

LEGAL SERVICES CORPORATION

FINANCE COMMITTEE MEETING

OPEN SESSION

Friday, May 12, 1995

9:25 a.m.

Legal Services Corporation
750 First Street, Northeast
11th Floor
Washington, D.C.

COMMITTEE MEMBERS PRESENT:

Maria Luisa Mercado, Chair
John T. Broderick, Jr.
Thomas F. Smegal, Jr.
Douglas S. Eakeley, (Ex officio)

BOARD MEMBERS PRESENT:

F. William McCalpin
Hulett "Bucky" Askew
John G. Brooks
Nancy Hardin Rogers
Ernestine P. Watlington
Edna Fairbanks-Williams

STAFF PRESENT:

Martha Bergmark, Vice President
Patricia Batie, Secretary
David Richardson, Treasurer and Comptroller
Edouard Quatrevaux, Inspector General
Gerry Singesen, Program Officer

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MOTIONS: 3, 4, 16, 27

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P R O C E E D I N G S

1
2 CHAIR MERCADO: Why don't we go ahead and call this
3 meeting to order. Good morning to all of you on behalf of
4 the Finance Committee and the rest of the Board members that
5 are joining us this morning. We are -- I hope that you have
6 had some time to review the preliminary review of the
7 Consolidating Operating Budget expenses for the period ending
8 April 30, '95, which is an update from the Consolidating
9 Operating Budget review that you have in your board book,
10 which is for period ending March 31, 1995, so this is the
11 most up to date.

12 And what I am -- first of all, before we -- and I,
13 again, just hope that you have had time to review that before
14 this meeting. What I would like to do at this point is to
15 note that we do have a quorum, all our members of our
16 committee are here. I would at this time entertain a motion
17 to approve the agenda as submitted.

M O T I O N

18
19 MR. BRODERICK: So moved.

20 MR. SMEGAL: Second.

21 CHAIR MERCADO: All those in favor?

22 (A chorus of ayes.)

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1 CHAIR MERCADO: Opposed, abstentions?

2 (No response.)

3 CHAIR MERCADO: Motion carries. I would next ask

4 for the minutes of January 27, 1995, to be approved. If

5 there is any modifications or changes to the minutes --

6 M O T I O N

7 MR. SMEGAL: I approve the minutes as submitted.

8 MR. BRODERICK: Seconded.

9 CHAIR MERCADO: All those in favor?

10 (A chorus of ayes.)

11 CHAIR MERCADO: Opposed, abstentions?

12 (No response.)

13 CHAIR MERCADO: Motion carries. Okay. Now, Item
14 No. 3, Consideration and review of budget and expenses for
15 the six-month period ending March 31, '95 and expense
16 projections for the period of April 30, 1994, and that was
17 the document that we were talking about at the beginning of
18 the meeting, which I hope you've had some time to review. I
19 would like, however, for Mr. Richardson, our comptroller, to
20 highlight for us any significant differences between both
21 documents.

22 MR. RICHARDSON: Just for the record, also, when

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1 you approved the minutes, it does state April 30, '94, it
2 should be April 20, '95. So with that adjustment to the
3 agenda --

4 CHAIR MERCADO: I'm sorry?

5 MR. RICHARDSON: It just should read April 30, '95.

6 CHAIR MERCADO: What page was that? Oh, okay.

7 MR. RICHARDSON: Page 20.

8 CHAIR MERCADO: Oh, I see. I see. You're right.

9 On the Agenda?

10 MR. RICHARDSON: Yes.

11 CHAIR MERCADO: I thought you meant in the minutes.

12

13 MR. RICHARDSON: Thank you. For the record my name
14 is David Richardson, Treasurer and Comptroller of the
15 Corporation.

16 We have had some significant success in subleasing
17 the 400 Virginia Avenue property. If you recall at year end
18 we accrued \$240,000 for rent recognizing the utility of it
19 and in September when we signed the lease, that lease ran
20 October through January 30. Because we had recognized the
21 lease loss in '93 and we had now signed a lease, we now
22 recognized that income when the lease is signed. That term

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1 has been extended twice.

