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LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

OPEN MEETING

10:00 A. M.

FRIDAY, MARCH 26, 1982

Conference Rooms 2 & 3
733 15th Street, Northwest
Washington, D. C.

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1 PRESENT:

2 William F. Harvey, Chairman (Presiding)

3 Dan J. Bradley, Corporation President

4 Howard H. Dana, Member

5 Annie L. Slaughter, Member

6 Marc Sandstrom, Member

7 Clarence V. McKee, Member

8 Harold DeMoss, Member

9 William Earl, Member

10 David Satterfield, Member

11 Robert Stubbs, Member

12 Josephine Worthy, Member

13 William J. Olson, Member

14 Antone G. Singsen, III, Vice President,
 Finance and Management

15 Mary Bourdette, Director,
16 Government Relations

17 Clint Lyons, Director,
 Office of Field Services

18 Bernie Veney, Director,
19 National Clients Council

20 Linda Hanten, Acting General Counsel

21 Bob Raven, Chairman, SCLAID

22 IN ABSENTIA:

23 George Paras, Member

24

25

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P R O C E E D I N G S

1
2 CHAIRMAN HARVEY: Good morning, ladies and
3 gentlemen. Would the meeting please come to order?

4 I want to welcome you to our scheduled meeting
5 of March 26th of the Board of Directors of the Legal
6 Services Corporation and commence our meeting by asking
7 the Board members who are present to identify themselves
8 for purposes of the public and for purposes of the
9 record of the meeting, commencing with Harold DeMoss
10 down here on my left.

11 MR. DeMOSS: I am Harold DeMoss, from Houston,
12 Texas.

13 MR. McKEE: Clarence McKee, from Washington,
14 D. C.

15 MR. SANDWTROM: Marc Sandstrom, from San Diego,
16 California.

17 MS. SLAUGHTER: Anne Slaughter, from St. Louis,
18 Missouri.

19 MR. DANA: Howard Dana, from Portland, Maine.

20 CHAIRMAN HARVEY: Bill Harvey, Indianapolis,
21 Indiana.

22 MR. OLSON: Bill Olson, from Fairfax County,
23 Virginia.

24 MS. WORTHY: Josephine Worthy, from
25 Massachusetts.

1 MR. SATTERFIELD: David Satterfield, Richmond,
2 Virginia.

3 MR. EARL: Nominee Bill Earl, from Miami,
4 Florida.

5 CHAIRMAN HARVEY: Thank you very much, and
6 welcome, also, members of the public. I know several of
7 you have come from quite a distance. I do identify
8 Bob Raven, from California and the past President of the
9 California State Bar. It is a great pleasure to have you
10 here and the rest of the public, those individuals whom
11 I see but don't remember the names.

12 I would like to turn to the adoption of our
13 agenda, item No. 1 on the agenda.

14 Members of the Board, the published agenda is
15 before you, all of you, and we will be covering the
16 items listed on the agenda.

17 However, because of very substantial time
18 constraints pursuant to which we must function, a
19 modification I think is appropriate in the agenda.

20 Number one, the Presidential Search Committee
21 was originally scheduled to meet yesterday. Then it was
22 rescheduled for this afternoon at two o'clock. So that
23 any matters to be handled in executive session may be
24 addressed during the noon brief, the Presidential Search
25 Committee will meet after Mary Bourdette's presentation,

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1 and I am now referring to agenda item No. 5.

2 Secondly, the other committee organization
3 meetings will be shifted until the close of the Board
4 meeting today, and the meeting of each committee will
5 be separate so that interested Board members and other
6 persons from the public may attend.

7 I suggest that the agenda be adopted with
8 these modifications or clarifications. The specific
9 committee meetings, times will be discussed under agenda
10 item No. 3, but all committees, with the exception of
11 the Presidential Search Committee, will meet after
12 agenda item No. 8.

13 Now, let me verify from the Board and others
14 in attendance that the committee meetings will be
15 organizational in nature, and that is to say, not
16 decisional, and that except for the Presidential Search
17 Committee all portions of the committee meetings will
18 be public committee meetings.

19 With those comments in mind, the Chair would
20 entertain a motion for adoption of the agenda as modified
21 by my comments.

22 MR. OLSON: So moved.

23 MR. SANDWTROM: Second.

24 CHAIRMAN HARVEY: I would like to also identify
25 for purposes of our record the moving member and the

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1 second member. The moving member is Bill Olson, the
2 second by Marc Sandstrom.

3 We have been asked to make that identification,
4 please, for the record, if you would, hereafter.

5 Now, at the top of the agenda, members of the
6 Board, there is an indication -- I am referring to that
7 listing called "Status of the Meeting". There is an
8 indication that a portion of our meeting will be
9 closed to discuss litigation matters under Title 45 of
10 the Code of Federal Regulations, Section 1622.5(h).

11 The Presidential Search Committee will be
12 closing a portion of its meeting today to discuss a
13 personnel matter under 45 C.F.R. Section 166.5(a).

14 In order to save duplicative efforts, I will
15 now entertain a motion for the closure of the Board
16 meeting and for the closure of the committee meeting
17 for reasons enunciated.

18 However, before doing this, and I think you
19 have all had a chance now to catch your breath, I want
20 to vote on the agenda resolution.

21 So, with that in mind, the Chair would
22 entertain, first, discussion on the adopted agenda, and
23 then a vote on that matter.

24 Is there discussion on the resolution for the
25 agenda adoption?

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1 (No response.)

2 Hearing none, is the Board prepared to vote?

3 All those in favor of the adoption of the
4 agenda as modified by my comments signify by saying
5 aye.

6 (Chorus of ayes.)

7 And opposed with the same sign?

8 (No response.)

9 Thank you.

10 Now, to return to the executive session
11 authorization, you recall I have cited two appropriate
12 sections of Title 45 of the Code of Federal Regulations,
13 and I think that in order to avoid any duplicative
14 efforts it would be appropriate now to entertain a
15 motion for that purpose, and the Chair will be happy to
16 receive that motion.

17 MR. DeMOSS: DeMoss, Mr. Chairman, and I move
18 that the meeting of the Board go into executive session
19 for the appropriate consideration of personnel matters,
20 and that the Executive Search Committee be authorized to
21 go into executive session.

22 CHAIRMAN HARVEY: Very well. Is there a
23 second?

24 MS. SLAUGHTER: I will second it.

25 CHAIRMAN HARVEY: Ms. Slaughter has seconded the

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1 motion.

2 It has been moved and seconded that a portion
3 of this meeting be closed so the Board can discuss
4 litigation matters, and that a portion of the Presidential
5 Search Committee be closed so that the committee can
6 discuss personnel matters.

7 Title 45 of the Code of Federal Regulations,
8 Section 1622.6 states that no portion of any meeting
9 shall be closed to public observation "except by a
10 recorded vote of the majority of the members."

11 As your name is called, please vote on the
12 motion after discussion.

13 Is there any discussion of the motion?

14 MR. OLSON: Just to clarify, Mr. Chairman, we
15 are voting on closing for both litigation and personnel,
16 is that not correct?

17 CHAIRMAN HARVEY: That is correct, and for both
18 the Board meeting and the President Search Committee.

19 MR. OLSON: Thank you.

20 CHAIRMAN HARVEY: Any other discussion or
21 questions?

22 (No response.)

23 Very well. Those in favor -- well, vote by
24 name, please, commencing first with Harold DeMoss.

25 Those in favor signify by saying aye, and

1 opposed no.

2 MR. DeMOSS: DeMoss, aye.

3 MR. McKEE: McKee, aye.

4 MR. SANDSTROM: Sandstrom, aye.

5 MS. SLAUGHTER: Slaughter, aye.

6 MR. DANA: Dana, aye.

7 CHAIRMAN HARVEY: Aye.

8 MR. OLSON: Olson, aye.

9 MS. WORTHY: Worthy, aye.

10 MR. STUBBS: Stubbs, aye.

11 MR. SATTERFIELD: Satterfield, aye.

12 CHAIRMAN HARVEY: The vote has been taken and
13 now Title 45, Section 1622.7 charges Linda Hanten, who
14 is the Deputy General Counsel, as Acting General Counsel
15 of the Corporation, with the duty to certify publicly
16 whether the meeting may be closed to the public, stating
17 the relevant exemptions.

18 I want to call on Linda Hanten for that
19 purpose. Linda.

20 MS. HANTEN: I certify that a portion of the
21 Presidential Search Committee meeting and the Board
22 meeting as a whole may be closed to discuss a personnel
23 matter and to discuss litigation. This is done pursuant
24 to a recorded voice vote of the members of the Board.

25 CHAIRMAN HARVEY: Thank you, Linda. And you

1 are acting in what capacity, again, please?

2 MS. HANTEN: I am Acting General Counsel of the
3 Corporation.

4 CHAIRMAN HARVEY: Thank you very much.

5 We have now been authorized -- we have now
6 authorized the closing of a portion of the Board meeting
7 and the closing of a portion of the Presidential Search
8 Committee meeting.

9 When we reach the relevant and pertinent parts
10 of the agenda, we will then be in executive session, and
11 so also will the Presidential Search Committee be in
12 executive session.

13 Our agenda item No. 2, members of the Board, is
14 the approval of the minutes of this Board's meeting on
15 March 4th and 5th, 1982.

16 We have before us the draft minutes of the
17 March 4th, 5th, 1982 Board meeting. The Chair request to
18 know whether there are any changes, deletions or
19 additions to the minutes, and the floor is open to the
20 Board for that purpose.

21 Harold DeMoss, first.

22 MR. DeMOSS: Mr. Chairman, it is a rather minor
23 point, but I feel that Mr. Olson was the Chairman of
24 this Board for a period of time and not the Acting
25 Chairman, and I would move that we amend the minutes by

1 deleting the word "acting" wherever it appears before
2 his designation as Chairman.

3 CHAIRMAN HARVEY: The Chair would be happy to
4 entertain a motion by acclamation to that fact. Do I
5 understand that to be the purpose of your motion,
6 Mr. DeMoss?

7 MR. DeMOSS: Yes.

8 CHAIRMAN HARVEY: Is there a second to that
9 motion?

10 MR. STUBBS: I second it.

11 CHAIRMAN HARVEY: Mr. Stubbs seconded that
12 motion.

13 Any discussion?

14 (No response.)

15 All those in favor signify by saying aye.

16 (Chorus of ayes.)

17 Opposed with the same sign.

18 (No response.)

19 The vote is unanimous and the minutes will be
20 corrected accordingly.

21 Clarence?

22 MR. McKEE: My point was the one raised by
23 Mr. DeMoss, striking the "acting", which we have already
24 done.

25 CHAIRMAN HARVEY: Okay. For the record, down

1 this way, Bill Olson?

2 MR. OLSON: I appreciate that just small matter,
3 but let me just ask, should I be listed as having
4 attended or is that implicit in the minutes?

5 MR. BRADLEY: You, in fact, should be listed.
6 It is just an oversight in the draft of the minutes. We
7 will reflect that.

8 CHAIRMAN HARVEY: May the Chair take it by
9 unanimous consent that the Chairman was present that
10 day, convened the meeting, conducted it, and did other
11 things?

12 Very well, the minutes will be modified to
13 show that Chairman Olson was present on that day.

14 Are there other comments, deletions,
15 amendments, discussions about the minutes of March 4th
16 and 5th?

17 The minutes are quite long. Take a couple of
18 minutes to refresh your recollection, if you prefer.

19 (Pause.)

20 Members of the Board, what is your pleasure
21 with regard to the approval of the minutes of the
22 March 4th and 5th meeting?

23 MR. DeMOSS: Mr. Chairman, I move the minutes
24 be approved as amended and corrected.

25 CHAIRMAN HARVEY: Thank you, Mr. DeMoss. Is

1 there a second to that motion, please?

2 MR. STUBBS: Second.

3 CHAIRMAN HARVEY: Discussion on the motion as
4 seconded, or alternatively, are there any comments about
5 the minutes?

6 MR. STUBBS: Mr. Chairman.

7 CHAIRMAN HARVEY: Yes.

8 MR. STUBBS: The only comment I might have is,
9 in view of the fact that there is a resolution
10 authorizing and directing you to appoint the membership
11 of the committees, you may want to include that as a part
12 of the minutes of this meeting, or in some other fashion
13 have it made a part of the record.

14 CHAIRMAN HARVEY: All right. Mr. Stubbs, that
15 is an agenda item today and probably it will be easier
16 to maintain it in today's minutes.

17 Ms. Worthy, do you have any comments about the
18 minutes?

19 MS. WORTHY: I don't have any.

20 CHAIRMAN HARVEY: Any other comments?

21 (No response.)

22 Very well. Apparently there are no other
23 comments or deletions, corrections. The Chair calls for
24 a vote on the motion for the adoption of the minutes as
25 amended.

1 All those in favor signify by saying aye.

2 (Chorus of ayes.)

3 And opposed by the same sign.

4 (No response.)

5 Fine. The minutes of the Board meeting of
6 March 4th and 5th, 1982 have been adopted.

7 Proceeding, members of the Board, to item No. 3
8 on our agenda, along with the announcement of the
9 committee assignments and designation of chairpersons of
10 those committee, I would like to suggest times for the
11 committees to meet briefly for organizational meetings
12 today.

13 Originally, all of the standing committees and
14 the special committees on grants and contract procedures
15 were to meet simultaneously. However, it seems that
16 separate time slots would be much more advantageous if
17 those times are brief.

18 Therefore, I offer to the Board for the
19 Board's approval the following order for committee
20 meetings:

21 First, the Presidential Search Committee,
22 which will meet after agenda item No. 5;

23 Secondly, the other four committee meetings to
24 meet after agenda item No. 8.

25 By meeting before lunch, the Presidential

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1 Search Committee can conduct any executive session during
2 the luncheon break.

3 Our agenda would be affected in this way: There
4 will be or would be a committee meeting before lunch, and
5 the remainder of the committees will meet after the other
6 business is conducted and after item No. 8.

7 Now, in my memorandum to you dated March 15,
8 1982, I indicated that the proposed effective date of
9 the committee assignments would be tomorrow, March 27,
10 1982 at eight o'clock in the morning so that individual
11 members of the Board might suggest changes or desire
12 changed, should they want to do this, in the committee
13 assignments.

14 I have talked with, I think, all members of the
15 Board, or almost all members of the Board in the last
16 couple of days, and I want to ask now: Are there any
17 requested changes or other suggestions regarding the
18 committees?

19 I think the committee assignments are before
20 you, my memorandum, again, of March 15, 1982.

21 (No response.)

22 Very well. If there is none, then unless there
23 is objection from members of the Board, the committee
24 assignments will become effective as of this time. That
25 is to say, as of today and as of this morning.

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1 And I request a motion from the floor to
2 authorize the committees as announced and as of this
3 announcement time.

4 MR. DANA: Mr. Chairman.

5 CHAIRMAN HARVEY: Howard.

6 MR. DANA: To supplement your memo of
7 March 15, for the record, the names of the members of the
8 Presidential Search Committee are Dana, Stubbs, DeMoss,
9 Earl, McKee, Olson, Paras, Sandstrom, Satterfield, and
10 Slaughter.

11 CHAIRMAN HARVEY: All right.

12 MR. DANA: Each has requested to serve on it
13 and I am happy to honor that request.

14 CHAIRMAN HARVEY: All right, fine. The Chair
15 accepts those designations and appointments and your
16 recommendations, Mr. Dana, and consider it done, and
17 the record will reflect that particular change.

