meant to be spent to benefit the poor actually goes to benefit the poor. And I am grateful for your example and leadership on that issue.

Following up on Martha's point, I think, too, you recognize that the Board has just as much of a role as anyone else in the oversight of this Corporation. And so not only your cooperation with the President of the Corporation, but your work with the Board on issues that affects our own oversight so that this is a collaborative effort between these actors, the Board, the President, and you as the IG, I think has been just
increased more and more since I've been on the Board. It certainly makes our job much easier, and I think goes to the benefit of the poor and the benefit of the Americans from whom the funds come to pay for this. So I appreciate you on this.

One thing I would ask you to do is just provide -- I think some people, looking at the report, looking at the numbers at the very end, might be a little surprised at the number of the field reviews, the field audits or the desk audits because that's about the only number that has shrunk significantly over 2013 to 2014, the desk reviews and the IPA reports.

So if you could just provide a little background to explain why those numbers might be so different and why we would get a fluctuation from one year over the other, I think that might just help provide a little background. Because it's dropped about a third.

MR. SCHANZ: I can answer it in two words: risk management. If we have the same IPA looking at the same grantee for three, four, or five years, we're
not going to take as critical eye to that as a new
grantee and a new IPA. In fact, we have in process
right now a suspension and debarment action against an
IG that didn't meet even the minimal standards.

So those take a little bit more time. But I
think the first part of my answer, the more appropriate
one, is we're not going to look at the same grantee and
the same IPA every year based on the review of the
report.

When we find a "red flag," and I use that term
with staff, that gives us an indication to drill down
and to take a further look at that IPA. So we're
approaching it from two ways. We have the plenary
authority to go out and look at any grantee.

But also, we have the same authority to go
look at any IPA to make sure that their IPA is an
independent public accountant to make sure that they're
performing up to government standards. And I think
that's fairly novel in the IG community. I'm somewhat
proud of that.

As you may recall, we were doing a quarter a
year till we had done all of them. And this was the
first year after we had done every grantee and every
IPA of all the grantees. So I redirected our resources
to other things, like clearing the peer review
findings.

CHAIRMAN MINOW: One other that wasn't as
radical a change in number but was a change in number
was the number of hotline calls. And I'm sure that
that fluctuates year to year. But I wonder what are
the methods for alerting people about the existence of
the hotline and making that known?

MR. SCHANZ: Well, it's on our website, and
Dan O'Rourke will talk to this when he briefs you in
confidential session.

But that's a major part of our fraud
prevention guide. It's a major part of our fraud
awareness briefings to the grantees. Every office,
unless I've missed a couple, but every office has a
hotline poster in it in Spanish and English.

When we first decided to put those out and
make that a prominent part of the Investigations
Division within the OIG, we had people asking for, "Oh,
well, we have our package. What about our field
offices?" So we made a blanket distribution to everybody that asked, including all of you. You should probably have one of those in your office, neatly framed.

(Laughter.)

MR. SCHANZ: But we do publicize it pretty much in all our awareness briefings because -- once again, Dan can talk to this better than I can -- but when we're giving a presentation, sometimes you see people -- "What? A fraud happened in LSC? How could that happen?" So they may not think about it until they actually read the guide and then see a whole-page "Call the hotline."

CHAIRMAN MINOW: Well, I'm such a fan of the fraud awareness education. And I'm sure that that's a great way to bring the hotline to people's attention. It just may be time to send out a new sheet to people to frame it again because there's turnover in staff, and if it's on the wall, it's the kind of thing that people don't notice any more. Just seeing that there was a dropoff from 125 to 106, it's not major, but it's a small comment.
My last comment -- but of course if anyone else wants to make a closing comment, please do -- your role in the Inspector General community, Jeff, is something that brings great pride to all of us. You are looked to, and appropriately so, as someone with great wisdom about how to do this job well.

Just reviewing your report again this year, it's a complicated role you have here, the relationship with the Attorney General, as well as the Congress, as well as this Board, as well as the field offices. And you do it with grace, and you inspire your team, and you're constantly working on building the best tools of your team. And so you get my commendations.

Anyone have other comments?

MR. KORRELL: Jeff just needs to work on geography. Other than that --

(Laughter.)

MR. KORRELL: No. I echo. I've enjoyed working with Jeff. I appreciate the hard work and the briefings. It's really been terrific.