2 Originally -- when I say twice it was \$60,000 a
3 month, that's the reason you had the income line of \$120,000.
4 However, in reviewing -- I haven't received the lease
5 documents yet, but they're still occupying the space and I am
6 told that they will be there through May 31. So we have a
7 fourth-month extension; therefore, the increase in the rental
8 income, we go from \$120,000 to \$240,000, \$60,000 a month. If
9 they can extend and we're certainly working on that, to try
10 to get them to extend another month -- actually, if we could
11 get them to extend through April would be very nice, then
12 we'll report that at a later time, but at this point, they
13 have not agreed to.

14 There is one other lease. We had one of our
15 subtenants move out of the space and we have two leases that
16 have been signed. One is for another government contractor.
17 We will lose a month's rent, but the rental income increased
18 slightly. And, also, GSA took another 10,000 square feet of
19 space and they will be in the space June 1st. That is also
20 included here. It probably should be modified to show --
21 I'm sorry, that income was used to offset the tenant that
22 moved out of the space at 400 Virginia Avenue. It's about a

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1 wash at this point, and as soon as we get additional
2 information on that, we will revise that and come back to you
3 also.

4 We've also been successful in two undertakings in
5 this headquarters. We've got National Association of Police
6 Officers, NAPO, that we leased space for. That was the
7 \$40,000 that we originally showed as miscellaneous income in
8 this building. We have since subleased space to the building
9 owners, actually, APA, and they're in space and we're getting
10 about \$4200 a month's rent there. We have also received a
11 rebate from 400 Virginia Avenue for expenses, and to give
12 full reporting that is shown as miscellaneous income, too.
13 So that's the reason that our miscellaneous income goes from
14 \$40,000 to \$100,000 in accrual.

15 We also note that the interest income is set in at
16 \$280,000 and we had projected for the year \$300,000. I've
17 not yet revised that. I will do that at the next board
18 meeting, but that certainly will be increased also. That is
19 attributed to the increase in funds that we're paying to the
20 grantees and the float time on that money and the increase in
21 the interest rate that's occurred over the last year. So
22 that is a significant increase.

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1 As we go through the other information as far as
2 the expenses, I'll just -- we are still making our review
3 based on a \$417 million budget. And, of course, you're aware
4 that we do have a rescission, but the rescission roll back
5 per line is not yet settled, and tomorrow during the board
6 meeting, there will be a proposal that will be discussed at
7 that time in regards to that.

8 Basically, for the year, with the \$417 million
9 budget, we have expenses and contracts of \$405 million, so
10 remaining of that budget without rescission is \$12,600,00.
11 If we could, we'll turn to Attachment C, page one of four,
12 and I don't believe there is anything of significance to
13 this. With the seven-month review we have the delivery of
14 legal services, \$375 million expended of a \$379 million
15 budget.

16 So as you see, there's a 3 point -- almost \$8
17 million remaining and the main portion of that money is
18 short-term funded programs. There is some money left for
19 the Court of Veteran Appeals which you see, and the
20 AmeriCorps and the other significant chunk of money is the
21 law school. We had a budget there with the carryover of \$2.1
22 million. We paid out in this year, \$674,000 and the

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1 \$1,436,000 is the remaining funds. And, of course, the new
2 appropriation this year was \$1,435,000, so we have about
3 \$100,000 in carryover from last year.

4 Is there any questions on that particular page that
5 I can address for you?

6 CHAIR MERCADO: Does anyone have any questions?

7 MR. RICHARDSON: I might mention that the money in
8 the Native American is unencumbered. It's contingency funds,
9 same thing with the Migrant. The special emergency we had
10 received, as you recall, 150 at year end for the Southern
11 California earthquake and we've paid out \$149,140 through the
12 grants that were requested. So we have a \$33,000 balance in
13 that particular fund.

14 The AmeriCorps, as you see, we have the \$37,000
15 there, and most of that is for administrative expenses.
16 There is a small amount for a grant that is still to come.