18 Any other comments or statements concerning
19 the committees and their appointments?

20 MR. EARL: Mr. Chairman, might I just clarify
21 Mr. Dana's announcement?

22 I would be sitting on that Presidential Search
23 Committee as an observer. Obviously, I can't be a
24 member until I am confirmed.

25 MR. DANA: If that is your request, that is so

1 honored. But as a member of the committee, you are not--
2 I think you can serve as a full voting member of the
3 committee, although not a member of the Board. But
4 subject to check, I am happy to have you serve in either
5 capacity.

6 CHAIRMAN HARVEY: Well, I think perhaps there
7 is some question on that, and Mr. Earl, perhaps your
8 request should be honored, which was, again, please?

9 MR. EARL: That I be listed as an observer
10 until confirmation, that I participate to the extent
11 legally possible.

12 CHAIRMAN HARVEY: Fine.

13 MR. EARL: I think as an observer.

14 CHAIRMAN HARVEY: The Chair accepts that
15 request, and your designation is pursuant to that
16 request.

17 MR. EARL: Thank you.

18 CHAIRMAN HARVEY: Very well, Board members,
19 any other comments now concerning the ---

20 MS. WORTHY: May I ask Mr. Dana a question?

21 I know most of your committee members are all
22 Board members. Are you going to be opening it for
23 recommendations of people outside to serve on your
24 committee?

25 MR. DANA: That is one of the subjects that we

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1 will take up after agenda 5.

2 MS. WORTHY: Okay. Thank you.

3 CHAIRMAN HARVEY: Well, unless there are other
4 corrections or requests, the committee will become
5 effective as of this time, and I request a motion from
6 the floor to authorize the committees as announced and
7 as stated with corrections by Mr. Dana and Mr. Earl.

8 MR. DANA: I so move, Mr. Chairman.

9 CHAIRMAN HARVEY: Thank you, Mr. Dana.

10 Is there a second to that motion?

11 MR. SANDSTROM: I will second, Mr. Chairman.

12 CHAIRMAN HARVEY: Thank you, Marc.

13 Any discussion concerning the motion on the
14 floor?

15 (No response.)

16 Hearing none, all those in favor of the motion
17 signify by saying aye.

18 (Chorus of ayes.)

19 And opposed by the same sign.

20 (No response.)

21 Then the motion is carried and the committees
22 are announced effective as of this time pursuant to the
23 motion.

24 Thank you very much.

25 We will proceed, members of the Board, to item

1 No. 4, which is the report on congressional activities,
2 and a report by a member of the Corporation staff, Mary
3 Bourdette.

4 Mary, it is a great pleasure to have you here
5 this morning and to receive the report.

6 However, before doing this, there is one
7 slight change in the agenda which the Chair wants to make
8 at this time, and I think that this is probably
9 compatible with not only federal law but even Robert's
10 Rules and regulations, and that is to announce that there
11 is a very significant event occurring on this date which
12 affects President Bradley; namely, that this is his
13 birthday.

14 (Laughter.)

15 And my sources of unimpeachable information
16 say that he admits to being 25 years and not a day
17 beyond that day. So, before your report, Mary, I will
18 give Dan Bradley an opportunity to confess to the Board
19 that he is 25 or anything else he wants to say.

20 Dan, your Florida sunshine has brought you
21 here.

22 (Laughter.)

23 I trust that that means you have silence to
24 report, is that correct?

25 MR. BRADLEY: Thank you, Mr. Chairman.

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1 CHAIRMAN HARVEY: I am sure you are pleased.

2 All right, Mary, the floor is yours.

3 MS. BOURDETTE: Thank you.

4 When Dan asked me to provide you with some
5 information on our congressional activities, the memo
6 which begins on page 25 of your Board book was prepared.

7 It is intended to give you a general overview
8 of the way the various congressional processes in which
9 we participate are supposed to operate.

10 Perhaps your activities with Congress in the
11 last 24 hours gives you a little better idea of the way
12 Congress actually operates.

13 I will only take a minute, and I think it
14 does, as I say, generally review the activities. Let me
15 just add a few points and then answer any questions you
16 might have, rather than me going all through it.

17 With respect to the authorization, there are
18 currently two bills pending in Congress that provide
19 reauthorization for the Legal Services Corporation, and
20 those are in your Board book, H. R. 3480, which passed
21 the House last year in June, and S. 1533, which has been
22 reported out of the Senate Labor and Human Resources
23 Committee.

24 The next step in the authorization process is
25 full Senate consideration of S. 1533. Senator Baker has

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1 on several occasions indicated that the 97th Congress
2 will address the Legal Services reauthorization
3 legislation, but as of today and for quite some time we
4 do not have any idea of when that legislation will be
5 scheduled.

6 On the appropriation process, there are just
7 a couple of points of update to your memo.

8 The first thing is with respect to our FY 1982
9 appropriation. As I think you know, for FY 1982, the
10 current fiscal year, our appropriation is contained in
11 the continuing resolution. This was legislation often
12 referred to as stopgap legislation that funded virtually
13 all aspects of the Federal Government through March 31,
14 1982, and this was necessary because last year when they
15 were working on the '82 appropriation bills, by the end
16 of the Congress virtually none of them had been passed
17 yet. So, they needed to pass a continuing resolution.

18 It is a piece of legislation like any other
19 piece of legislation. It is just abbreviated and
20 usually appropriates by reference to other pieces of
21 legislation. But it expires next Wednesday.

22 As a result of that, there are still numerous
23 appropriation bills that are still not yet completed,
24 despite the fact that we are halfway through the 1982
25 fiscal year.

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1 The State Justice Bill, which normally includes
2 our appropriation as well as the appropriation for many
3 other agencies, is stalled and has been for some time on
4 the Senate floor.

5 So, our appropriation, our '82 appropriation
6 will be contained in another continuing resolution that
7 is being worked on right now in Congress. The number for
8 it, it is called H. Joint Resolution 409, H. J. Res. 409,
9 and that was reported out of the House Appropriations
10 Committee last Tuesday and passed by a full House this
11 Wednesday. It is expected the Senate will deal with it
12 either Monday or Tuesday of next week, and maybe, just
13 maybe they will get it passed before the other one
14 expires.

15 It is just simply an extension of the old
16 continuing resolution. It extends the date until
17 September 30, 1982, and therefore, for all programs that
18 would be contained in it, it appropriates funds for the
19 entire fiscal year.

20 For the Corporation, that means merely an
21 extension of our \$241 million appropriation for 1982 for
22 the entire fiscal year, and that is a \$241 million
23 appropriation with the restrictions that are in our
24 current law, the Legal Services Corporation Act as well
25 as those riders that have been attached to our

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1 appropriations bill in the past.

2 Just a little update on our FY '83 appropriation,
3 it is also moving at the same time. Hearings have been
4 held in both the House and the Senate, and the next step
5 is for the House Appropriations Subcommittee to conduct
6 what they call a mark-up session where they make the
7 recommendation for funding for this agency and others
8 in the 1983 fiscal year.

9 That is normally held in the spring, and I
10 would expect it would be held in late April or early
11 May. After that, that appropriations bill would go to
12 the full committee and then to the floor, and then over
13 to the Senate for repeat of the same process.

14 It is anybody's guess whether they will finish
15 any appropriations bill this year. There is a lot of
16 discussion about another continuing resolution for the
17 entire Federal Government in the '83 fiscal year as well.

18 There has been virtually no action on the
19 budget committees with respect to us this year. I think
20 you know from reading the paper, all the budget actions
21 are substantially delayed, and again it is difficult to
22 predict what will happen with the first concurrent and
23 the second concurrent budget resolution.

24 You know a lot more about the confirmation
25 process than I do, so I would just like to answer any

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1 questions you might have about congressional activities
2 or any material that you would like to have me provide
3 you.

4 CHAIRMAN HARVEY: Marc, I saw your hand first.

5 MR. SANDSTROM: Thank you, Mr. Chairman.

6 Mary, I think one of the greatest difficulties
7 in talking to some of the programs out in the field is
8 the uncertainty of this year's, especially, budget. They
9 are looking at a March 31st cutoff.

10 If Congress or the Senate acts next week and we
11 do have the \$241 million level carried out through the
12 '82 fiscal year, how is that notice gotten to the field
13 so they know as soon as possible that the program is
14 there and functioning for this fiscal year anyway?

15 MS. BOURDETTE: Well, they usually know when
16 that money is coming back, but we would probably send out
17 some kind of a notice to them as soon as the legislation
18 is signed to assure them that the grants will be
19 continuing.

20 MR. SANDSTROM: I think that is critical,
21 because in a couple of the offices I saw the notice to
22 the clients, as of March 31st there will be no further
23 funds available, and I think that creates an
24 uncertainty and whatever we can do to alleviate that as
25 soon as a resolution is passed, to tell them that they do,

1 in fact, have funding for at least this fiscal year, and
2 at such time as '83 is passed, obviously again advise
3 them.

4 So, I think it is important that this gets
5 out.

6 CHAIRMAN HARVEY: Marc, I have a question, if
7 I might. You say in some offices you noticed notices?

8 MR. SANDSTROM: Yes.

9 CHAIRMAN HARVEY: Was that a ---

10 MR. SANDSTROM: It is in the reception areas
11 saying, effective March 31st there are no further
12 funds available.

13 CHAIRMAN HARVEY: So, they were watching
14 offices confronted by this deprivation.

15 MR. SANDSTROM: I think it is a realistic
16 thing on their part, not knowing whether the money -- I
17 think, obviously, money will continue at some level, but
18 they don't know at what level.

19 MR. BRADLEY: Marc, in further amplification
20 of that, there are various the Corporation communicated
21 not only with our grantees but with the larger mailing
22 list. We do so through the annual report. We do so
23 through the Public Law today. We do so through notes
24 and the newsletter.

25 Any time something like the passage of our

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1 appropriation bill or authorization bill or continuing
2 resolution, the minute that occurs, we immediately send
3 basically a flash announcement out to all of our
4 grantees, verbally through the regional offices and
5 most of the regional directors are notified by
6 telephone by our office here, and they immediately get
7 on the phone and communicate.

8 So, I think that the minute something happens,
9 literally, and I am not exaggerating, within almost
10 hours every program is notified of what has transpired,
11 especially if it is something as important as the
12 continuing resolution, and I can assure you that
13 Mr. Kaplan would make sure on March 31st, April 1st
14 that that is communicated instantly to all of the
15 programs to address the concern you just raised.

16 MR. SANDSTROM: Thank you. That is a point.

17 CHAIRMAN HARVEY: Howard.

18 MR. DANA: Just to follow up on that, I
19 learned that I had been sued by the director of our local
20 legal services program about two hours before I received
21 the telegram.

22 (Laughter.)

23 MR. OLSON: Communications is effective.

24 MR. DANA: Am I also correct, or I think I am
25 correct that if we receive a continuing resolution through

1 September, that that will fully fund the central office
2 staff and our programs for the balance of this calendar
3 year. Is that correct?

4 MS. BOURDETTE: That is correct -- oh, no,
5 excuse me. It will fund the programs for the balance of
6 the calendar year, and the Corporation for the balance
7 of the fiscal year. The Corporation is on a fiscal
8 year basis, and our grantees are on a calendar year.

9 MR. DANA: Well, when you say the
10 Corporation, do you mean that portion of our ---

11 MR. BRADLEY: Management and administration
12 budget.

13 MR. DANA: Right. And the flip side of that,
14 it seems to me, is that is a hiatus, like there was the
15 last time between March 30th and the day Congress votes,
16 again, the money is not cut off because all of the
17 grantees -- we have money in hand for all of the
18 grantees through June 30th?

19 MS. BOURDETTE: That should be -- if there was
20 a several day hiatus, as there was last time, it should
21 not have a significant effect on this program at all.

22 MR. DANA: It is close to three months lead
23 time, is that right?

24 MS. BOURDETTE: With the grantees, yes.

25 MR. DANA: We might have to shut down, but ---

1 MS. BOURDETTE: No. Perhaps Dan or Charles
2 Ritter may want it tough, but we are not budgeted that
3 closely that we couldn't operate for a couple of days,
4 and we certainly have legal authority to operate, unlike
5 federal agencies, during the period of time. So, just
6 as long as we have funds, which I think quite certainly
7 we do.

8 MR. BRADLEY: In fact, the only -- without
9 going into great detail -- if that were to happen,
10 hypothetically, one, and I just have to represent to you
11 that it is inconceivable that there would be a gap in
12 the continuing resolution for more than a few days.

13 But if I am wrong, and if there were a gap of
14 several long days or weeks or months, in terms of the
15 management-administration portion of the program, of the
16 Corporation's operation, there is sufficient unallocated
17 funds carried over from prior budget years that would
18 permit the entire operation of the Corporation to go
19 forward. There are sufficient monies in the budget to
20 permit us to go forward based on the continuing
21 resolution and prior year appropriations that we have
22 received.

23 That was referred to generally in Gerry
24 Singen's report to you at your last Board meeting about
25 those funds that are set aside, you recall, that have been

1 allocated, and that we have got those funds to continue
2 the Corporation.

3 Now, while I think that theoretically that is
4 the case, the question practically, all I can do is to
5 represent to you that it is inconceivable that this
6 Board would ever have to face that eventuality.

7 MR. DANA: Well, it seems to me that that also
8 should be communicated, because that is reasonably
9 reassuring, I would think, to the recipients in the
10 field, to the extent that they don't know it, that the
11 clients and the employees are not going to be without
12 service if we have another confrontation between the
13 two branches involved.

14 CHAIRMAN HARVEY: Mary, I think I am a little
15 confused about that particular question and answer, so
16 it is straight in my mind -- perhaps in the rest of you
17 it is -- but did I understand you to say that the
18 grantee is on a different calendar year than the
19 Corporation is? Is that what you were saying?

20 MS. BOURDETTE: Yes.

21 CHAIRMAN HARVEY: And the grantee expires on
22 June 30th, is that the gist of it?

23 MS. BOURDETTE: Right.

24 CHAIRMAN HARVEY: Dan.

25 MR. BRADLEY: I suppose all of our local

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1 program operations, all the grantee operations where
2 they are defined by contract or by grant, a policy
3 decision was made early in the Corporation existence --
4 whether it was '75 or '76, I don't recall -- that all of
5 our grantees would operate on a calendar year basis,
6 from January 1 through December 31st.

7 However, the Corporation would have a different
8 fiscal year and we would operate on the same fiscal year
9 that the Federal Government maintained. And so we have
10 maintained that policy for the last four or five years.

11 So, we are on one fiscal year. Our programs
12 are on another fiscal year. And that is basically the
13 distinction Mary was trying to draw.

14 MR. SANDSTROM: I think, Mr. Chairman, in
15 answer to Howard's questions, you also indicated that
16 there were funds available to carry through to this
17 June date for the grant recipients.

18 CHAIRMAN HARVEY: That was my next question.
19 Therefore, the statement you are concerned about, Marc,
20 was a little bit off the mark, wasn't it?

21 MR. SANDSTROM: Right. But that is the
22 notice that is out there, and perhaps, as Howard
23 suggest, that the recipients recognize that their fund
24 will continue at least through June if Congress doesn't
25 act on the 31st, so they don't have this imminent

1 deadline to shut down.

2 CHAIRMAN HARVEY: Of course, the unfortunate
3 thing about that type of literature is the client doesn't
4 understand those distinctions, and so the client -- the
5 literature is designed to maximize and exacerbate their
6 anxieties.