CHAIRMAN MINOW: Great.

MR. SCHANZ: Well, thank you very much. But I
did think Seattle to Miami was quite a trek.

CHAIRMAN MINOW: Well, maybe the longest
distance without having to cross an ocean. How about
that one?

(Laughter.)

CHAIRMAN MINOW: Excellent.

MR. MADDOX: Martha, can I just jump in?

CHAIRMAN MINOW: Please.

MR. MADDOX: I just also wanted to mention
that I appreciate Jeff's involvement and leadership in
the effort by the broader Inspector General community
in the Federal Government to address the abuse of the
Freedom of Information Act by the Federal Government
itself, most notably the Department of Justice.

CHAIRMAN MINOW: Yes. It's really striking.

MR. MADDOX: Which is a shameful departure
from the law, if you ask me. I know that this Board
and this Corporation takes the Freedom of Information
Act seriously --

CHAIRMAN MINOW: Very seriously.

MR. MADDOX: -- and appropriately so. And I
read the letter that Jeff signed, along with 25 other
Inspectors General. I thought it was extremely well-researched and well-written and much-needed. So applause to you, Jeff, for that.

CHAIRMAN MINOW: Good point. Thank you for underscoring that. That's great.

So thank you, Jeff. As we shift to the next item and let Jeff now --

MR. LEVI: I want to just --

CHAIRMAN MINOW: Oh, sorry.

MR. LEVI: Is there anything that you think we need to know that has been left unsaid?

MR. SCHANZ: Well, as soon as I get back into town, I've scheduled a meeting with Senator -- or Congressman Chaffetz, I'm sorry. And he spoke at the last CIGIE meeting, which was last week. It's once a month, and he was the keynote speaker for our meeting.

He was in full support of the IGs, and indicated that, "If you've ever been to Moab, raise your hand." So I had an opportunity to raise my hand. Southwest, yes. So in a room full of IGs, a couple of us did. And his staff has already outreached to me as of last week about meeting with them about that very
letter that Mr. Maddox is referring to about access to justice issues.

I was pleased to tell the staffer verbally -- and I'll meet with her; Laurie and I will -- and advise that after my first year here, we haven't had any access to records issues, which makes my job very easy.

It was very interesting to hear the congressman speak because he said, "I think the IG Act as it's written is perfect. I don't know why we're having these issues. The plain language of the statute says that the IG is independent and has access to records. What more can you embellish with that?"

So I was very impressed with him. He is now going to head up Gov Ops for the House. We call it Gov Ops. History. But anyway, so they've already reached out to the IG community. And I'm going to take full advantage of that. So thank you.

CHAIRMAN MINOW: That's great. Well, we look forward to the continuing work that you do and hearing back about that kind of activity on the Hill. So I think we can have a round of applause for our Inspector General.
(Applause)

CHAIRMAN MINOW: As we turn to the next item, which is to consider and act on the revised Code of Ethics and Conduct, may I just ask, is anyone else cold or am I the only one who's cold? So it's cold. Okay. So I will do something about that, too.

Ron Flagg, can I just say that this was the most beautiful set of guidelines I have seen in my life, and engaging, and made me realize how antiquated I am in the work that I do. And I just commend your use of multimedia.

MR. FLAGG: Well, thank you. I should say that the art here is -- we owe a debt of gratitude to Carol and her staff, particularly Marcos Navarro, for the beautiful layout, and to one of the lawyers on my staff, Atitaya Rok, who also helped lay it out.

Just to provide background, in 2008 the Board approved the current, visually boring, version of the Code of Ethics and Conduct. This Board, over the course of the last 15 months, has substantively revised three of the most significant sections of the Code, the conflict of interest section, the whistleblower...
section, and the EEO policy.

In the course of researching and amending those substantive provisions, my staff reported back that many of the leading organizations in the country, both public corporations, public accounting firms, other not-for-profits, underscored the importance they ascribe to their codes of ethics and conduct by presenting them, both internally and externally, in a way that communicated to the readers that this was important to them.

We thought that we should likewise communicate that message, both to our LSC community as well as externally to our grantees, other stakeholders, Congress, whoever else would see this.

So what you have before you is a document that, substantively, is virtually the same as the document that is currently in existence, having been amended in the three ways that I just mentioned.