17 On Page two of four, you see the support for Legal
18 Services, the budget of \$26,046,000. We have contracts and
19 expenses of \$23,751,000. The \$25,000 that's remaining in the
20 Regional Training Center is a contingency for a study and
21 that is money that with the rescission that we will lose.

22 In the National Support, there's a remaining

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1 balance of \$1,100,000. There is a contingency in this
2 particular fund of \$875,000 that was going toward a study
3 and, of course, with the rescission, much of that will be
4 gone also. The same thing with the State Support, there was
5 some plans for the money, but with the rescission that will
6 be lost.

7 The Client Involvement, all that money was in the
8 original proposal, a straight roll back of the increase would
9 be gone and the proposal you'll see tomorrow is that, of
10 course, we leave \$60,000 to pay for the expenses that we've
11 already incurred there. Within Management and
12 Administration, the total budget is \$12,449,000, \$188,000 of
13 that is for the competition initiative. We've not yet spent
14 money on that this year, but there is plans to do that.

15 And as you look down the line there, everybody is
16 in good shape as far as budgeting. In total, we are spending
17 at a rate of 47.8 percent and of course we're at 58.3 percent
18 of the year, so we're --

19 MR. EAKELEY: Can I ask a question on that. Just
20 to interrupt you there, David, you're on three of four, I'm
21 sorry, I was side-barred here, but --

22 MR. RICHARDSON: Yes.

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1 MR. EAKELEY: There is one line that just sort of
2 jumps out as being spent and maybe it's just the way it
3 happens, but the Administrative Services, Human Resources
4 line is the one line where we seem to be substantially ahead
5 of where we should be seven months into the year and it seems
6 to me spending at a rate quite different from every other
7 line on the M & A, could you explain that?

8 MR. RICHARDSON: Yes, sir, the main expenses there
9 has been for the computer purchase and the training and
10 basically, that money is completely spent for the year. We
11 will be coming back and asking for some additional money when
12 we review the budget, because there was some additional
13 computer consulting completed that was not included in the
14 budget and there is also the real estate commissions that we
15 have paid that we will now have to offset some of the rental
16 income.

17 So there is about \$90,000 in additional funds that
18 needs to be added to the consulting line. But the main thing
19 is the \$300,000, basically for the computer that we had set
20 aside is totally spent.

21 MR. EAKELEY: Well, I'm not -- I don't quite
22 understand -- there is consulting expenses in Line 5?

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1 MR. RICHARDSON: Yes, sir. If we can --

2 MR. EAKELEY: Are you saying that we are -- not
3 only do we have a \$300,000 upfront cost incurred in
4 computerizing, but that we're operating at a rate in excess
5 of what we budgeted?

6 MR. RICHARDSON: Yes, sir. There's two things.
7 There was a consulting arrangement with a group that was not
8 originally included in the budget, and then we have about
9 \$40,000 in real estate commissions on the new rentals that we
10 have. We had to pay those, of course, when we got the leases
11 and now that we're getting the income, we now need to offset
12 that and bring money back in the budget.

13 MR. EAKELEY: But that's not a line -- is that also
14 a Line 5 item, commissions on rentals?

15 MR. SMEGAL: Why isn't that applied where the
16 income is?

17 MR. RICHARDSON: Basically to give full reporting,
18 we show the full income coming in and then we'll need to show
19 the expense going out. When you look at --

20 MR. EAKELEY: That is not a source of being over
21 budget, the commission point?

22 MR. RICHARDSON: Yes, sir, it would be, because

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1 we've already --

2 MR. EAKELEY: We've got offsetting income that --
3 well, that doesn't suggest it to me.

4 MR. RICHARDSON: See, we're showing all the income
5 at the bottom, then when we go back and do our --

6 MR. EAKELEY: Let's just focus on the consulting
7 expenses that we haven't budgeted for. That's -- you're
8 saying that we've committed to \$90,000 in expenses over and
9 above what we budgeted for on that?

10 MR. RICHARDSON: That's correct, sir.

11 MR. EAKELEY: And when did that happen?

12 MR. RICHARDSON: When the real estate leases for
13 the most part were signed. When we signed to bring in,
14 basically, \$500,000 in income, now we have commissions that
15 need to go back.