7 MR. SANDSTROM: That was my concern.

8 CHAIRMAN HARVEY: And it really has potentially
9 a substantial misrepresentation.

10 Now, I am just curious -- Bill?

11 MR. OLSON: Mary, let me ask one question
12 about fiscal '83. One thing I have never been able to
13 understand is the commercial and budget process, and I
14 think there is something -- I understand you said that
15 no action has been taken by the budget committees, but
16 the authorizing committees have a responsibility under
17 the Budget Act to make a recommendation to the budget
18 committees for levels of funding, and in our case the
19 authorizing the committees, which I assume to be House
20 Judiciary and Senate Labor and Human Resources, must
21 have made some recommendations for fiscal '83 levels to
22 be included in the fiscal '83 budget resolution.

23 What were those, if they have been made?

24 MS. BOURDETTE: Well, both the Appropriations
25 committees and the authorizing committees do, in fact,

1 make recommendations to the budget committees to help
2 the budget committee develop their budget resolution.
3 They are not binding. They are simply recommendations.

4 The House Judiciary Committee recommended to
5 the House Budget Committee a level of \$241 million for
6 the Corporation for the 1983 fiscal year.

7 It is my understanding that the Senate Labor
8 and Human Resources Committee made no recommendations
9 about this program or any other program to the Senate
10 Budget Committee this year.

11 The appropriations committees, it is also my
12 understanding, recommended \$241 million.

13 MR. OLSON: I think I remember reading something
14 about there was a letter sent up saying they were unable
15 to reach agreement on numbers and left it to the budget
16 committee, if I am not mistaken.

17 MS. BOURDETTE: Yes.

18 MR. OLSON: Secondly, on the testimony that
19 is included in our books that Dan provided to the Senate
20 Appropriations Committee, was identical or substantially
21 identical testimony provided on the House side?

22 MR. BRADLEY: Exactly identical.

23 MR. OLSON: And did you say, Mary, that
24 recommendations were made by the House and Senate
25 Appropriations also to their respective budget

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1 committees?

2 MS. BOURDETTE: Yes. But they don't usually
3 send them over in a line item fashion. They do make
4 recommendations of totals for various agencies under
5 their program. And it is my understanding that both
6 subcommittees included us at a \$241 million level. We
7 will not see a document that line items that.

8 CHAIRMAN HARVEY: Bob.

9 MR. STUBBS: I have one question, I guess,
10 directed to Dan as much as to anyone. Is there any
11 Board action required in the event there is a shortfall
12 of funds? That has already been budgeted and approved,
13 has it not?

14 So that instead of relying on a new
15 appropriation, you just tap what other funds are
16 available to carry out any obligations that are presently
17 made?

18 Maybe I am garbled in my thinking.

19 MR. BRADLEY: I think, here again, and I
20 don't know how to say this, other than, I really think,
21 Bob, hypothetically -- I mean, theoretically, you could
22 conceivably construct a scenario that would place us in
23 that situation. Practically speaking, and maybe
24 Congressman Satterfield, who is much more, you know,
25 knowledgeable -- it is inconceivable, quite frankly, that

1 the Congress is going to permit the Federal Government
2 to close down. It is just inconceivable.

3 Now, if that were, in fact, to happen and we
4 were faced with an absolute -- an absolute rather than
5 a hypothetical -- then I think what this Board would have
6 to do probably is to reconvene itself and to face the
7 reality of that decision. But I would submit to you,
8 quite frankly -- we are not trying to evade your
9 question -- it is just inconceivable to me that that
10 would ever happen.

11 Maybe Mr. Satterfield has a better frame on
12 that.

13 MR. SATTERFIELD: No. I agree with you. And
14 if I could comment for a moment, I think you have got to
15 realize that the only time that the magic date expired
16 happened on a Saturday when the government wasn't
17 functioning. March 31st coming at it does in the middle
18 of the week will see the meeting in time.

19 And incidentally, it has been my relation
20 16 years up there that the continuing resolution never
21 gets hung up on the question of whether it is going to
22 pass or not, but it is hung up on some amendment that
23 is usually added in the Senate one or two days before
24 Congress is scheduled to vote on it, and that is the
25 game that we are developing right now, and I think that

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1 is what we can see of it. They are not going to let it
2 expire.

3 MR. STUBBS: Dan, you know where I am coming
4 from, being from a state that did it back after paying
5 script without money.

6 CHAIRMAN HARVEY: Well, far be it for me to
7 disagree with the distinguished Congressman and fine
8 President, but it occurs to me that if either of you
9 gentlemen had been standing with George Washington at
10 Valley Forge, you would be less certain about your
11 statements on funding than perhaps you are.

12 MR. STUBBS: I have one more question, if I
13 might. I am sure you made some comment on this and I
14 must have missed it.

15 The bill that passed the House, H. R. 3480, is
16 that still just in committee in the Senate, or has it
17 progressed at all?

18 MS. BOURDETTE: No. It is in committee. It
19 has been formally referred to the Senate Labor and
20 Human Resources Committee.

21 It is common procedure, however, to have
22 bills moving on both sides, and S. 1533, which has
23 passed out of the Senate Labor Committee, is in fact the
24 vehicle for the authorization legislation, and I think
25 no one would expect that it would ever pass the Senate

1 in its current form. But it is unlikely, from past
2 experience, that Labor and Human Resources would deal with
3 the other piece of legislation, since there is one
4 currently pending on the floor that can be used as the
5 vehicle for that.

6 MR. STUBBS: Thank you.

7 MR. SATTERFIELD: I would just like to ask one
8 question following up on the line of thought that Bill
9 Olson had. While it is true, am I correct in stating
10 this, that while it is true that the budget resolution
11 itself does not contain line items, they are going to
12 be contained in the reconciliation measure which
13 follows, and that is the area where each committee then
14 has to come forward with a program to define those
15 authorizations over which they have control, to make
16 them fit within the level set by the budget process?
17 Is that correct?

18 MS. BOURDETTE: That is correct.

19 MR. SATTERFIELD: We may have a problem, then,
20 on the line item as far as this Corporation is concerned
21 at that time.

22 MS. BOURDETTE: It is possible. We were not
23 included in any way in reconciliation legislation last
24 year. That was designed to make cuts in authorized
25 levels. You recall, we don't have an authorization and

1 it is very difficult to cut just on that, and therefore
2 since that was legislation designed to effect savings,
3 we were not included in it.

4 And I suspect that we will not be included in
5 the reconciliation legislation this year.

6 In addition, reconciliation is really
7 directed toward those entitlement programs in which the
8 authorization level, in fact, sets your appropriations,
9 your spending level, and that is not the case.

10 So, I do not think that we will be in
11 reconciliation legislation this year as we were not last
12 year. I am also not sure there is going to be
13 reconciliation legislation this year.

14 MR. SATTERFIELD: Well, I hope you are right.
15 Having recognized when I was over there that they don't
16 confine that reconciliation actually to budget items,
17 I am not that sure myself, but I hope you are right.

18 MS. BOURDETTE: Let me just add, the budget
19 process is very, very complicated, and it is evolving
20 new -- and there are very few people on the Hill or
21 other places who have a real thorough understanding of
22 this, and the newspapers nine times out of ten haven't
23 always provided the best information about it, as well.

24 So, it is admittedly very complicated.

25 CHAIRMAN HARVEY: Clarence.

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1 MR. McKEE: I was interested in the comments
2 and questions you got on your testimony, both positive
3 and negative, as you stated before the committee that is
4 in your testimony.

5 MR. BRADLEY: It was the shortest -- I think
6 that is my third year that I have appeared before those
7 two committees. It was my shortest appearance on record.
8 On the House side, I think I was asked three questions.
9 There were only two membes present. On the Senate side,
10 I don't think I was asked a single question. There were
11 just some comments. Only two members were present,
12 Mr. Weicker and Senator Rudman. They basically -- what
13 I normally do and what I did in this instance, I filed
14 the statement that is in your Board book, I said I
15 would be happy to respond to any questions.

16 In the Senate hearing, the two senators
17 basically spoke to each other and I think the entire
18 hearing took no more than ten minutes. And a maximum
19 on the House side, it probably took 15 minutes. And it
20 was basically Mr. Smith, the Chairman, thanking me and
21 wishing me well, and I thanked him and wished him well,
22 and it was in that spirit and that vein.

23 They did not get into the -- they asked
24 absolutely no questions of -- well, I say absolutely.
25 One of the members, the member from New Jersey asked me

1 a couple of questions which I gave a basically yes or
2 no answer to.

3 We will be getting, when we get those
4 transcripts, we will make sure that they are available
5 to you. The transcript will basically reflect the
6 document that you have before you, the fact book -- we
7 mailed each of you Board members a few weeks ago, the
8 fact book. That fact book, which has the characteristics
9 of each of our programs and profiles, that also was
10 submitted. I submitted that for the record so that will
11 be included in the transcript.

12 Now, it is my understanding, and you never know
13 exactly, but it is my understanding that both of the
14 committees will probably, after they have completed the
15 hearings on all of the agencies and programs under their
16 jurisdiction, then they will set aside a date for what
17 they call public comments. Sometimes they have
18 extensive public comments, not necessarily about Legal
19 Services, but -- you know, keep in mind that that state
20 judiciary and related agencies, which includes 40 or 50
21 different, you know, independent agencies and government
22 programs.

23 So, at some time in the future, prior to
24 mark-up, they will probably solicit comments from the
25 public, and then they will go into the mark-up session.

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1 But to answer your question, Clarence, it was
2 the shortest, briefest, least substantive appropriation
3 hearing that I have ever participated in or witnessed.

4 MR. McKEE: My other question, very quickly,
5 is, did the committees ask for the Corporation's comments
6 on 3480 and others? I know that often committees will
7 ask an agency what their comments are on a particular
8 piece of legislation. Did the Corporation have to
9 provide its comments and views on various pieces of
10 legislation regarding the Corporation? Did you have to
11 submit your comments on legislation?

12 MR. BRADLEY: The appropriations committees?

13 MR. McKEE: No. This is just going back to
14 the legislation, 3480.

15 MR. BRADLEY: Yes, sir. The chronology of
16 that, basically, was when the House Judiciary Committee
17 last year started its oversight hearings, before it
18 actually reported out a bill, they had extensive public
19 hearings. I was there. I think I made two appearances
20 before the House Judiciary Subcommittee, several hours,
21 four or five hours on both occasions, and answered
22 questions.

23 They then conducted extensive public hearings.
24 They had a parade of witnesses and monologue, three or
25 four days of testimony by prime groups, by Bar leaders,

1 by agencies and individuals, other groups. And it was
2 through that process that the committee, yes, at that
3 time the Board of the Corporation had adopted a set of
4 principles for reauthorization.

5 Basically, to provide you with those
6 principles, basically the same principle -- we have used
7 the same principles of reauthorization for the last two,
8 three years, ever since I have been here, and it is
9 basically, we call upon the Congress to continue the
10 Legal Services Corporation Act of 1974 as amended
11 without further amendments, period. That is it. And
12 that was the official position that we took.

13 Now, after the extensive hearings were held by
14 the House Judiciary Committee, I was the lead-off
15 witness, and several weeks later I was the concluding
16 witness, and in fact at that time the members of the
17 committee, especially the Chairman and Mr. Butler from
18 Virginia, asked me questions, we heard so and so
19 recommend that this program be block granted, from your
20 experience how would that work.

21 So, at that time I did have an opportunity,
22 not to much to rebut, but to provide the committee with
23 additional information. And then the committee
24 dissolved itself into a mark-up session, and over a
25 period of several days sat around and literally wrote up

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1 and reported out of subcommittee Bill 3480 that is before
2 you.

3 So, we did have ample opportunity, as a
4 Corporation, to have input into that process.

5 On the Senate side we did not do so, because
6 last year the Senate committee did not have any
7 oversight hearings and basically reported out this bill
8 without any committee deliberations or any hearings.
9 They just reported it out.

10 CHAIRMAN HARVEY: Further comments or
11 questions?

12 Mary perhaps said this and maybe I missed it.
13 For what period of time has the Corporation been
14 functioning under continual resolutions?

15 MS. BOURDETTE: We were funded by a continuing
16 resolution for the entire 1981 fiscal year, as well as
17 probably the -- will be for the entire 1982 fiscal year.

18 CHAIRMAN HARVEY: And before 1981?

19 MS. BOURDETTE: No. We had a regular
20 appropriation.

21 CHAIRMAN HARVEY: In 1980 fiscal there was a
22 regular appropriation?

23 MS. BOURDETTE: Yes.

24 CHAIRMAN HARVEY: All right, thank you.

25 Any other questions?

1 (No response.)

2 MS. BOURDETTE: Thank you.

3 CHAIRMAN HARVEY: Thank you very much.

4 Members of the Board, I would like to read into
5 the Board record the membership of the committees which
6 were announced and adopted and approved by the Board,
7 because it occurs to me that the general public does not
8 have access or has not had access to the committee
9 assignments.

10 So, with your consent, I would like to make
11 that reading at this time.

12 The committee assignments are as follows:

13 First, on Appropriations and Audit, the Chair
14 is David Satterfield, and the committee members are
15 Howard Dana, Harold DeMoss, William Olson, Marc Sandstrom,
16 and the Board Chairman ex officio.

17 On Operations and Regulations, the committee
18 Chair is Robert Stubbs, and the members are Clarence
19 McKee, George Paras, Annie Slaughter, Josephine Worthy,
20 and the Board Chairman ex officio, and so also for all
21 committees the Board Chairman ex officio is a member
22 thereof.

23 The Committee on Provision for Legal Services,
24 the Chair is Marc Sandstrom, and the committee members
25 are Howard Dana, Harold DeMoss, Josephine Worthy, George

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1 Paras, Robert Stubbs, and Board Chair ex officio.

2 The Special Committee on Presidential Search,
3 the committee Chair is Howard Dana, and the membership
4 was established as a part of the resolution and I will
5 not reread that.

6 The Special Committee on Grant and Contract
7 Procedures, the committee Chair is Clarence McKee, and
8 the committee members are William Olson, David
9 Satterfield, and Annie Slaughter, and the Board Chairman.

10 All right, thank you very much. I just wanted
11 the record to show and reflect those assignments and
12 designations.

13 At this time we turn to agenda item No. 5,
14 and I would like to recognize and turn to Howard Dana,
15 who is the Chair of the Presidential Search Committee.

16 The Board meeting -- that is to say, this
17 Board meeting -- is recessed during the committee
18 meeting, and so, Chairman Dana, your committee meeting
19 is now in session.

20 MR. DANA: Mr. Chairman, I think that in view
21 of the press of other business that this meeting will
22 be foreshortened, but we have and it will be my
23 suggestion to the committee that, in view of the fact
24 that many of us will be together again on Monday, that
25 perhaps if we do not solve all of the issues before us

1 today that we could get together, those who can, for a
2 continuation of this meeting on Monday after the Senate
3 has had its day with us.

4 But that would be subject to the Senate and
5 your pleasure.

6 But I have distributed to the members of the
7 committee a memorandum, copies of which I have here, in
8 which we have set forth several issues which have to be
9 resolved.

10 For those in the audience, let me indicate
11 that the first issue is the staffing of the committee;
12 the second issue is the Sunshine Act and its ramifica-
13 tions to our operations, how we conduct the minutes of
14 meetings, whether we adopt the confidentiality rule with
15 respect to applicants, the membership of the committee
16 above and beyond the members that have already been
17 announced, some description of the qualifications of
18 the President we are seeking, how we should go about
19 developing an applicant pool, whether or not we should
20 adopt an application form, a timetable for proceeding,
21 and a general discussion of procedures.