There is at the outset an important message from John and Jim which I think again underscores the importance of the document, of these issues to the Board, to Management, to LSC. And then there is the
repackaging, which we again feel properly emphasizes to people, both internally and externally, the importance of these provisions.

So Management recommends that the code, as amended and repackaged, be approved.

CHAIRMAN MINOW: Does anyone have comments?

Harry?

MR. KORRELL: Thank you. And I apologize if some of these are obvious. I didn't have a chance to go back and compare this with the old policy. But you'll recall we had a discussion about to whom harassment and the like complaints get reported. And I thought we had elevated the level of required reporting to an executive director of a grantee or some of the other -- the OIG or director of H.R.

This reflects reported in writing to his or her manager. And I just want to make sure that is consistent with what we agreed to or what I thought we approved in our meeting. But I apologize. I didn't have a chance to go back and pull up the old document and take --

MR. FLAGG: Yes. The intention was to
incorporate all of the policies exactly as approved by the Board, and I must admit I did not go back and look. But I will check into that. But the intention is for the policies, those three policies in particular, to be exactly as approved by the Board over the course of the last 15 months, with a few very small exceptions --

CHAIRMAN MINOW: Grammatical errors.

MR. FLAGG: -- which were noted in the cover memo but which would not include the --

MR. KORRELL: I guess I would just ask if someone could just check that and confirm. I just can't remember what we settled on.

MR. FLAGG: We'll check that between now and the Board meeting.

CHAIRMAN MINOW: That's great.

MR. KORRELL: And then the answer to the next question is probably the same, but I was looking at the whistleblower policy. I note that there, reports must be disclosed only to the IG or the Assistant Inspector General for Investigations. I assume that discrepancy is intentional -- that is, for discrimination, harassment, you can report to a list of folks, but for
whistleblower, it needs to go to the IG?

MR. FLAGG: Right. Yes. Yes. And I should add, in listing the people who were important in the process of pulling this document together, particularly in revising those three policies and the whistleblower policy in particular, the IG's Office was very helpful and was quite directly involved.

MR. KORRELL: And I support that, as you know from my earlier comments. I think a narrower list of to whom to report is the way to go.

The last question I have, on the conflicts of interest, on page 11 it talks about the directors' disclosures annually. Are we currently doing that?

CHAIRMAN MINOW: Yes.

MR. KORRELL: I feel like I do lots of disclosures.

CHAIRMAN MINOW: Yes.

MR. FLAGG: Yes.

MR. KORRELL: It's been 11 months since I disclosed --

MR. FLAGG: Katherine Ward --

MR. LEVI: Katherine Ward sent it to you.
MR. KORRELL: That's fine. I just can't remember --

CHAIRMAN MINOW: You do so many.

MR. KORRELL: Yes. We do a lot, and so I'm sure I'll do it again. I just wanted to make sure this isn't something new; it's just our existing policy.

That's all I have. Thank you.

CHAIRMAN MINOW: Thank you. Thank you for reading it so carefully.

Anyone else? Gloria?

PROFESSOR VALENCIA-WEBER: Just a small sort of legal writers issue on page 9. Where it says, "No Retaliation," to make clear in that paragraph, "Reporting in Good Faith Conflicts," I suggest putting "any conflicts" so that we are quite clear about the difference. It's not good faith conflicts, modifying conflicts, but it's talking about the behavior that relates to any --

CHAIRMAN MINOW: A little louder into your mike, maybe. So you're saying on page 9, there's a paragraph?

PROFESSOR VALENCIA-WEBER: A paragraph,
"Reporting in good faith conflicts." So we want to put something along the lines, "in good faith any conflicts" or "potential conflicts."

CHAIRMAN MINOW: So the very last paragraph on the page?

PROFESSOR VALENCIA-WEBER: Yes. Does that make sense?

MR. FLAGG: Sure. I think the "good faith" concept is important, but I think --

CHAIRMAN MINOW: So is "any."

PROFESSOR VALENCIA-WEBER: Yes.

MR. FLAGG: -- in good faith, "Reporting in good faith any conflicts or potential conflicts," would underscore the point you're trying to make.