16 MR. EAKELEY: I'm talking about consulting fees?

17 MR. RICHARDSON: Those are consulting fees.

18 CHAIR MERCADO: That's what they call them.

19 MR. EAKELEY: Oh, okay. I misunderstood. I
20 thought there were commissions and then there were consulting
21 fees and that we were over budget on both.

22 MR. RICHARDSON: No. When we speak of consulting

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1 fees, there's a couple of items included, the board
2 attendance fees, the monitoring consulting and legal
3 expenses, all those are grouped into -- along with the real
4 estate commissions -- into a consulting line.

5 MR. EAKELEY: And -- all right. I guess I'll have
6 to wait until we get to the break out of administrative
7 services, human resources to understand it. But the -- we're
8 running over budget at about \$90,000 on Line 5 of page three
9 of four?

10 MR. RICHARDSON: In total we're not, but in that
11 one line, in the consulting line, we are running behind or
12 ahead of more expenses than we had budgeted.

13 CHAIR MERCADO: Well, the flip side of that is that
14 you're also running ahead on income --

15 MR. RICHARDSON: That's correct.

16 CHAIR MERCADO: -- that was projected that you were
17 going to get, so --

18 MR. EAKELEY: Yeah. That was going to be my next
19 question. Are we net ahead or behind?

20 MR. RICHARDSON: Oh. Way ahead.

21 MR. EAKELEY: Okay. Okay.

22 MR. RICHARDSON: One of the things that happened,

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1 we have \$340,000 for new rental income. At year end when we
2 recognized the income, I did not have the projection of real
3 estate commissions on the money that we recognized in
4 September. So there is -- the real estate commissions is on
5 \$240,000 plus \$240,000 plus basically another \$100,000.

6 MR. EAKELEY: Okay. That's fine.

7 MR. BRODERICK: Can I ask you conversely on Items 7
8 and 8 under M & A, page three of four, why did those seem to
9 be dramatically under budget at this point?

10 MR. RICHARDSON: Okay. The Program Evaluation
11 Analysis Review are really just getting started. As you
12 recall, they got into gear to begin operations -- they were
13 traveling last -- in the first quarter -- but their main
14 travel for this year is January through September, because of
15 the new compliance review and a new peer review that they've
16 established. So you will see -- there is a comparison that I
17 handed out that shows a comparison of the expenses for the
18 first two quarters.

19 Now, the reason I did that is we're running about
20 19 percent through March. Now, we've got to -- we're talking
21 about April now, so -- but as you look at that, you'll see
22 that we're running behind budget. In the next quarters, you

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1 may see 28, 30 percent spent, ending June quarter and then in
2 September, because that's when the gearing up and the
3 expenses are projected to come into place.

4 MR. BRODERICK: So what we're seeing now is
5 artificial in that sense?

6 MR. RICHARDSON: Yes. Overall, we are running at
7 48 percent of budget and we should be at 59 percent,
8 basically, 48.3, so we are still well under budget.

9 MS. BERGMARK: And it's prudent that we do so,
10 given that we have to accommodate for a rescission. So
11 it's -- one might make a point that why are we not spending
12 the money we have, looking at this budget, but under the
13 circumstances, we are already accommodating for the reality
14 of rescission.

15 CHAIR MERCADO: Any other questions that members of
16 the committee or the board members might have?

17 MR. SMEGAL: Do we require action on this, Madame
18 Chair?

19 CHAIR MERCADO: I think just to prove in his
20 report --

21 M O T I O N

22 MR. SMEGAL: I would make that motion.

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1 MR. BRODERICK: Seconded.

2 CHAIR MERCADO: All those in favor?

3 (A chorus of ayes.)

4 CHAIR MERCADO: Opposed, abstentions?

5 (No response.)

6 CHAIR MERCADO: Motion carries. And now our next
7 item, No. 4, is to consider the committee schedule for
8 adoption of the FY '95 Consolidating Operating Budget.