22 That strikes me as a fairly large agenda for
23 ten minutes, Mr. Chairman.

24 I think we could get at least one of them out
25 in the open and that is, appropriately enough, the

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1 Sunshine Act application to our deliberations.

2 In the memo I have made a recommendation. I
3 have extra copies of that which I will pass around to
4 those who didn't bring theirs.

5 My recommendation, for those in the audience,
6 is that those portions of our meetings that relate to
7 search procedures and general selection criteria should
8 be open to the public; those portions that relate to
9 qualifications of individual applicants and nominees
10 should be conducted in executive session, subject to
11 the provisions of the governing Sunshine Act and the
12 Corporation's regulations.

13 A report of each executive session will be
14 included in the minutes of each meeting.

15 Is there any discussion, comment or thought on
16 that motion?

17 (No response.)

18 The Chair would entertain a motion if it is
19 appropriate.

20 MR. DeMOSS: Mr. Chairman, I move that we
21 adopt the provisions regarding the application of the
22 Sunshine Act as you have outlined them in your memo.

23 MR. DANA: Is there a second to that motion?

24 MR. STUBBS: I will second that motion.

25 MR. DANA: Is there any discussion on this

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1 issue?

2 CHAIRMAN HARVEY: Howard, may I suggest
3 identification of the mover and the second, please?

4 MR. DANA: Yes. The motion was Mr. DeMoss,
5 and Mr. Stubbs seconded it.

6 Hearing no discussion, all those in favor say
7 aye.

8 (Chorus of ayes.)

9 Opposed?

10 (No response.)

11 It is approved.

12 Perhaps we should deal with the issue that
13 Ms. Worthy raised, which is item 5.

14 My review of past procedures for the other
15 selections, presidential selections, various procedures
16 have been employed, but in I think at least two of the
17 instances, perhaps not the first, although I am not
18 sure, there were non-board-member members of the
19 committee.

20 For instance, the various Bar associations and
21 some of the organizations that have a particular very
22 substantial interest in the outcome of our search had
23 representatives either voting or non-voting or observing
24 our deliberations. And that is to say, observing our
25 deliberations in executive session.

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1 It is a tough question whether or not with
2 a relatively new board and a very large committee, and
3 I am happy that all of you share my sense of the
4 importance of this and were willing to serve on it and
5 asked to serve on it, whether it should be expanded
6 beyond the already expanded committee size.

7 I think that I would say, for the record, that
8 any board member who is not on the committee would
9 always be welcome to come to the committee meetings and
10 deliberate with us, so that is, I think, probably a good
11 rule for all committee meetings, I would hope.

12 But my recommendation is that we solicit the
13 recommendations for prospective nominees from as many
14 organizations and as many sources as we can. And Dan
15 Bradley, who volunteered the use of our extensive
16 mailing list and we have met extensively as a board
17 informally -- informally is the appropriate word --
18 with many of the representatives that I have referred to
19 in the memo. And that I think that probably when we
20 get down to the point where we have a relatively few
21 applicants who we are considering, that we should
22 confer with that broad spectrum of organizations about
23 our so-called finalists, what I refer to as the short
24 list.

25 But my recommendation is, with those two, that

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1 we leave the committee as indicated.

2 MR. OLSON: Mr. Chairman, I think that is fine.
3 I am most interested in talking about a couple of the
4 other items, and I wouldn't want to dwell too long on
5 this. I think we have got to talk about developing the
6 applicant pool and things that have to be done now
7 because they are timely, and we can't let another month
8 go by, I think, before we get going in this process of
9 advertising and such.

10 And I would like to just refresh your
11 recollection that when these committees were established
12 by resolution at the last board meeting, the membership
13 was delegated to our Chairman and he, in turn,
14 authorized you to select members of the committee, and
15 I think that we ought to just go with this and just get
16 onto the things that are of timely importance, because
17 if we don't develop some qualifications and begin
18 advertising soon, we are going to find ourselves toward
19 the end of the summer without a permanent selection. And
20 I think our first responsibility is to get moving on
21 that.

22 MR. DANA: Well, I appreciate that. Although
23 I guess I have the authority, I am asking for the views
24 of the committee as to whether or not you think I have
25 been too restrictive of the use of that.

1 CHAIRMAN HARVEY: I would offer a motion to
2 you, Mr. Chairman, that the committee adopt the
3 recommendations you just made.

4 MR. DANA: It has been moved that the
5 recommendation be adopted. Is there a second?

6 MR. DeMOSS: I second.

7 CHAIRMAN HARVEY: My name is William Harvey.

8 MR. DANA: And DeMoss seconded, I am sorry.

9 Bill Earl?

10 MR. EARL: May I just make some observations
11 at this time, that just in my brief time in visits to
12 the field, the presidential selection we all know is
13 critical. It is going to take a unique individual to
14 deal with the field, the projects, and at the same time
15 to relate to this new environment up here.

16 I really wish the Board would -- if it doesn't
17 wish to include representative groups in the membership,
18 some small workable number -- that at least Mr. Kaplan
19 and some other -- the chairman of this committee be
20 authorized to discuss and meet with some of the
21 representative interest groups to see if there is any
22 way that a number can be worked out to actually
23 participate.

24 I know from discussions with the group here
25 that it is going to be an open and objective process, and

1 I think before we have a vote which might indicate
2 inappropriate that that is not the case to some people,
3 I would urge that the Board consider authorizing the
4 chairman of this committee, Mr. Kaplan or anybody else
5 to sit down and discuss the matter with those groups
6 before making a determinative decision on that.

7 CHAIRMAN HARVEY: I would certainly incorporate
8 that as the spirit of my motion, Mr. Chairman, and the
9 seconder is also willing to incorporate that as the
10 spirit of the motion.

11 MR. DANA: Is that acceptable to the seconder
12 of that motion?

13 MR. DeMOSS: I am not exactly sure I
14 understand what the spirit is. Are you saying that
15 the composition of the committee should be left open
16 until these discussions are held?

17 MR. EARL: The committee as constituted right
18 now is obviously the make-up of the committee. I would
19 suggest that before we formally preclude the opportunity
20 of including others in there that the Chairman and
21 anyone else he desires discuss the matter with these
22 groups and see if there can be some representation,
23 workable representation, whether it is possible to work
24 out or not.

25 MR. DANA: Ms. Worthy.

1 MS. WORTHY: I think I have some of the same
2 concerns, and I was just reading here where it said we
3 should limit the committee membership to the Reagan
4 nominees. I think that we are separating ourselves
5 right there in words. I really don't like to see that.

6 With all the problems that are going on right
7 now, we should not be doing that, that problem.

8 Also, we are talking about electing a
9 president for the Corporation that represents poor
10 people and we have not even mentioned going to maybe
11 the National Clients saying we need that voice, maybe
12 not a member of your committee, but we need that voice
13 there to help us make a good selection.

14 MR. DANA: That is correct.

15 MS. WORTHY: And when we leave that out, then
16 you are leaving out the people that we are here to
17 represent.

18 MR. DANA: Correct.

19 MS. WORTHY: And that bothers me very much.
20 I think we should look at this.

21 MR. DANA: The motion that preceded the
22 discussion and preceded the recommendation lists the
23 following organizations as a minimum number of
24 organizations who have expressed and have a tremendous
25 interest in this: the ABA, the Coalition of Legal

1 Services, Inc., the Minority Caucus, National Association
2 of Indian Legal Services, National Client Council,
3 National Legal Aid and Defender Association, National
4 Organization of Legal Services Workers, Organization of
5 Legal Services Backup Centers, Project Advisory Groups,
6 and the various other Bar associations, federal and
7 national.

8 The list is so extensive that -- and it is
9 absolutely essential, as you have indicated, that their
10 input be sought and obtained in developing the pool,
11 which I hope will be extensive, of applicants for this
12 job. And further, that when that pool is reduced to a
13 manageable number, that their thoughts and comments and
14 input and evaluations be sought again in that way. It
15 is clearly the intention, and I am -- due to the
16 unfortunate fact that ten of the eleven members of the
17 Board have recently been appointed, I refer to them in
18 my memo rather calously as Reagan appointees. I did not
19 mean to differentiate you or any, but I just -- and I
20 didn't mean to say that -- I didn't mean to characterize
21 this in that way.

22 We are the babies in this organization, but
23 unfortunately we are charged with setting policy and
24 making this one personnel choice.

25 The policy of the Board, as I understand it, is

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1 to choose one employee, and he or she chooses all other
2 employees.

3 Hopefully, that will clarify your concern and
4 Bill's concern.

5 Yes, Marc.

6 MR. SANDSTROM: I think along that line,
7 rather than using the phrase informal discussions, the
8 search committee should develop a formal structure for
9 including these organizations and a balance of
10 organizations that are interested in the selection of
11 the president, so that they feel that they can
12 participate in a structured way within the time limits.

13 I know there are going to be some very short
14 time limits, but I think rather than just picking
15 something and going to them, we should set up a
16 structure where any organization that wishes to
17 participate on an advisory basis can participate, so
18 they know that what they are going to present will be
19 heard and at least listened to and balanced against the
20 other advice that we will be getting, so that it is an
21 open process.

22 As Bill said, we know that it is going to be
23 an open process, but I think there is apprehension out
24 there that it will not.

25 MR. DANA: Is there a second to that

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1 suggestion?

2 MR. McKEE: I will second it by a comment.

3 MR. DANA: Yes.

4 MR. McKEE: I think that the bylaws kind of
5 give us some help here in terms of the memberships under
6 the expansion.

7 Section 1601 pretty much implies that members
8 of the committee should be directors of the Board.

9 What I think the committee should do is to
10 direct itself to seek out and take appropriate action to
11 ascertain the views and recommendations of a variety of
12 groups that would include also the National Bar
13 Association and Woody's Bar Association, and then perhaps
14 we might want to designate a person on the committee to
15 be the liaison to various groups, to pass the names,
16 recommendations and views on to the full committee so
17 they could be a funnel to the committee.

18 But I think simply expanding the membership
19 is kind of -- it doesn't state it directly that there
20 shall be members, but it implies that members of the
21 committee should be directed. So, I think the committee
22 should mandate itself to do the most affirmative search
23 including all these groups, the National Bar Association,
24 the Women's Bar Associations that have one or two
25 members, instead of the large committee. You could

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1 appoint to be the funnel to the various organizations,
2 so that there is a contact.

3 MR. DANA: I am glad I opened this decision
4 up for discussion. Is there any further discussion on
5 this?

6 CHAIRMAN HARVEY: Mr. Chairman, I want to
7 report to you and the committee that in the last week
8 I have had two telephone calls from Mr. Brink, David
9 Brink, the President of the American Bar Association,
10 who not only wished us well but in addition to that
11 said that the association is very interested in the
12 presidential selection process and encouraged us to
13 proceed expeditiously, as Bill Olson has just said, and
14 at the same time bring up Earl's comments and
15 observations to maximize inclusion of various -- the
16 many various interested groups. And I said in part of
17 that conversation, as I recall it, that I would make
18 that comment you and and to the committee, and I would
19 want to do that.

20 MR. DANA: I thank you.

21 We have a motion on the floor, and the
22 motion ---

23 MR. DeMOSS: Might I ask, for purposes of
24 clarity, as I understand the motion it is to, as of this
25 meeting, to have the members of the committee be those

1 that have been named in that committee and have
2 indicated their willingness to serve.

3 I certainly do not rule out in any way our
4 making maximum utilization and seeking information and
5 participation in the selection process from all of the
6 interested organizations.

7 But it seems to me like the specific question
8 that we are addressing right now is the composition of
9 the committee.

10 I personally feel that we ought to get the
11 committee composed and get on the road. And where are
12 we in terms of the commentary and the suggestions as to
13 what changes, if any, have been made in the original
14 motion?

15 MR. DANA: Well, my understanding is that
16 perhaps there have been no changes in the original
17 motion, but that it would be my intention, following
18 this discussion, to work with Mr. Bradley and then
19 Mr. Kaplan to establish a formal advisory body or group
20 composed of the organizations that I have indicated,
21 including the organizations you have indicated who would
22 like to and should appropriately play a role in advising
23 us and in recommending people for our consideration.

24 That would be my intention, but my understanding
25 is that the recommendation that has been moved is as set

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1 forth here, and that has been seconded.

2 Is there any further discussion, or have I
3 correctly ---

4 CHAIRMAN HARVEY: That is the motion I made
5 there, Mr. Chairman. When I used the word spirit, I
6 meant to pick up just what I said, what Mr. Earl said
7 and what Ms. Worthy has said. I don't see this as being
8 set in cement. I see it as an initial organizational
9 decision. If President Kaplan is currently on the
10 Board and other members being named at a subsequent
11 time, I think it would be incumbent on the Board to do
12 that.

13 MR. DANA: Is there any further discussion on
14 that motion?

15 (No response.)

16 All those in favor say aye.

17 (Chorus of ayes.)

18 Opposed?

19 (No response.)

20 It is a vote. And I would ask President
21 Bradley and soon to be President Kaplan to work together
22 with the organizations indicated and named here today
23 and set forth and all others that appear and work with
24 me, and I think what we should do is, as Marc has
25 suggested, develop some kind of formal advisory body to

1 help us in this search and in our deliberations.

2 Yes.

3 MS. SLAUGHTER: How soon will this be done,
4 though? We are talking about a time limit. How soon
5 would this be done?

6 MR. DANA: Well, I would -- we have a handle on
7 Mr. Bradley for a very short period of time, so I hope
8 that he gives us his guidance almost immediately.

9 I would expect that I would want to talk with
10 him and with Mr. Kaplan about the timing of setting this
11 up.

12 One issue I think that we will have to grapple
13 with is the interrelationship between our ability to
14 secure the kind of people we want and the Senate
15 confirmation process. I think that it would be helpful
16 to have that behind us so that prospective applicants
17 know who they are going to deal with, but that is really
18 not in our hands except to the extent that we make
19 ourselves available to the Senate.

20 MR. SANDSTROM: Could we ask that any groups
21 that are in the audience today let either Dan or Gerry
22 know that they would like to participate, at least if
23 there are some here today, if they would indicate that.

24 CHAIRMAN HARVEY: I think that is another good
25 suggestion. So, if you represent an organization whose

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1 name has not been mentioned today, please speak to Dan
2 or to Mr. Kaplan.

3 MR. DANA: Now, I have way overused my ten
4 minutes.

5 CHAIRMAN HARVEY: I think we helped you.

6 MR. DANA: Well, it seems to me that as
7 Bill Olson indicated that it is important to get moving
8 on the process of developing an applicant pool, and with
9 the Chairman's blessing I would like to get some
10 preliminary thought on whether or not the item 6 under
11 qualifications is acceptable so that we could commence
12 the advertising.

13 (Pause.)

14 MR. STUBBS: Mr. Chairman, other than some
15 of the obvious changes of date and salary range,
16 something to this effect, it seems to me that the
17 position announcement that was made back in '79 is
18 sufficiently broad to embrace any qualification that
19 would at least be initially sought in an applicant.

20 Whether or not more particularity is developed
21 as we go along may well be developed in the training
22 process, but I think for getting an advertisement or a
23 notice out as quickly as possible, I don't know that
24 anyone that we might call on who would not be embraced
25 within the description in that. This is the Exhibit B

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1 that was used -- I guess it was for your appointment,
2 Dan, back in February of 1979.

3 MR. BRADLEY: For those of you who do not have
4 copies of the memo of March 10, I have some extras here.

5 (Pause.)