PROFESSOR VALENCIA-WEBER: And then on page 10, just a clarification and summary, maybe, comment from Jim. It refers to different bands of employees, and I don't believe we've been exposed to that. Do you have currently in the Corporation, just briefly, different bands of employees?

PRESIDENT SANDMAN: Yes, we do. Our personnel management system has categories of employees by band.
The highest band is IV. But that's something that the Corporation has had for many years, as I understand it.

PROFESSOR VALENcia-WEBER: That's fine.

MR. FLAGG: And again, that portion of the policy is unchanged from the policy that's been in existence at least since 2008 and probably before that.

CHAIRMAN MINOW: I don't know if you ever see those exercises for your brain which show two pictures and say, which differences are there between these two pictures that look identical? We might actually put this out for crowdsourcing to see if people notice differences with the prior policy.

Victor?

MR. MADDOX: Thank you, Martha.

I wasn't sure I followed Gloria's comment about good faith. Gloria, were you suggesting that we should delete the qualifying phrase "good faith"?

PROFESSOR VALENcia-WEBER: Oh, no, no.

MR. MADDOX: Okay. Then I didn't follow you.

CHAIRMAN MINOW: She wants to add "any." So "any good faith" instead of just "good faith complaints."
MR. FLAGG: The change, as I understand it, is to say, "LSC will not discharge," et cetera, "or discriminate against any employee, officer, or director in any manner for reporting in good faith any conflicts," or "potential conflicts," the only change being the addition of the word "any."

MR. MADDOX: Where exactly are you reading?

MR. FLAGG: On page 9, fourth line from the bottom, between "good faith."

MR. MADDOX: Page 9 of the Board book?

MR. FLAGG: No, no. Page 9 of the draft newly formatted Code of Conduct.

MR. MADDOX: So how is that different from what's on page 19? I see page 9; then I also see page 19. So we're not talking about the whistleblower protection. Is that correct? Okay. Never mind. I thought you were --

CHAIRMAN MINOW: Actually, though, it's a good point.

MR. LEVI: Good point. The phrasing should be consistent between the two nonretaliation clauses because if one is read to be broader than the other for
some reason, that's not --

    MR. FLAGG: I think substantively they say the same thing.

    CHAIRMAN MINOW: But if we change one, we should change both, I think.

    MR. LEVI: Yes.

    MR. FLAGG: Well, it's not --

    FATHER PIUS: It's not quite the same grammatical phrasing.

    MR. FLAGG: Right. Thank you.

    CHAIRMAN MINOW: Julie?

    MS. REISKIN: Yes. On page 8, and I'm not sure if this is an issue or not, but it says that the President will disclose conflicts to the Ethics Officer. And I remember when we were talking about reporting his expenses, it was said that the President shouldn't go to an underling with something, and that's why he did it to the Board.

    So I'm wondering if the President should report for that to the Board chair. I don't think there's a conflict with anyone here, but I'm just talking about form.
CHAIRMAN MINOW: I think it's an interesting point, Julie, but this is not unusual because the Ethics Officer is someone who has expertise in the Ethics Code and sees the whole range of cases, and I think it's appropriate for that to go there. It doesn't preclude the President from reporting it to a Board member or the chair. But I think that's not inappropriate because, again, the Ethics Code is a very specific body.

Is that your understanding, Ron?

MR. FLAGG: Yes. What typically happens here -- and this happens a couple times a year, given the size of our organization -- is somebody will say, I've received a gift from somebody of this amount under these circumstances; what should I do? And that happens from time to time.

Those are issues as to which there is substantial guidance, both within our own policies and, by analogy, from the Office of Government Ethics in the Federal Government. And certainly the President of LSC is more likely than anybody else to get a gift from somebody, although at this point I think Jim pretty
routinely has a method of distributing or making
available to the wider LSC community anything that he
gets as a gift.

But it's in that context that this arises, and
I don't think it presents -- it's not as if I'm
disciplining him as Ethics Officer, but just rendering
an opinion, in effect.

PRESIDENT SANDMAN: If I could add to that,
that's a great question, Julie. There is a check here.
The Code requires that I report any conflicts of
interest to the Ethics Officer. The Ethics Officer is
currently Ron, and Ron reports to me.

However, the Code also requires that the
Ethics Officer report the matter to the Board and what
the Ethics Officer's decision was. So the fact of my
disclosure of a conflict and what the Ethics Officer's
resolution of it was comes to the Board, and that's the
safeguard.

CHAIRMAN MINOW: Thank you, Jim. That's very
clarifying.

Any other questions or comments? Are we ready
to vote and approve? Subject to the checking
particularly of Harry's questions and making sure, I think we all would be comfortable with one more proofread before it goes public.

All in favor?

(A chorus of ayes.)

CHAIRMAN MINOW: I think it carries, and we will recommend it to the full Board, although almost everyone is here now.

A briefing on transition resources. And let me just say, I just really commend Ron and Jim for putting this on our agenda. The transition is, after selecting our President, probably one of our most important responsibilities, to make sure that all of the knowledge and work that we do gets carried on.

So let me turn to Ron for what it is that we need to know and understand, although John wants to say something.

MR. LEVI: I just wanted to ask, so the edits, will they be available for the Board meeting? Or do you think that's too much pressure?

MR. FLAGG: No, no. Well, I think we can all envision the word "any" after the words "good faith."
MR. LEVI: Yes. I understand.

MR. FLAGG: We will check to see if there is any discrepancy between what the Board approved with regard to any of these policies and what is in this document. And if there's any material change, we will create a document which indicates --

MR. LEVI: Well, I would just like to say if you're going to change a paragraph, just give us the paragraph. You don't have to give us the whole darn document.

MR. FLAGG: Right. Yes. Right.

As part of the risk management process, as those of you particularly on the Audit Committee know, we have identified those areas of our work that we view as the most significant risk, and one of those areas is transitions. And here I'm talking not only about a Management transition -- it could involve the President or it could involve other senior members of Management. I know, really, from the day I started, Jim was quite keen on focusing on this issue from his own experience, coming in and not necessarily having available to him a relatively comprehensive set of
materials that would tell him what was going on.

Not so much now, but on occasion even now and certainly more often in the past, Jim has learned some pretty startling, fundamental fact that he would have thought he should have known about on day one but he only learned on day 687.

That's making a little bit light of that, but this is a significant issue because our President, as well as other senior members of Management, obviously, should be on top of these things.

So what we have done here, and it's depicted on one page, is pull together all of the resources that would be available to a new President or to another member of senior Management. And I would emphasize that this is meant to be a flexible format.

These documents all exist. We have them collected. They would be available either as an entire group or a subset, electronically or in hard copy. Obviously, depending on who it was that was being oriented, there might be an emphasis on one set of materials or the other.

But anybody coming in in senior Management or
other positions in the organization who would have
questions about what we do could see a list like this
and refer back to it. I don't envision somebody
necessarily sitting down and reading 12,000 pages of
material in one sitting.

But if you were a new General Counsel, for
example, and had questions about what our grants
management process was about, this sort of document and
the materials associated with it would steer you in the
right direction.

I would add, obviously, we have a similar
challenge, and it's also on our risk management matrix,
with respect to orienting new Boards and new Board
members. And hopefully, in this calendar year, we'll
have an opportunity to do that again.

I believe this Board received a ring binder of
materials, which we would update and probably at this
point in history supplement with an electronic version
so that depending on the preference of the individual
coming in, they would have a similar set of materials
to what you received and at least the subset of some of
the materials you see on this list.
CHAIRMAN MINOW: I think that's great. In addition, I think it wouldn't be bad for each member of this Board to think about what you think would be a critical element of this transition package either for Board members or for new senior Management.

We might even think about each of us contributing a paragraph or a sentence or something like that because I think it was somewhat of drinking from a fire hose for all of us. That was my experience, and it might be a way that we could pass on something that we've learned.

Julie?

MS. REISKIN: I was just going to add, we just had, very, very recently, for the first time a communications briefing. And I would definitely have communications as a topic here, as something we're -- what are the policies? Whatever at the time -- what's the social media calendar? What's the website?

Communication with a bunch of bullets under there should be on this list.

CHAIRMAN MINOW: That's a very good suggestion. Very good.
FATHER PIUS: There's one thing, too. Maybe it's on here; maybe it's under the compilation of LSC policies. But even as a Board member, there's a number of policies the Board has passed, even prior to our Board, that I'm not even sure are still collected in a way that we have access to.

So that's something that should certainly be on there. It probably affects us more than anything else because it's a policy often that is meant to express the policy of the Board. But that, I think, would be very useful at least to know about to an incoming manager or executive, and especially to a Board member.