6 MR. DeMOSS: Mr. Chairman, may I make a
7 motion?

8 MR. DANA: Yes.

9 MR. DeMOSS: I move that the chairman, in
10 conjunction with the president and acting president, put
11 together an appropriate position announcement using the
12 announcement of February, 1979 as a guideline with
13 appropriate changes that may be necessary to bring it
14 up to date.

15 I think all of the committee feels comfortable
16 in relying on the three of you all to get together what
17 is an appropriate announcement and get it started. I
18 don't think we ought to wrestle through the language.

19 MR. DANA: Is there a second to that motion?

20 MR. STUBBS: I will second that motion.

21 MR. DANA: Is there any discussion?

22 MR. STUBBS: The only discussion I might
23 suggest, Mr. Chairman, is that the development of the
24 applicant pool as suggested in the motion would
25 implicitly carry with it the specification of broad

1 qualifications that you had set up as tentative agenda
2 6. I think the two of them might well be wrapped up in
3 one.

4 MR. DANA: Okay. Is there any further
5 discussion?

6 (No response.)

7 Hearing none, all those in favor of
8 Mr. DeMoss' motion please say aye.

9 (Chorus of ayes.)

10 Opposed?

11 (No response.)

12 It is a vote.

13 I think that maybe I have used up my allotted
14 time, and if we have additional opportunity I would ask
15 that we adjourn this meeting and perhaps reconvene on
16 Monday afternoon if we have an opportunity.

17 CHAIRMAN HARVEY: Mr. Chairman, I would only
18 suggest that this meeting be recessed, rather than
19 adjourned, for either executive session or for a
20 meeting on Monday afternoon.

21 MR. DANA: I accept that.

22 Is there a motion that this meeting be
23 recessed?

24 CHAIRMAN HARVEY: So moved.

25 MR. DANA: Is there a second? A question?

1 MR. OLSON: I have just been chatting with my
2 co-seatmate, Mr. Chairman, Jo Worthy, and I think just
3 before we adjourn the session that in case there is any
4 possible misunderstanding of the procedure we follow to
5 create this committee the way we left it the last
6 meeting was that anybody who wanted to serve on this
7 committee would call Howard, and over the course of the
8 last month or three weeks or so, basically all of us
9 have called and said we would like to help. And Jo,
10 although we have had a chance to rap many times on that
11 one just involved here, and we don't -- I wanted to say
12 one more comment -- if you want to make one last -- if
13 you want to volunteer, fine, if you want to serve as an
14 advisor, whatever you want to do is up to you, and we
15 don't want to make it seem as if anybody is being left
16 out for any reason. We want to include everybody who
17 asks, and as they say, all you have to do is ask.

18 So, whatever you want to do is fine with us,
19 Jo.

20 MS. WORTHY: Thank you for that sermon. I was
21 very well aware of the fact that I could volunteer if I
22 had wanted to. And I don't want at this point because
23 of the Reagan nominees, and I did that because we are
24 very concerned with the attitudes that people have out
25 in the public of this Board, and I am just concerned that

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1 we put out information saying we are separated, we are
2 Reagan nominees, we are this and that.

3 And I really wouldn't want it be said, because
4 I mentioned that, that you put me on that committee now.
5 I am going to serve in an advisory capacity to the
6 committee.

7 MR. DANA: I understand. I am appropriately
8 admonished.

9 If there is no further discussion ---

10 MR. STUBBS: May I make a point for the record,
11 that Ms. Worthy is, in fact, a Reagan appointee.

12 MS. WORTHY: I am really a holdover, whatever.

13 MR. DANA: Well, it was a shorthand description
14 for ten of us that might go down in history in the
15 wrong way. So, in any event, we think you clarified it,
16 I hope. Thank you.

17 We will hear about it on Monday if we haven't.

18 (Laughter.)

19 All those in favor of recessing please say aye.

20 (Chorus of ayes.)

21 Opposed?

22 (No response.)

23 It is a vote.

24 Mr. Chairman, you have the Chair.

25 CHAIRMAN HARVEY: Thank you, Howard.

1 The meeting of the Board of Directors of the
2 Corporation is reconvened after it was recessed, and we
3 will proceed to item No. 6.

4 However, before doing that, I note on my
5 clock it is about 25 minutes to 12:00. Before proceeding
6 to item No. 6, the Chair wants -- I can give you the
7 reference to the appropriate section of the Code of
8 Federal Regulations, if you want, but the Chair wants at
9 this time to allocate five minutes to receiving the --
10 the Board of Directors receiving comments from the
11 general public, and the microphone is right there.

12 Is there a person who wants to speak? Our
13 time is constrained, but I do want to allocate five
14 minutes for that purpose at this time.

15 So, therefore, the Chair will receive and be
16 happy to receive any comments from the public at this
17 time.

18 Bob Raven, you have come a long way from
19 sunny California. I am not saying you are prepared to
20 speak, but if you want to, we would be happy to hear
21 your comments.

22 MR. RAVEN: Thank you. After coming on that
23 redeye from Los Angeles last night, I don't know if I
24 could get through a very long comment, but I appreciate
25 the opportunity to be here and I was pleased to hear the

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1 discussion led by the Chairman of the Presidential Search
2 Committee. I think it was done in good spirit and we
3 stand ready to help in that very important task.

4 Thank you.

5 CHAIRMAN HARVEY: Thank you very much, and
6 thank you for coming to the meeting.

7 Well, hearing no other request, except just
8 one comment, Bob -- I will say that the last time we
9 met we had a very good presentation and perhaps you are
10 aware of this, from the former Dean of the Cornell Law
11 School. I was much taken by that. He is, like myself,
12 a has-been law school dean and so his comments were well
13 received. That is Roger Crampton. So, it was very, very
14 beneficial to the Board, and Glen's comments were, too.
15 Thanks for being here today.

16 I therefore want to return to item No. 6 on
17 our agenda, our published agenda, which is the staff
18 briefing, and item 6.a. is budget and financing policy
19 overview.

20 MR. BRADLEY: Gerry Singesen. I think all of
21 you remember from the last briefing Gerry Singesen, Vice
22 President of Finance and Budget.

23 Gerry went into a very detailed presentation
24 and factual statement of the consolidated operating
25 budget under which we are currently operating, and I

1 think maybe Bill Olson's request, if I recall, was that
2 the Board needs to revisit repeatedly or frequently or
3 as much as necessary so the Board comes to a full
4 understanding and appreciation of the policy questions,
5 the budget issues that are going to be raised in the
6 budget.

7 We are prepared, as Dean Harvey knows, to
8 spend as much time as the Board would like on reviewing
9 the budget. Frankly, because of the other events in the
10 last few days and the other committee considerations this
11 afternoon, Gerry basically would make a brief report to
12 you right now, and I think this afternoon when the
13 Audit and Appropriations Committee considers
14 organizational matters, Gerry can then -- when you
15 dissolve yourselves into that committee -- will share
16 additional information.

17 So, Gerry is going to make a brief presenta-
18 tion right now and try to respond to any concerns or
19 questions you might have.

20 CHAIRMAN HARVEY: Dan, I would request that
21 the written presentations be given to the Board's
22 committees on these areas, and so also down the list,
23 so the committees can receive these documents.

24 MR. SINGSEN: Okay. Let me just say, from all
25 prior or future experience, no doubt, that there are two

1 items which we can discuss more in the committee which
2 will come back to this Board at its next regular meeting
3 in -- the regular scheduled meeting in June, the
4 selection of an auditor for fiscal year 1982, the year
5 that we are now in. You will need to make that
6 determination in June and the committee will have to
7 discuss and come to conclusions and recommendations on
8 that before the June meeting so that we can, in fact,
9 be properly audited for the year that we are in.

10 And that the second quarter budget review,
11 which you may remember is probably the most significant
12 budget review because it is the half year point, will
13 be coming up for the committee's deliberations probably
14 the latter part of May and then a report to the Board
15 regarding any modifications that may need to be made.

16 As Dan has already said, and the flip charts
17 that are behind you would support, I am certainly
18 prepared in the committee meeting to go into the
19 material we talked about last time, to go into more
20 detail on any of the specific items, and obviously at
21 the Board's desire I am ready to answer any questions
22 now that you might want to cover at this stage.

23 CHAIRMAN HARVEY: All right. Thank you, Gerry.

24 Turning to the members of the Board, are there
25 questions to Gerry at this point?

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1 (No response.)

2 Gerry, we are approaching an all time record
3 for a presentation.

4 MR. SINGSEN: You haven't known me long enough
5 to know how much of a record.

6 (Laughter.)

7 CHAIRMAN HARVEY: Well, hearing none, we will
8 look forward to your presentation to the committee, and
9 we thank you very much.

10 MR. BRADLEY: Marc, the other agenda items,
11 as I indicated, you requested at the last Board meeting
12 information about the 1983 budget options. I am not
13 sure that my characterization of it as an option -- what
14 I would like to do, almost as briefly as Gerry did, is
15 just to tell you what your, I suppose, legal options
16 are.

17 As you will recall for our last Board meeting,
18 in my report to you and Gerry's report to you, the
19 Board at the December 4th, 5th, 1981 Board meeting
20 adopted a 1983 budget request that was submitted to
21 Congress, and it basically requested for fiscal year
22 '83 \$265 million.

23 That document, which has been provided to each
24 of you several months ago, has been submitted to the
25 appropriations committees and a courtesy copy was

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1 provided to OMB.

2 It was that budget that the House and the
3 Senate appropriations committees basically received,
4 both the testimony that I provided to them last week and
5 the statement that you have before you.

6 The specific question that you asked, as
7 Congressman Satterfield can explain to you, it is not
8 infrequent that numerous agencies, both independent
9 agencies and Executive Branch agencies go back to
10 Congress for supplemental budget requests.

11 All I can report to you, though, right now is
12 that as far as the two appropriations committees are
13 concerned, the budget that was adopted last year that is
14 now pending before them is the official budget request
15 from the Legal Services Corporation, and as far as the
16 committees are concerned that would continue to be the
17 Corporation's budget request.

18 Now, you have the authority to write and the
19 opportunity to make any additional requests to those
20 committees that you choose to make, whether it is -- I
21 suppose you could make a supplemental request, if you
22 chose to, you could make a modifying request, if you
23 chose to, you could make an amendment request, if you
24 chose to.

25 I think, quite frankly, that one of the time

1 constraints that you will probably have, knowing how
2 quickly the committees sometime operate, is that your
3 meeting today as a Board, I would imagine, and you may
4 want to get into that this afternoon, the Audit and
5 Appropriations Committee normally deals in great, great
6 substance with the numbers, and other committees, such
7 as your Provisions Committee, usually deals over a period
8 of several months with policy questions, like the ten
9 percent Bar set-aside and so forth. And that process
10 itself takes a fairly long time in the preparation of
11 a budget.

12 You as a Board and the staff, you start your
13 discussions in June, you set tentative budget marks in
14 September, you discuss it through your various committee
15 structure into October and November, leading up to the
16 adoption of a budget in December.

17 Now, I suspect, and Mary made some comment, it
18 is just extremely difficult for us to predict when will
19 the Senate and when will the House appropriations
20 committees mark-up the budget that is now before them.
21 I suspect that it would be sometime in early spring,
22 although I don't know.

23 But, to answer your question that you wanted
24 to have more information, yes, you do have the authority
25 to make any additional requests, recommendations,

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1 modifications, amendments, substitutions that you choose
2 to make.

3 My only suggestion to you is that there is
4 some time constraint. Otherwise, you are going to be
5 faced with the committee completing its marking up,
6 reporting to full committee and floor action, with one
7 caveat.

8 Mary's comment was, and I want to reiterate
9 that, there is, in fact, -- and Congressman Satterfield,
10 I am sure, is aware of this -- there is, in fact, some
11 serious discussion going on in the Congress about passing
12 a continuing resolution for next year. And if that, in
13 fact, were true and if that, in fact, occurred, then
14 basically what the Congress would do, in my opinion, is
15 to incorporate by reference the entire 1982 federal
16 budget.

17 And whatever recommendations this Board would
18 choose to make to Congress, they would respectfully
19 receive your comments, but whether or not they would
20 act on it or take it under serious consideration I just
21 won't speculate on.

22 But that is the status of the 1983 budget
23 request as of this moment, and that is something that
24 when your Audit and Appropriations Committee meets this
25 afternoon, it is something that you might want to agenda

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1 for the discussion item for your next meeting of your
2 Audit and Appropriations Committee.

3 CHAIRMAN HARVEY: Thank you, President Bradley.
4 Are there any comments or questions?

5 MR. SANDSTROM: I just have one question.

6 Assuming Congress acts -- Gerry mentioned the
7 241 figure continuing on through '83, or if they adopt
8 a different or lower number. Do we have discretion to
9 allocate those funds, or do we just pro rata reduce
10 them? This happened to you last time, obviously, when
11 they made the 25 percent cut. Does the Board then have
12 discretion to try and maximize the delivery of services
13 and maybe impact other programs at a higher degree?

14 MR. BRADLEY: The answer is yes, Marc, with
15 one qualification.

16 When the Congress appropriates the monies for
17 the Legal Services Corporation, it does not generally
18 line item specifically how you will allocate or expend
19 those funds.

20 However, as Mary indicated to you, since 1980
21 the appropriations committees, separate from the
22 authorization committees and the substantive changes or
23 amendments or restrictions that are in the Act, the
24 appropriations committees for reasons that are not
25 important for us to discuss right now have, in fact,

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1 imposed some restrictions on how you allocate that
2 money.

3 For instance, the minimum access formula, that
4 is the rider on our appropriation bill requiring you,
5 however you choose to spend the money, that you do so
6 in an equitable, fair, minimum access formula.

7 Now, generally, though, Congress delegates and
8 gives you the authority and the responsibility to
9 receive the appropriation and allocate it in a way that
10 furthers the purposes or the representation of the Act.

11 But there is always the possibility that the
12 Congress, the appropriations committees or House floor
13 or Senate floor amendment would limit your authority to
14 not expend money, for instance, in representation of
15 illegal aliens, as they have done in the past.

16 MR. SANDSTROM: Thank you.

17 CHAIRMAN HARVEY: Other comments or questions
18 from Board members of President Bradley?

19 (No response.)

20 Hearing none, President Bradley, I want to
21 thank you.

22 I have to comment that for a man who is on his
23 25th year of law, you have a great deal of understanding
24 of the questions.

25 The Board will be recessed during the luncheon

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1 hour, and for the benefit of the members of the public,
2 it is my intention to reconvene our meeting, hopefully,
3 at 1:30 for the conclusion of the agenda items.

4 So, the Board will stand in recess at this
5 time.

6 (Whereupon, at 11:50 a. m., the meeting was
7 recessed, to reconvene at 1:30 p. m., this same day.)
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AFTERNOON SESSION

(1:50 P. M.)

CHAIRMAN HARVEY: Ladies and gentlemen, good afternoon.

The Board of Directors of the Legal Services Corporation has returned to its public meeting, and the place where the Board stopped before the lunch hour was on item 6.b, and we are now proceeding to item 6.c -- I am sorry, we are now proceeding to item 6.d, the Office of Field Services, and Clint Lyons.

MR. BRADLEY: Dean Harvey, if I could please, you will recall that at our last Board meeting I had the pleasure of introducing Clint, who is the Director of Field Services, but because Gerry Singsen and Bradley talked so long, Clint never got to say a word.

Clint was fully prepared at the time to give you an extensive briefing on field services. He is again prepared today to give you an extensive briefing and respond to questions on legal services and the Office of Field Services, but because of the time constraints under which we are operating, he is going to make basically just a very brief presentation and provide you with some additional written materials.