MR. FLAGG: Yes. Actually, I'm glad you raised that because we are trying -- and this would be helpful, I think, to anybody coming in new to LSC but also to existing employees -- we are trying to collect and package in a much more easily digestible form all of our policies in one place.

You're going to see that, I would think, in the next quarter or so, that we're going to have essentially three documents. And they will be on our
website, certainly on our internal website.

The three documents will be the Code of Conduct that has just been recommended for approval, the Administrative Manual, which includes policies such as our contracting, our guidance on how do contracting and procurement, and other policies like that, operational policies. And then the third collection of policies is the Employee Handbook.

Our goal is to have all of our policies in those three places -- have all three of those sets of documents in one place on our website, and then have an index so that if you wanted to know, gee, what do these people have to say about confidentiality, you could type in "confidentiality" and get the --

FATHER PIUS: And is there more, really, just a list? I'm sure you keep it, but a list of all the Board resolutions? I don't care so much about -- I like the commendation ones, but they're sort of time-specific; but any of the long-term resolutions so a Board member coming in can have a sense of, what's the Board done for the past five years, by looking at the resolutions that have been passed?
MR. FLAGG: Well, we have on our website all of the resolutions that have ever been passed.

FATHER PIUS: Do you know how far back it goes on the website?

MR. FLAGG: I'm not certain, and I don't know to what extent it can be searched.

CHAIRMAN MINOW: We'll turn to Jim on this. But first, can I ask anyone who's on the phone to mute your line? That would be helpful.

Jim?

PRESIDENT SANDMAN: Yes. The point that Father Pius is raising came up a few years ago. It came up at the end of 2011, and we addressed it in 2012. It came up in connection with the creation of the Institutional Advancement Committee, and it turned out that there was a Board resolution that had been adopted in 2008 that required that the Board approve in advance any solicitation of any contribution. And we found that we had gone ahead and solicited a contribution without Board approval because we didn't know of the existence of a Board resolution from 2008.

This was one of those moments where you ask,
what else don't I know? And as a result of that experience, we did prepare in 2012 -- Vic Fortuno took the lead on this -- a compilation of policies, including Board resolutions. And we have that, and probably now we --

FATHER PIUS: And that's what this 2012 compilation of LSC policies refers to under the legal structure?

PRESIDENT SANDMAN: Yes. That's what that is.

FATHER PIUS: Okay. And then I assume that's obviously updated.

PRESIDENT SANDMAN: Now, it may need to be updated. The challenge there is just making sure that those things are accessible. And probably the most difficult types of policies to access are those reflected in Board resolutions.

Board resolutions are effective unless or until they're overruled by subsequent Board action. And you can have a new Board that knows nothing about what prior Boards did. So it's not only a matter of collecting them; it's a matter of indexing them by subject matter in a way that allows people to find what
they're looking for.

CHAIRMAN MINOW: Carol?

MS. BERGMAN: Yes. I just wanted to comment on the searchability of the website. One of the big challenges and the reasons that we are in the process of totally revising the website is that it's not searchable in the way that we all want it to be.

The common terminology is the taxonomy. What we are doing in the new website is creating a taxonomy so that all of the language that you'd want to be able to search will be able to be searchable across the board.

You may know now we actually have multiple websites. They're going to be integrated into one, and everything will be easily searchable so that as far back as we do have material from Board resolutions or anything else, the goal is to make it as user-friendly and findable as possible.

CHAIRMAN MINOW: These sound like great developments. Let me just say, though, that this recent set of comments make me think there's a new task for this Committee, which is to actually look at the
set of Board resolutions and see if there are resolutions that inconsistent with one another, or that have not seen the light of day in some time and really need to be revisited.

I'm not sure who to turn to for that task, but it sounds like something we should do. So we'll --

MR. LEVI: You have a summer intern coming, don't you?

(Laughter.)

MR. FLAGG: We've got resources to address that, and I think it's a good idea. It's a little bit scary, not so much in the volume -- well, in addition to the volume -- what we might find.

MR. LEVI: But once we get it done and catalogued, then it's much easier to keep it up to date. And as I listened to this about a new person coming in and I thought, my gosh, when we arrived and we had that box full of GAO reports, too, to go through, it was just unbelievable.

Both for new employees but also for new Board members, we just have to take advantage of modern technology and also of our own experience and say, we
don't want to do this to -- we want to make it better for -- and we have the opportunity to do that. I think if you can make it searchable like this, it would be tremendous.

MR. FLAGG: Right. I think the key, really, is technology because again, if you just pick out things that are important and say, these 78 items are important and I'm going to pull them all together; everybody likes to get their hands on things that are important, and we hand you or a new Board member 19 ring binders and say, this is all important and we think within the next couple weeks you ought to look at this, that's not very helpful.

Even if you were diligent and read all 78 ring binders, you would forget, unless you're better than me, most of it. So what you really need is a powerful and robust index so that when you get an issue, you can quickly remind yourself what the policy is, what the past practice is, and pull that document up quickly.

CHAIRMAN MINOW: I do believe that the use of some of these search tools will enable someone doing a review to efficiently find out, do we have multiple
policies, multiple resolutions that need to be reconciled?

Charles?

MR. KECKLER: Yes. I think this is a great project. I once did something of this nature. And one of the things that I found helpful is that as you assemble the basic data and you try to make a compilation, in addition to having some form of what you might call an executive summary of documents, which often don't -- that's usually not necessary, often, in the native document -- for a transition situation in which somebody's reviewing a large mass of many different documents, having executive summary-type materials in the front piece of these documents is useful.

But I think even more useful than that, at least in my own experience, was to have something a little bit different than an ordinary executive summary, which is based on your experience or the organization's collective experience, what are the key issues in that document?

So that is to say, our regulations, many of
our regulations, don't get looked at very often at all, and many others just seem to click along. Others have tensions in them. Others have concerns, and back and forth.

That's true of any set of codes or administrative or accounting policies or what have you. There are pitfalls or areas of controversy or areas that have been changed. And I think it's just useful to bullet point some of those in the preface that you deliver to somebody coming in.

CHAIRMAN MINOW: I think that's a very valuable comment. And indeed, it would be wonderful to find something that's the equivalent of the heat map. Where have there been lots of consultations? Where have there been lots of revisions? I think that would be very, very helpful.

I want to welcome Laurie Mikva. So glad you're here.

Julie?

MS. REISKIN: Yes. Just in terms of a federal agency that actually had figured out how to do this, Social Security, believe it or not, on their website
they have -- because they have a gazillion policies and
court and all that. And it says on the top of it, on
their indexes, it'll say, this is rescinded and when,
and this overrode that and when.

So most of Social Security is not clear. That
particular piece is, just in terms of how it's indexed.

MR. FLAGG: Yes. I think we need to focus on
two different things. To the extent that we speak to
and regulate the public or our grantees, it's through
our regulations. I think the way our regulations are
packaged and presented to the public, we do as well or
better than the Social Security Administration. But,
on the other hand, the Social Security Administration
probably has hundred-fold the number of regulations we
do, so their task is much more daunting.

Where we do less well is on this myriad of
formal and sometimes slightly less formal, or in the
form of Board resolutions, policies that are
inward-looking, where we have tried to compile them.
And as I've described, I think what we want to get to
is a situation where everybody -- the public, the
Board, employees -- know that if you want to look for
an internal LSC policy, here's where you can find it.

It's either part of the Code of Conduct, the Employee Handbook, or the Administrative Manual, and that's pretty much it. These Board resolutions may create -- that will probably create a set of policies that are directed to the Board and to LSC Management, so that may be a fourth set of guidance that we need to get our arms around better.

MS. REISKIN: So you would just not have rescinded stuff; it just wouldn't be there then so that there wouldn't be confusion? Is that --

MR. FLAGG: Again, I think in our CFR, in our regulations that are published --

MS. REISKIN: I'm not talking about regs. I'm talking about the Board's -- the policies.

MR. FLAGG: Yes. Look. I think the idea that some resolution that was enacted 35 years ago with respect to what Board Committee has to do something, yes. If it's no longer in effect, we need to keep track of that. Whether we need to list it as rescinded, I'm not sure. But we do need to keep better track of it.
CHAIRMAN MINOW: Well, I think we now have a new project, and I look forward to its development. You're bringing back some fond memories of our own orientation, and I want to say we are so lucky to have Frank Strickland here. And we were, I think, given incredible hand-holding when we came on.