CHAIRMAN HARVEY: Thanks, President Bradley. That is quite acceptable.

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1 Clint, the floor is yours.

2 MR. LYONS: Mr. Chairman, since the Office of
3 Field Services is the division that interfaces most
4 directly with the field grantee, I thought it important
5 to review with you the operations of that division. And
6 my intention today was to sort of lay out a description
7 of the national program and all of its component parts
8 and to try to relate the operations of the Office of
9 Field Services to the national programs in the context
10 of all of its component parts, the field grantees that
11 make the direct delivery of services to clients, the
12 support operations within the programs, the other
13 component parts of the program that contribute to the
14 delivery of legal services, by client counsel that does
15 the board training for the client board members, and
16 those kinds of things, and just as importantly, try to
17 present it in a way and against a background that will
18 assist you in understanding how, in the past at least,
19 the policy functions and oversight management functions
20 of the Board, how that interacts with what staff work
21 is going forward in the national program and how the
22 staff has presented to the Board issues in the past for
23 policy consideration, and how the staff has used its
24 data collection activities and interaction with the
25 field to input into your deliberations.

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1 Unfortunately, due to your time constraints,
2 I will not have an opportunity to go into the length of
3 detail in that agenda as I had hoped to.

4 I do have, however, prepared remarks that I
5 intended to speak from, and I will make them available
6 to you upon request. But that is just a brief overview.

7 I will just at the moment be prepared to
8 answer any questions that you have, but I think you will
9 find, as you review my remarks later on in written form,
10 the kind of description that I think will be useful to
11 you in learning more about what it is that you have
12 gotten yourselves into in terms of running this national
13 program.

14 So, with that I will just stop and answer any
15 questions that you may have at this time.

16 MR. STUBBS: Mr. Chairman, I would like to
17 make the request on behalf of all of us that we do have
18 this information made available.

19 MR. LYONS: I certainly will provide that, okay.

20 CHAIRMAN HARVEY: Thank you, Clint, very much.

21 Any further questions or comments? Marc.

22 MR. SANDSTROM: Clint, could you answer a
23 question? On the national state support, I understand
24 that there are 17 national support centers.

25 MR. LYONS: That is correct.

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1 MR. SANDSTROM: Did they used to be up under-
2 neath the Corporation and then got moved in the last
3 budget year down into the Field Services Division?

4 MR. LYONS: That is correct. No, what
5 happened, over the past year, is that as Dan explained
6 to you last time, the Corporation went through a
7 reorganization occasioned by budget cuts.

8 The national support centers were housed in
9 terms of the consolidated operating budget and how the
10 money is displayed in the Research Institute.

11 The Research Institute was eliminated in the
12 reorganization and the national support centers came
13 under my jurisdiction in the Office of Field Services,
14 as a result.

15 MR. SANDSTROM: Did they maintain the same
16 budget level? About how many dollars are expended on
17 those 17 centers?

18 MR. LYONS: From the 1981 fiscal year and the
19 appropriation that those support centers had at that
20 time, they received approximately a 25 percent cut in
21 their budget for the 1982 fiscal year. I don't recall
22 what the exact dollar figures are, but I can provide
23 that for you.

24 MR. BRADLEY: Gerry, what is that figure?

25 MR. SINGSEN: I don't have the dollar figure

1 for the funding level this year. It was a 25 percent
2 cut, like the field programs.

3 MR. SANDSTROM: That was around \$10 million, as
4 I recall, or something like that?

5 MR. SINGSEN: That is in the right area.

6 MR. SANDSTROM: 25 percent.

7 MR. SINGSEN: As a technical matter, the
8 funding for the national and state support centers is
9 now and has always been in the provision of legal
10 assistance portion of the budget. Back in '75 under
11 the original provision of the Act, they had to be
12 providing legal services, could not be included as
13 research, and they have always been in the business of
14 providing legal assistance.

15 The oversight function was performed by the
16 Research Institute as part of the support or provision
17 portion of the budget. But the Research Institute, of
18 course, has been eliminated and Field Services has that
19 oversight now.

20 MR. BRADLEY: Marc, if I could, because I
21 elected not to the last time and I probably should have,
22 what I showed you on the easel last Board meeting was
23 the new organization chart. I didn't show you the
24 1981 organizational chart. But very, very simply, it
25 is easily stated.

1 Almost since day one of the Corporation, we
2 had three major divisions of the Corporation, the
3 Office of Field Services, the Office of Program
4 Support, and the Research Institute.

5 Because of the severe reduction in funding
6 last year, the Board made the decision to eliminate two
7 of those three divisions, and the entire work of the
8 Corporation in terms of our field programs was all
9 consolidated under the Office of Field Services. And
10 that is how it all came about.

11 To relate that to the budget remarks that
12 Gerry just made, those programs that were grantees,
13 those 17 national support centers, they received a 25
14 percent reduction in their funding level just as our
15 300-and-something local field programs did.

16 In terms of the Office of Program Support,
17 which was basically support provided by the
18 Corporation to our local programs, it was not really a
19 grantee type of contract operation. We just basically
20 abolished that function and terminated all of those
21 employees and transferred a residual capability for
22 training over to Clint's operations. Previously that
23 had not been under Clint's jurisdiction, and previously
24 none of the support center work had been under Clint's
25 jurisdiction.

1 Now, everything basically, except the direct
2 management administration in the support functions, are
3 all housed, as you can see on the little chart there,
4 under Clint's Office of Field Services.

5 CHAIRMAN HARVEY: Thank you, Dan.

6 Bob.

7 MR. STUBBS: Mr. Chairman, I am not sure
8 whether this is a question for Clint or for Dan or
9 whether or not it is even proper, but I am going to
10 throw it out.

11 I notice in the organization of committees we
12 have put operations as one of the categories, operations
13 and regulations. And we also have provision of legal
14 services as a separate committee.

15 I guess my question is, to the extent to which
16 the Board directly participated in the oversight of your
17 operations, or if they are done through the President.
18 I am asking for information more than anything else.

19 MR. BRADLEY: I think that your Chairman plans
20 to maybe have some of that further discussed within the
21 various committees. But to simplify matters ---

22 MR. STUBBS: Well, I had it down as something
23 to discuss.

24 MR. BRADLEY: I think -- and precedent
25 doesn't necessarily determine what you may elect to do or

1 choose to do jurisdictionally and substantively in the
2 future -- but suffice it to say, very simply, the
3 Appropriations and Audit Committee basically deals with
4 monetary, fiscal matters; the Operations Committee, the
5 Regulations Committee has basically dealt with the
6 bylaws, the regulations, the legal issues concerning the
7 Corporation; and the Provisions Committee basically
8 deals with the substance of the provisions of and the
9 delivery of legal services to clients.

10 Now, that is the way it ---

11 MR. STUBBS: By elimination, then, the
12 housekeeping aspect is not routinely a Board function.

13 MR. BRADLEY: It is rare, because its cuts
14 across basically all three of the committees. In terms
15 of, for instance, when we have made some adjustments in
16 the past, whether it was a personnel policy manual --
17 there are many of the executive functions that are
18 basically handled by your president and your senior
19 staff and that are not "Board policy decisions".

20 There are, in fact, certain issues, and it
21 just depending on if it has monetary implications,
22 program substantive implications, and it is just an
23 ad hoc decision made by me, and I would put it on the
24 agenda of the committee that I thought was most
25 appropriate.

1 When we did a salary adjustment policy, then
2 I took that to the Operations Committee, and quite
3 frankly, as I sit here and think about it, is because
4 there was very little left for the Operations Committee
5 to do, so we would add items to their agenda.

6 But there is no magic in terms of -- like in
7 the Georgia legislature, this is appropriately before
8 that particular committee.

9 It depends as much, I think, to the judgment
10 and the discretion of your Board Chairman and your
11 President as any other thing.

12 CHAIRMAN HARVEY: Thank you.

13 Any other questions concerning Clint and his
14 presentation? Do you have a comment?

15 MR. SINGSEN: No. Just a figure on national
16 support. It is just less than \$6 million, currently.

17 CHAIRMAN HARVEY: Clarence.

18 MR. MCKEE: Just a quick question, Clint.

19 You say back-up centers and national support.
20 Now, the back-up centers, they do not give direct legal
21 assistance to clients, do they? Or do they give
22 indirectly the assistance to the clients through
23 advising the LSD attorneys on very specific issues?

24 I am not sure what they do as a back-up
25 center.

1 MR. LYONS: They serve a number of functions.
2 They do, in fact, represent eligible clients on matters.
3 They do serve in a co-counseling capacity with the field
4 programs in representing clients. They do participate in
5 training development and training delivery for attorneys.

6 Back-up centers, by and large, specialize in
7 given areas of the law that have a federal statutory
8 base in the main, and where the legal issues are federal
9 and national in scope and where they have developed the
10 expertise, working with the local program either to
11 represent the eligible client or to operate in a
12 co-counseling capacity with the local program attorneys
13 in representing a particular client.

14 They also train local legal services attorneys
15 and develop manuals for use in those local legal
16 services programs.

17 MR. MCKEE: And they are evaluated just as a
18 program would be?

19 MR. LYONS: Yes, they are.

20 CHAIRMAN HARVEY: Any other questions, members
21 of the Board?

22 (No response.)

23 Clint, I have just a very quick one.

24 I recall -- perhaps I recall the Office of
25 Program Support developed training manuals, videotapes,

1 books and publications. Do you know, when that office
2 was closed, what happened to those materials? Were they
3 transferred to your competency for use, or what
4 happened?

5 MR. LYONS: We have copies of the materials
6 housed here, and an index record of them. But we sent
7 out those materials for use in the field programs, and
8 also, if you look in your consolidated operating
9 budget material, you will see under the heading of
10 training we localized some of the training efforts that
11 had been carried on by the Office of Program Support
12 by developing training centers at the field level, and
13 those training centers will continue, hopefully, with
14 the programs cooperating, putting some of their
15 resources toward the effort to update and develop those
16 manuals so that the access to the training materials
17 will continue.

18 CHAIRMAN HARVEY: Okay, thank you.

19 Clint, I think that is it. I see no other
20 hand raised. Thank you for coming and for your
21 presentation.

22 MR. LYONS: Thank you.

23 MR. BRADLEY: Just because I think it is an
24 important point for the Board to keep in mind in terms
25 of Clint and his staff and his program, remember that

1 almost 95 cents out of every dollar spent in the
2 delivery and the provision of legal services, and thus
3 95 percent of the Corporation's budget is basically
4 within the jurisdiction of Clint's staff and the
5 regional offices, and so forth.

6 So, as you get into your analysis of the
7 budget and your understanding of the organizational
8 structure, especially after retrenchment, if we could
9 eliminate the other five percent then the Corporation
10 would basically reside in the Office of Field Services.

11 CHAIRMAN HARVEY: Thank you, President
12 Bradley.

13 We are at item 7 on our agenda, which is
14 "Other Business."

15 The Chair would like to invite, pursuant to
16 the appropriate reference to the Code of Federal
17 Regulations, public comments and allocate at least five
18 minutes at this time for that purpose.

19 (No response.)

20 Well, that is item No. 7. I do not observe
21 anyone seeking recognition to make a comment at this
22 time.

23 So, the Board will proceed to item No. 8,
24 which is "Future Meeting Dates".

25 The Legal Corporation Act calls for four

1 quarterly meetings, really four meetings a year, I
2 think.

3 The bylaws designate those meeting dates,
4 members of the Board, to be the first Friday in March
5 and in June, and October and December.

6 Reference to the 1980 calendar discloses that
7 the following projected dates are established for
8 regular meeting dates:

9 Those dates are June 4th, October 1st, and
10 December 3rd.

11 Please check your schedules for availability
12 and preferences as to those dates.

13 (Pause.)

14 MR. BRADLEY: At the staff level we usually
15 indicate those dates, because that is basically what the
16 bylaws specify.

17 What has, in fact, happened, and that is one
18 of the things your Operations Committee may want to look
19 at, what has, in fact, happened because as we have made
20 reference earlier to the preparation of the budget and
21 the time that the staff needs and that the Board needs
22 to deliberate about the budgets, you have, in fact, or
23 we have, in fact, over the last several years sort of
24 institutionalized the fall meeting to be in September,
25 rather than October.

1 I think what Dean Harvey is point out, that
2 the bylaws specify October. My recommendation to you,
3 Mr. Chairman, based on prior experience, is that you
4 would probably want to schedule that earlier than
5 October, primarily because of the tremendous amount of
6 effort and work that you need to do, your committees
7 need to do and your staff needs to do between the fall
8 and the December adoption of the budget.

9 In fact, as I think I indicated, you are
10 required by law to meet at least four times a year. In
11 fact, I think the first year of the Board, I know that
12 they met much more frequently, and I think that is
13 something that you probably need to discuss.

14 But I would suggest that you probably schedule
15 a meeting for earlier, September, than later, October.

16 CHAIRMAN HARVEY: Thanks, Dan. I think that
17 is a very good suggestion. And, of course, concerning
18 meetings, this is the second regular meeting of the
19 Board this year.

20 Marc.

21 MR. SANDSTROM: I would also like to have us
22 consider meetings other than in Washington, if we could,
23 during this year. Not necessarily in addition to
24 those, but at least discuss possibly one or two of those
25 meetings be at other areas of the country so we can

1 allow more people to participate in the meetings, and
2 perhaps even schedule committee hearings in connection
3 with that, those meetings, subject to the desire of the
4 Chair.

5 CHAIRMAN HARVEY: Well, I think that is a
6 splendid suggestion, and I am certain that other members
7 of the Board share that view, and I certainly do.

8 In addition to other members of the public,
9 the public persons who have such an intense interest,
10 and correctly so, in Legal Services Corporation and
11 grantees and programs around the United States, I feel
12 they would like to attend meetings.

13 In addition to that, I would suggest to the
14 members of the Board that the Board meet in localities
15 where is located regional offices of the Corporation to
16 provide us with an opportunity to familiarize ourselves,
17 to observe the regional offices.

18 I think that probably, in view of this
19 discussion and comments, I would suggest that the Board
20 accept by resolution these meeting dates subject to
21 subsequent change and announced change or decision by
22 the Board to that effect, both as to date and as to
23 place.

24 What is the Board's desire concerning that?
25 Any comment or further discussion? Harold.

1 MR. DeMOSS: Just a comment. Dan, have there
2 been occasions when the Board has met elsewhere than in
3 Washington?

4 MR. BRADLEY: Oh, yes. They have met
5 frequently outside of D. C. I mean, immediately, many
6 of the cities come to mind. But the Board, oh, for the
7 last -- north, east, south and west.

8 They haven't gone to Micronesia or Honolulu
9 or Alaska yet.

10 MR. DANA: Puerto Rico.

11 MR. BRADLEY: Yes. As a matter of fact, I
12 think at one time when there was a legal -- yes, they
13 met in Puerto Rico. They have met in New Orleans. They
14 have met in California, New York, Boston, Window Rock,
15 Arizona on one of the Indian reservations. Texas.

16 So, the Board travels around.

17 My only other comment that I should have made,
18 Mr. Chairman, and I think that you are going to have to
19 get sort of an overview from the committees' function
20 and the committees' schedule, and try to dovetail,
21 because hypothetically, for instance, we try to arrange
22 for all of the committees to meet maybe at least two or
23 three weeks before a Board meeting where the decisions
24 and the results of those committee decisions could, in
25 fact, at the staff level be carried out and reported back

1 to the Board. And then on notice requirement, we
2 attempt to provide the Board with all legitimate
3 materials and information and materials for the agenda
4 14 days prior to the Board meeting.

5 Now, we have not adhered to that schedule for
6 your first Board meeting and this Board meeting because
7 of the short notice and the other considerations. But
8 I think when you regularize yourself and when your
9 various committees, in fact, start getting into
10 substantive policy questions and you start making
11 decisions, from my experience, you are going to find that
12 you need lead time and your staff needs lead time.

13 So, as you look at your calendar and as you
14 get into your discussions this afternoon for the
15 scheduling of your committee meetings, I think there
16 needs to be some logical order between Board-committee,
17 Board-committee, Board-committee meetings, and you will
18 have to figure out your own agendas for that. But that
19 is logically the way I think that it probably should
20 flow.

21 CHAIRMAN HARVEY: Any further discussion
22 concerning this agenda item, No. 8?

23 MR. SANDSTROM: Do you wish a resolution
24 adopting in principle the dates, subject to finalizing
25 the exact location and the exact dates?

1 CHAIRMAN HARVEY: I think it would be
2 appropriate, yes.

3 MR. SANDSTROM: I so move.

4 MR. DANA: Do we want to amend the October
5 date to something more closely -- or have we done that?

6 CHAIRMAN HARVEY: I think that is the sense of
7 it. However, we can do that, given the comments which
8 Dan made.

9 MR. DANA: So, the October 1 date should be
10 something ---

11 MR. BRADLEY: Usually, here again, Mr. Chairman,
12 we usually look at the calendar and see when Labor Day
13 falls. I don't know when Labor Day is this year.
14 Mr. Olson is about to tell us.

15 MR. OLSON: September 6th.

16 MR. DANA: The Friday after?

17 MR. BRADLEY: That is the way it usually
18 follows.

19 MR. DANA: It would be the 10th, then.

20 Realistically, aren't we talking about two day
21 meetings, probably?

22 MS. WORTHY: Realistically, yes.

23 MR. BRADLEY: Again, I would certainly think
24 that as you go into your September and your December
25 meetings, you should plan -- as a matter of fact, for the

1 first two years that I was here, every meeting that we
2 scheduled was always noticed for a two day meeting. But
3 in those two years we never met but one day, so we got
4 back into the habit of just listing the one day.

5 But I think that all of you should make your
6 travel plans accordingly and plan to be here, especially
7 your September and your December meeting. Possibly even
8 your June meeting, because ultimately the various
9 committees are going to start producing decision items
10 and policy questions that I would anticipate are going
11 to provoke some discussion and some thought and some
12 deliberation, and I am not sure, Mr. Chairman, that you
13 will be able to compress some of those items into a
14 three or four or five hour Board meeting.

15 MR. DANA: With that in mind, Mr. Chairman,
16 without specifying the place, I would move that we set
17 aside Thursday and Friday, June 3rd and 4th, Thursday
18 and Friday, September 9th and 10th, and Thursday and
19 Friday, December 2nd and 3rd, 1982 as prospective
20 meeting dates for the full Board.

21 CHAIRMAN HARVEY: All right, thank you.

22 MS. SLAUGHTER: I will second that motion.

23 CHAIRMAN HARVEY: All right. The mover is
24 Mr. Dana and the second from Ms. Slaughter.

25 Discussion?

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1 MR. STUBBS: I have got a conflict on the 3rd
2 of June already that I know about, but you will still
3 have a quorum.

4 CHAIRMAN HARVEY: I am prepared to ---

5 MR. STUBBS: No, I don't want to rock the boat
6 for the rest of the people. I can be here the Friday,
7 but I just couldn't be here on Thursday.

8 CHAIRMAN HARVEY: I think we can establish
9 that.

10 Further discussion on this motion?

11 (No response.)

12 Those in favor signify by saying aye.

13 (Chorus of ayes.)

14 Opposed with the same sign.

15 (No response.)

16 All right. This brings us to the remainder of
17 our committee meetings. Before getting to that point
18 and then to adjournment, the Chair wants to make a
19 couple of observations to the Board.

20 First, concerning the presentations for which
21 there was meticulous preparation today, on behalf of the
22 Board I want to thank the staff for the work which was
23 done in developing your presentations. I know you worked
24 long and hard and really had much more to say than the
25 time we had available, and I do appreciate it, and I look

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1 forward to receiving this information, and the committees
2 look forward to receiving this information through the
3 committee system which we have now established.

4 So, my thanks to each one of you.

5 Again, separately, this is, I think, the last
6 Board meeting that President Bradley will attend as the
7 President of the National Legal Services Corporation,
8 and I would like to ask, Dan, that you have at this time
9 or any time in the future, have a carte blanche invitation
10 from us always to communicate your thoughts, but at this
11 particular time, do you have something which is analogous
12 to, oh, Washington's farewell to his troops, or any other
13 lesser observation? You are welcome to make it.

14 MR. BRADLEY: Thank you, Mr. Chairman.

15 I have given that some thought, and my friends
16 and co-workers that have known me for a long time have
17 never known me to pass up an opportunity to talk, even
18 when I have nothing to say.

19 My only comment to you, I think, as I leave,
20 because I was basically, I think, present at the
21 creation, at the establishment of the Federal Legal
22 Services Program back in the mid 60's, and I have watched
23 it change, I have watched it grow, I watched it mature,
24 I watched it digress, and my own participation it has
25 provided me with enormous both personal and professional

1 satisfaction.

2 And I basically, I suppose, simply request
3 that you -- I know that each of you are embarking upon
4 your new duties and your new responsibilities, you know,
5 with your own sense as to how best to deliver legal
6 services, and my guideline, my inspiration, I suppose,
7 and Dean Harvey, you are a professor -- I never knew
8 quite who decided that this nation's founding principle
9 and concept was equal justice under law, but if I could
10 ask each of you, in every decision that you make and
11 every policy decision that you make, and everything that
12 you do and everything that you say is committed to the
13 principle and to the concept of equal justice under law,
14 then I think you will have served your nation well and
15 you will have served yourself as citizens of this
16 nation well.

17 And I am very confident that each of you
18 individually and all of you collectively are committed
19 to that concept, or else you wouldn't be sitting in this
20 room today.

21 So, I look forward to working with you, working
22 for you. I will help you in any way you want me to. I
23 will be available certainly to work with Gerry during
24 this transitional period, and I am at your service.

25 I have really enjoyed -- I know this has been

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1 a difficult transitional period. You all have been
2 concerned about some of the issues, litigation, political
3 issues on the Hill.

4 I want you to know also that the people in the
5 audience have been, I think, amazingly or remarkably
6 silent at the last Board meeting and at this Board
7 meeting because I think that with some understanding
8 they wait with some anxiety, some apprehension, but some
9 expectation for how the program is now going to be
10 managed and directed and decided at the national level,
11 and I just hope that you will just remember that your
12 service is to 30 million low income persons and their
13 daily legal problems and their daily legal need, and
14 that you keep that as your principle. Then I, as a
15 citizen and a supporter of this program, would be very,
16 very proud of what you do.

17 Thank you, Mr. Chairman.

18 CHAIRMAN HARVEY: Dan, thank you. I deeply
19 appreciate the comments you have made, the instruction
20 which you have given, and the indefinite and always
21 lasting injunction which you have given to us just a
22 moment ago, and particularly also the great assistance we
23 have received from you.

24 I remember very well a comment once made by
25 Mr. Justice Frankfurter -- at least I recall reading

1 the comment he once made when he returned to his alma
2 mater to speak to a group of persons at Harvard Law
3 School.

4 He said about the administration of law that
5 the administration of law in the legal profession more
6 than any other calling embodies those concepts and
7 those disciplines and those criteria which have had a
8 dominant share in begetting the civilized society.

9 It seems to me that that is about the essence
10 of administration of law, and I think that is about the
11 essence of the administration of law for persons in the
12 United States or these United States who cannot afford
13 legal assistance or counsel.

14 I really don't know of any individual who has
15 been more instrumental in effectuating legal assistance
16 and counsel for persons who cannot afford that than you
17 have been.

18 It is a great pleasure for me to salute you,
19 and I do now, and on behalf of the Board, and always I
20 shall.

21 MR. BRADLEY: Thank you.

22 CHAIRMAN HARVEY: There is a person here who --
23 this is a bit out of order, but this is a bit out of the
24 ordinary also -- asked me to allow him to come forward
25 and make a presentation, and this gentleman is here now,

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1 and you may speak.

2 MR. VENEY: Thank you.

3 For those who don't know me, I am Bernie Veney,
4 the Executive Director of the National Clients Council.

5 Dan, the other evening I had to give you an
6 IOU and somewhat embarrassedly tell you that I had made
7 an error and forgotten this gift that I have in my hand
8 now.

9 But as in everything connected between the
10 clients and Dan Bradley, we came out the winners again,
11 because we get twofers this time. We get to say thank
12 you and goodbye and happy birthday.

13 (Laughter.)

14 Thank you very, very much, Dan.

15 (Applause.)

16 MR. BRADLEY: Thank you.

17 MR. VENEY: Thank you.

18 CHAIRMAN HARVEY: You are welcome.

19 We have come to that point in our agenda for
20 the convening of our committees concerning item No. 8,
21 and after item No. 8, you recall this morning I said
22 that we would do this at this time. And the purpose of
23 the convening of the committees at this time is simply
24 for purposes of organization, so that you are
25 established, and I would like to proceed now to that

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1 matter.

2 We can hold, because of the membership,
3 simultaneous meetings of Grant and Contract and the
4 Committee on Provision of Legal Services.

5 I would like to ask the Chair, Marc Sandstrom,
6 of the Committee on Provision of Legal Services, and the
7 Chair of the Special Committee on Grant and Contract,
8 Clarence McKee, do you desire to hold your committees
9 simultaneously and at this time? Or would you rather
10 meet separately?

11 MR. SANDSTROM: We are ready.

12 CHAIRMAN HARVEY: Then the committees are in
13 session, and you may proceed with your discussion and
14 organizational development.

15 MR. SANDSTROM: With regard, Mr. Chairman, to
16 the Provision of Legal Services Committee, I would ask,
17 and take Dan's kind offer as an initial agenda item for
18 our committee, and that is, before he leaves in the next
19 few days, at least jot down and give to Gerry a list of
20 priority items he feels that our committee should be
21 looking at this year for reporting back to the Board.

22 Provision of legal services is a constantly
23 changing field. This corporation has done a massive
24 study which it delivered to Congress. Times are
25 changing.

1 I think we need your input, Dan, on what you
2 think we should be focusing on in view of the budget
3 issues that are facing us and some of the other issues
4 in provision of legal services, which is one of the
5 highest priorities.

6 So, I would hope that you could find some time
7 at least to jot down and perhaps we will call on you to
8 attend one of our committee meetings. I know you are
9 going to be very busy setting up a new practice and
10 things like that, but we would look for your guidance
11 in future meetings.

12 I would next ask that the members of our
13 committee provide to me some of their ideas on the
14 priority ideas that we should be undertaking with our
15 committee in areas of review, so that we can, as soon as
16 some of the other committees have set their dates, set
17 a date for the meeting of this committee on a fuller
18 basis and have an agenda.

19 I think, Mr. Chairman, the priorities, as I
20 see it, are the location of a new permanent president,
21 which the committee is dealing with, and the budget
22 committees' actions so that there is input to this
23 Board on the 1983 budget, if any.

24 So, once those dates are set, then I will work
25 around that with the members of the Legal Services

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1 Committee for an appropriate meeting date.

2 I would ask at this time if the members of the
3 committee have any comments they would like to make with
4 regard to things we should discuss now?

5 The Chairman has given us five minutes, so we
6 are limited.

7 (No response.)

8 Also, as in the case of the Presidential
9 Search Committee, I would ask members of the audience
10 that represent organizations to provide your input to
11 Gerry Kaplan on anything you think the Legal Provision
12 Committee should be reviewing and the priorities for this
13 year, and obviously the groups, the client groups, the
14 Bar groups, the coalition groups that are out there are
15 going to be a primary resource in evaluating what is
16 or isn't working, what changes, if any, should be made,
17 and what our committee could do.

18 So, if you could drop a note to Gerry or
19 indicate that you wish to participate in our deliberations,
20 we would be most happy to review that with you all.

21 CHAIRMAN HARVEY: All right. Thank you,
22 Marc.

23 Clarence, your committee is convened.

24 MR. McKEE: I would like to repeat the members
25 of the Special Committee on Grant and Contract

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1 Procedures. This is kind of a unique situation in that
2 there is kind of a lot of overlap here.

3 The grants and contracts relates to the money
4 that goes out into the field, which therefore is of
5 concern to the Appropriations and Audit Committee, which
6 Mr. Satterfield is the chairman of, and he is also a
7 member of this committee. So, that is very appropriate.

8 I am also serving on the Operations and
9 Regulations Committee, and Mr. Olson is also on the
10 Audit and Appropriations Committee. Because anything we
11 do is really cutting across all avenues.

12 It might be a good time to give a quick
13 theory, my personal theory, on the status of a Board
14 member and our obligation under the statute, which I
15 believe is where all this money goes, is to serve the
16 purposes of the statute. And as Dan was saying, the
17 objective is to provide the most efficient and
18 economical legal services that are possible to the 30
19 million poor people of the United States.

20 And the issue is, in terms of the contracts and
21 the grants that are now going out, in terms of the money
22 that is going out, could it be improved, are any changes
23 necessary, are there flaws.

24 For example, in the material that I have
25 already started reading, which I will send to the

1 committee members, I noticed the GAO reports and their
2 concerns about unresolved questioned costs, and I have
3 noticed in different regions -- in some regions there is
4 an awful lot of money in terms of unresolved costs that
5 have been kind of hanging around for a while. And if
6 you take a little computer and add up all this money,
7 it starts growing.

8 And if you think of the cost, the minimum
9 access cost that we were talking about, some of these
10 money figures that are hanging around in budgets and in
11 audit reports could be utilized in a more cost
12 effective way, perhaps, to serve a greater number of
13 clients.

14 So, that is what I consider to be kind of a
15 mandate or a concern of this special committee, is to
16 see what are we doing, how are we doing it, who is it
17 going to, and the areas of my concern that I have just
18 superficially looked at, the matter of the surpluses
19 that finally get carried over, the audit procedures, the
20 role and function of back-up centers, and the Bar
21 involvement. There are a lot of things.

22 And I would hope, and I am going to be writing
23 a letter copying the Chairman and all members of the
24 committee, to many organizations, pretty much every
25 organization that is involved in legal services or just

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1 tangential to it, seeking ideas and comments which we
2 can have to take a look at the entire situation.

3 In terms of meetings, I would hope that we can
4 start talking about one committee meeting in the next
5 several weeks, and at that time I would then hope to
6 call on the staff and give them the opportunity to
7 present the materials to the special committee that they
8 didn't get to present today. For example, the audit
9 information and the field services report, and proceed
10 in that manner.

11 If there are any questions that any members of
12 the special committee would like to have now, I would
13 appreciate hearing them.

14 I would also indicate that we will be working
15 very closely, as I said, with the Operations and
16 Regulations Committee and with the Audit and
17 Appropriations Committee, because it is all pretty much
18 in the same ball game, and it is such a huge area, a
19 very huge area.

20 So, if any members of the committee have any
21 comments or questions or suggestions, I would like to
22 hear them.

23 (No response.)

24 I would hope that the members of the committee
25 will be more vocal at the committee meetings in the

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1 future.