But one thing that I also remember is that different members of the Board come on at different times. And so that makes an effort to try to come up with some uniformity all the more important.

MR. LEVI: And I want to say that Frank and his Board were particularly sensitive to this issue and actually began the process. But we also had Frank saying, you'd better pay attention to this, this, and this. You remember that, Frank.

CHAIRMAN MINOW: It's really true. And it's what Charles is calling for, which we -- I think we should figure out some way to do something similar.

So there's no action item here, I take it, Ron?

MR. FLAGG: No. The action item is we will come up with a project to get our arms better around
these 40 years of Board resolutions and report back to you on that.

CHAIRMAN MINOW: Thank you very much. And we're just very glad to see this topic on the agenda, and it does indeed address one of the risk issues that we wanted to make sure is in the forefront of our minds.

Okay. We turn to, now, the report on the Public Welfare Foundation grant and Jim Sandman.

PRESIDENT SANDMAN: Thank you, Martha. I actually want to report on our activities under two different grants that we've received from private foundations. The first is our Public Welfare Foundation grant.

We're wrapping up work on the development of our online toolkit for tracking outcomes in extended service cases. The toolkit will provide examples of outcome reporting systems that are currently used by other funders and by individual grantees and will provide recommendations for best practices.

As I've explained before, grantees will be able to choose their own method for tracking outcomes
based on their needs and practices, and are not going
to have to follow a protocol that we dictate to them.

We did in December contract with a web
designer to help us with the development of the online
toolkit. We want something that is attractive, easily
navigable, and accessible to all levels of users. And
we're now working on getting the content into what the
web designer has developed for us.

We expect to have our product available for
testing in February, and we'll do a demo for the Board,
likely through a telephone conference, something that
will allow you to -- or a webinar, but we'll figure out
a way to allow you to access online what it is that
we've developed.

We also, as you know, received last year a
grant from Margaret A. Cargill Foundation, a grant of
$1.2 million over two years, and we have thus far
received $800,000 of that grant. The grant was to
develop a legal services response plan and delivery
system following disasters in the Midwest, and to do it
in coordination with other disaster relief providers
such as FEMA, the Red Cross, and the American Bar
Association's Young Lawyers Division.

In December we made two sub-grants, one to Iowa Legal Aid in the amount of $367,700 and the other to Legal Aid of Nebraska of $400,000. The grant to Iowa is to develop mobile technology that will help disaster survivors better reach legal aid programs after a disaster occurs.

Iowa is going to partner with ProBono.net to adapt its mobile template for an application that provides disaster-related resources to clients and attorneys, including pro bono attorneys. Iowa will also be creating a multi-component toolkit for use by other legal aid organizations across the country so that the benefit of their work will be realized not only in Iowa but nationwide.

Legal Aid of Nebraska is going to be creating an interactive web portal and a statewide legal disaster response training program for attorneys and other stakeholders to better prepare Nebraskans to access free legal services when disaster strikes. They're going to be hosting a series of disaster preparedness workshops throughout the state, and will
be working closely with pro bono attorneys to provide
free onsite legal aid services to disaster victims in
affected areas.

We selected these programs through a
competitive grant process. Our grantees in eight
Midwestern states were eligible to apply. We received,
as I recall, five applications and were very happy with
the two that we decided to make the grants to.

This is another example of a grant program
that we got up and running very quickly. I believe
that we got word of the award of the grant in late
August, and we had the grants out the door at the
conclusion of a competitive process in December. So
we're making good progress with both grants.

CHAIRMAN MINOW: It's terrific developments on
both fronts. Anyone have questions?

(No response.)

CHAIRMAN MINOW: Just the kind of expanding
different kinds of support, and particularly to address
the knowledge that we don't have. So that's really
elegant.

Okay. So any other business?
CHAIRMAN MINOW: Public comment?
(No response.)
CHAIRMAN MINOW: So I'd like to entertain a motion to adjourn this Committee meeting.
MOTION
MR. LEVI: So move.
FATHER PIUS: Second.
CHAIRMAN MINOW: All in favor?
(A chorus of ayes.)
CHAIRMAN MINOW: Very good. Thank you.
(Whereupon, at 2:25 p.m., the Committee was adjourned.)

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