2 And if any persons in the audience, after this
3 meeting is over, have any ideas or questions regarding
4 this operation, please let me know.

5 Oh, one more last point. We have -- I did
6 not realize the paperwork and the stacks and stacks of
7 information that are available, and there are about three
8 truckloads of it that I received. And to analyze it
9 properly and to really do a good job -- I have talked
10 to Chairman Harvey and to Mr. Kaplan, and we are going
11 to retain on an interim basis, anyway, a person to help
12 us out in this effort. His name will be Joshua Brooks.
13 He is from Harvard Law School. He spent some time in
14 the San Francisco Legal Services Program. He started out
15 in his career in the Reggis program, so he knows the
16 area pretty well, and he will do quite a bit of the
17 footwork.

18 So, until I contact you all again, that is all
19 I have to say about that committee.

20 CHAIRMAN HARVEY: Thank you, Clarence.

21 I would like to proceed to the organization of
22 our other committees, the organization of the
23 Committee on Appropriation and Audit, and Operations and
24 Regulations.

25 Those committees also can meet simultaneously,

1 if that is the desire or preference or permission of
2 the Chair of each committee.

3 The Chair of Operations and Regulations is
4 Mr. Stubbs, and the Chair of the Committee on
5 Appropriations and Audit is David Satterfield.

6 Is that agreeable to each of you?

7 MR. SATTERFIELD: Yes.

8 MR. STUBBS: Yes.

9 CHAIRMAN HARVEY: I will call upon Bob Stubbs,
10 first, as the Chair of the his committee, to convene your
11 committee meeting.

12 MR. STUBBS: Thank you, Mr. Chairman.

13 I have jotted down several things that I thought
14 maybe appropriate for inquiry of the members of the
15 committee, and I will be contacting each of them in the
16 near future in respect to certain areas that I think we
17 ought to formulate some approaches to, as towards the
18 development of an agenda for our first meeting, merely
19 to develop some thinking.

20 The first would be whether or not we want to
21 further fractionalize and utilize a subcommittee approach
22 to certain things.

23 For example, we have the two non-lawyers on
24 our committee, both of whom have had extensive
25 experiences that the balance of us have not had, and it

1 occurred to me that rather than burdening them with the
2 review of regulations and the drafting of regulations,
3 we would try to tap that experience and make them a
4 sort of a female think tank for our committee, utilizing
5 their special experiences in areas that bear on the
6 rendering of legal services, the interest groups that are
7 affected thereby, as to the expansion of programs, the
8 definition of programs in our regulations, matters of
9 this type.

10 I am also concerned about future meetings
11 because it seems to me we have some matters to attack
12 rather quickly.

13 There is legislation pending before the
14 Congress which will have a direct effect on the present
15 content of regulations.

16 In keeping with the views which I think most
17 of us share that we ought to know where we are, where
18 we have come from, and where we are going, I, first of
19 all, ask, and I acknowledge with appreciation, Linda
20 Hanten providing us with a statutory authority for
21 regulations. It was done on rather short notice, and
22 while much of this information was already available
23 in the U.S.C., she has set it out in a way in which I
24 think will be helpful to each of us in determining the
25 statutory premise for each provision in the regulations

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1 and bylaws of the Corporation.

2 I have reviewed the opinions of counsel which
3 were provided to us and have identified a number of
4 areas where I think that each of us may want to make some
5 inquiry as to the view the Board itself will take
6 essentially with the purpose of reviewing what we have,
7 where we are going, and how we have gotten where we are.

8 So, in addition to a project guidance or a
9 policy development, which I have thought in terms of
10 Ms. Slaughter and Ms. Worthy working on, I am thinking
11 of new areas in the Corporation's charter from the
12 Congress at which we ought to be looking, and more
13 specifically, the area of grant procedures that
14 Mr. McKee has already preempted by his committee. He
15 is a member of the Regulations Committee and will be
16 feeding us directly there.

17 I have had some doubt in my own mind about
18 just what the Operations Committee is going to be doing.
19 I have evinced a bit of that confusion once we get past
20 the bylaws and regulations.

21 I don't know, for example, how much impact we
22 should have on internal operations of the Corporation,
23 if any; what, if any, impact we should have on the
24 corporate organization for internal management and
25 operations; what impact, if any, we should have on

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1 regional and state organizations and activities.

2 I am not trying to intrude into the provision
3 of legal services, but in setting up some sort of
4 information exchange, trying to define with some
5 particularity just what the roles might be, and I am
6 going to solicit views of the members in order that we
7 may develop an agenda item, hopefully to bring to the
8 Board a recommendation or at least a report just as
9 Marc has done, and, Clarence, I would ask that
10 Dan Bradley not get so deep in Hialeah and elsewhere
11 that he not be available to us, and I can reach him a
12 little quicker than most of you and at will, having
13 known him longer than most of you.

14 I would certainly ask the other members of the
15 Board to let me know of your areas of concern. I don't
16 want to have two member meetings or anything of the sort
17 that is going to run us afoul of Sunshine. That is not
18 my purpose. It is to give us some indication where we
19 can develop an agenda item and put the committee to work
20 to be of service to the Board generally.

21 Implicitly, I think the public at large is
22 not going to need an invitation to let me know what they
23 have in mind. Lord knows, my mail right now leaves me
24 no need to try to think of things to look into.

25 We will try to tie our meetings in in the most

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1 economical fashion. So far as I can tell, every member
2 of the committee is busy on more than one project, and
3 to the extent that we can economize on that time, why,
4 we will certainly want to.

5 I have asked Gerry Kaplan to provide me and the
6 committee some sort of staff assistance as we undertake
7 to review regulations and where appropriate propose to
8 the committee and to the Board changes, and he has
9 indicated that Ms. Weisman will be available to assist
10 in that, and I look forward to working with her on that.

11 I think that is my substance. I now will
12 utilize my franking privilege and correspond with the
13 members to develop our first agenda.

14 CHAIRMAN HARVEY: Thank you, Bob.
15 Congressman.

16 MR. SATTERFIELD: Thank you, Mr. Chairman.

17 We listened to Mr. Singen a little while ago
18 who very succinctly and briefly outlined certain must
19 activities for this committee, and looking at it very
20 quickly we have two things that we have to do before the
21 meeting in June, which is just about 60 days away.

22 Looking at it again, if we are going to
23 conclude our determination and deliberations as to the
24 object of a second quarter review and modifications,
25 perhaps, and still the question of auditing fiscal year

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1 1982, we are going to have to conclude that work
2 somewhere around May 10th.

3 It occurs to me that members of the committee
4 may feel somewhat like I do in wanting to know a whole
5 lot more about the budget process and the figures and the
6 nuts and bolts that go to put it together, and I am
7 thinking in terms -- and I would be very interested in
8 any comments any member of the committee might have -- I
9 am thinking in terms of perhaps considering an
10 orientation and organization meeting sometime by the
11 middle of April, perhaps, so that we can get a handle on
12 the general processes, be familiar with what has happened
13 in the past so that we can judge what we are going to have
14 to do in the future, perhaps get into the question of
15 the second quarter review and the audit problem.

16 I frankly don't see how we can do all of this
17 in one day, so I am really thinking now that perhaps we
18 are going to have to schedule an organizational
19 meeting and an orientation meeting, and then a follow-on
20 meeting for action.

21 And I wondered if any of the members of the
22 committee have any other thoughts about it, or if they
23 agree with this as an approach. I would be interested
24 in hearing from any of them, if they do.

25 MR. DeMOSS: Congressman, on the issue of the

1 auditor, I assume we have had one in the past. Is there
2 a necessity for a change? I mean, have they said, we
3 don't desire to serve as auditor any more?

4 MR. BRADLEY: No. As I briefly commented,
5 Harold, at your last Board meeting, the Board a long time
6 ago basically said after five years we will review the
7 question about the continuation of our auditor, which is
8 Price-Waterhouse.

9 Last year, because of the transition year, the
10 old Board said, well, we will keep Price-Waterhouse for
11 another year. And, in fact, quite frankly -- and I am
12 not recommending this to you, but I can certainly see a
13 lot of advantages, just as we last year retained them
14 for another year, that you may, rather than change your
15 auditor -- I can certainly tell you this, the staff is
16 not prepared now to recommend to you that it is time for
17 us to change an auditor.

18 But since we had scheduled that agenda item and
19 we had indicated to the old Board that they would be
20 revisiting this question, Mr. Satterfield, it very well
21 may be that you will decide that you have other more
22 important items to discuss than the whole question of
23 selecting one of the new firms to do the new audit.

24 I can tell you, our experience with Price-
25 Waterhouse has been exceptionally good. They have done

1 an exceptionally thorough job.

2 Now, whether or not we should change or ought
3 to change, or who we should change to, or why we should
4 change, those are questions that I am not prepared to
5 address today.

6 But I can indicate to you that you will not
7 suffer by retaining that firm for another year, if that
8 is what you choose to do.

9 MR. SATTERFIELD: Well, I would like to say
10 that I was not suggesting that we were going to do
11 anything like that, but I do think it is a matter, since
12 the recommendation was made in the past, that our
13 committee might want to look at.

14 And I, for one, I would like to see the last
15 audit, for example. I don't think we will do anything
16 this time, probably won't, but it seems to me it is a
17 propitious time to look at the question as long as we
18 are looking at everything else we are going to have to
19 do.

20 In addition to that, we have got the matter
21 of budget, which culminates in November for presentation
22 to the December meeting. I can conceive we are going to
23 have some real problems beginning after the meeting in
24 June leading up to those ultimate recommendations.

25 I don't know how many meetings we will need.

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1 I would like to suggest that we go ahead and schedule an
2 early meeting with the idea that do as much orientation
3 as we can. If we can proceed with the two subjects at
4 hand, so be it. I think that we could do both.

5 But I would like to schedule an orientation
6 meeting, and if some of you members don't feel that you
7 need it or you can't make it, those of us who could
8 attend would go ahead with it, and we would schedule a
9 later meeting for some hard decisions with respect to
10 what we must do before June.

11 I intend to get with Mr. Singesen very shortly,
12 and as a result of that and my conversations with him,
13 I anticipate that we will be sending you some
14 informational material, but I know you are like I am,
15 you are about to choke with it at the present moment, and
16 I certainly don't want to add to your problems. So, we
17 will try to be as selective as possible.

18 MR. DANA: Did you have a date in mind?

19 MR. SATTERFIELD: I haven't picked one yet.
20 I thought the best way to do it, if it meets with your
21 approval, is let me write you and send some alternative
22 dates and see if we can get a concensus on both
23 meetings.

24 I think that is all I have to say,
25 Mr. Chairman, unless someone has something else they wish

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1 to say.

2 CHAIRMAN HARVEY: Thank you, sir, very much.
3 There is a comment here. Bob.

4 MR. STUBBS: I think in view of the fact that
5 we have got so many committees that are going to try to
6 get organized early and functioning, and you are the
7 only common member of every committee, if you would let
8 us know, as whoever gets there first, I would say, would
9 have preempted the date, but hopefully we could work
10 this in.

11 I think most of us are on two or three
12 committees and it may make for a lot of help to Delta and
13 other airlines in the months ahead.

14 CHAIRMAN HARVEY: I want to ask my colleague,
15 is this one of the privileges that goes with being the
16 Chairman?

17 MR. STUBBS: You are expected to attend them
18 all, I am told. Never mind teaching your courses, they
19 have learned enough.

20 MR. SATTERFIELD: Mr. Chairman, I would like
21 to second Mr. Stubbs' suggestion. The thought had
22 occurred to me, too, that it is possible that committees
23 could meet at the same time, on the same day, which
24 would facilitate inter communication between the two of
25 them, and probably put less of a strain on staff.

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1 CHAIRMAN HARVEY: To be quite serious about it,
2 I quite agree with both of you, and I think indeed, Bob,
3 you preempted a thought I was having, which was, I think
4 that the chairs of each of these committees and I should
5 establish a schedule, an agenda schedule for this and
6 try and integrate one into the other. I would be happy
7 to do that with you.

8 Any other comments concerning committees from
9 member of the Board?

10 (No response.)

11 This brings us to the final agenda item, which
12 is adjournment.

13 MR. DANA: Just for the record, we have at
14 lunch had a recess and went into executive session very
15 briefly, and recessed that again for a possible
16 continuation of our public meeting on Monday afternoon.

17 CHAIRMAN HARVEY: Howard, this is the
18 Presidential Search Committee you are referring to.

19 MR. DANA: Correct.

20 CHAIRMAN HARVEY: Yes, that is correct.

21 What Mr. Dana just said, members of the public,
22 is that the Presidential Search Committee did meet in
23 executive session at noon, and that committee was
24 recessed until a possible meeting on Monday afternoon.

25 Is that correct?

1 MR. DANA: That is correct. And it would be
2 here, presumably, as soon as possible Monday afternoon.

3 CHAIRMAN HARVEY: All right, fine. Thank you.
4 Marc?

5 MR. SANDSTROM: Did Mr. Singesen have some
6 written material that he was going to present to us?
7 I know we are not giving him the time to do so, but
8 maybe we could at least get the material listed on the
9 agenda.

10 CHAIRMAN HARVEY: This was to be presented to
11 the committees, Marc.

12 MR. SANDSTROM: Okay.

13 CHAIRMAN HARVEY: And I would like to ask that
14 the staff personnel present the materials to the
15 committee chair.

16 Further comments, I want to say to the Board,
17 I think the month of March has been an outstanding
18 month for legal services, but perhaps I should qualify
19 it saying I have spent an outstanding amount of time on
20 legal services in the month of March. President
21 Bradley, your prediction, if not prognostication, is
22 correct, a great deal of time.

23 But I think a lot of progress has been made.
24 We have met an awfully long time and I know that each of
25 us has devoted great effort in this month. We met twice

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1 in this month alone, the 4th and 5th and today, and
2 quite frankly it is as much an honor to be with the
3 Board of this caliber and with you, President Bradley,
4 as it was then, and it will always be that way for me.

5 I think I opened the month of March by making
6 the ribald comment concerning the success of the
7 Indiana University basketball team. I was crossed
8 immediately by our distinguished congressman who began
9 to talk about Virginia, and I do observe that this week
10 neither team is present in the final four.

11 MR. McKEE: Mr. Chairman, there is one present.

12 CHAIRMAN HARVEY: However, I have the fallback
13 position, Mr. DeMoss, which is that my alma mater -- I
14 know you come from Houston, but my last instruction in
15 March to the Board is, you are instructed to be rooting
16 for my alma mater, which is Georgetown, this coming week,
17 and you can't contradict that.

18 The Chair would be happy to entertain a motion
19 for adjournment.

20 MR. STUBBS: Before this turns into a bookie
21 joint, Mr. Chairman, I tender a motion to adjourn.

22 CHAIRMAN HARVEY: Yes, I will happily accept
23 that.

24 MS. WORTHY: I second the motion.

25 CHAIRMAN HARVEY: So moved, and I take it by

1 unanimous consent, the meeting is adjourned.

2 Thank you.

3 (Whereupon, at 2:50 p. m., the meeting was
4 adjourned.)

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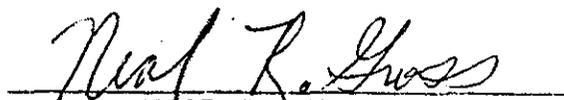
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CERTIFICATE OF REPORTER

I hereby certify that the foregoing transcript represents the full and complete proceedings of the 3/26/82 aforementioned matter, as reported and reduced to type-writing under my direct supervision.


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