9 Mr. Richardson?

10 MR. RICHARDSON: With the rescission figures that
11 we are looking at, and tomorrow you will be discussing some
12 alternatives or proposal to reduce the Management and
13 Administration and some of the other lines of support to
14 provide additional funding for the Field Programs.

15 Tomorrow after we have that discussion and it's
16 either approved or rejected and then we can go to the House
17 subcommittee with a proposal. Most of you are aware that we
18 did receive the rescission, a \$15 million rollback, but then
19 at subsequent meetings, the subcommittee has said that they
20 want certain elements reduced further with the Field Programs
21 getting additional money. So that is something that we will
22 be discussing tomorrow.

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1 With that completed and final approval with the
2 subcommittees, both House and Senate, then we can provide a
3 budget. There is also the prospects or the possibility of a
4 second rescission, and I don't believe that is completely off
5 the table yet. We are working with both House and Senate to
6 not have the second rescission, but it's still looming there.

7 So once those decisions are made, we have a
8 preliminary budget, it's not yet final because of the
9 uncertainty of what's before us, but certainly as soon as
10 that is approved, we will get you a budget, something to
11 review. I understand yesterday there was a decision not to
12 have the June meeting, so we will definitely have a complete
13 budget for you at the July meeting.

14 MR. EAKELEY: No, the decision yesterday was to
15 have a June meeting.

16 CHAIR MERCADO: No.

17 MS. ROGERS: Of the committee.

18 CHAIR MERCADO: The committee will meet, it's
19 just --

20 MR. EAKELEY: The Board will meet, too.

21 MR. RICHARDSON: I'm sorry.

22 CHAIR MERCADO: I think that what we were

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1 discussing is whether Ops and Regs --

2 MR. RICHARDSON: The joint meeting.

3 CHAIR MERCADO: -- was ready to have a joint meeting
4 with the finance committee to look at the regulations that
5 effect finance, and basically the direction, I think, of the
6 Ops and Regs Committee while I was present was that we wanted
7 staff to look at, and the Inspector General, I guess, to look
8 at the particular finance provisions that really needed to be
9 dealt with at this time instead of doing sort of an overhaul
10 of all the financial regulations -- and Mr. McCalpin and Mr.
11 Brooks, correct me if I'm wrong -- to deal with the
12 regulations that we do need to deal with now.

13 I know that you've been working on the budget -- I
14 mean, working on the rescission documents, and our analysis
15 of it was that at the June Ops and Regs meeting, we wouldn't
16 have a joint meeting to deal with the finance regulations in
17 the regulatory process that Ops and Regs is going through,
18 and that they really need to get that input from staff and
19 from the finance committee on the particular regulations that
20 we need to prepare for comment and to begin working on.

21 And I didn't think, based on my information, that
22 we were going to be able to do that by June. And so that was

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1 basically the basis of our discussion on the Ops and Regs,
2 but not that the Finance Committee wouldn't meet. It will
3 meet, but not with the Ops and Regs.

4 MR. RICHARDSON: Sorry. I was misinformed. But, in
5 any event, if we do have a June meeting, provided that we
6 have final rescission figures, we can provide a budget for
7 you at that time.

8 CHAIR MERCADO: Okay. Now, of course, we do have -
9 - we do have a budget that we have already approved, this
10 would be a modified budget?

11 MR. RICHARDSON: That's correct.

12 CHAIR MERCADO: Okay. Unless there is any other
13 discussion on the '95 Consolidating Operating Budget -- and
14 if you could, Mr. Richardson, if we could get in as much as
15 possible, a couple of days before the meeting, your proposed
16 revisions so that we can work with them and look at them, I'd
17 appreciate that.

18 On Item No. 5, again, it's the consideration of
19 committee schedule for the development and adoption of the FY
20 '96 Consolidating Operating Budget. And I guess you can sort
21 of give us your impressions of where we are or aren't at that
22 because of all the activity that's going on on the Hill, it's

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1 sort of difficult to sort of pinpoint where we're at.

2 And, Martha, you may correct me if I'm wrong, I'm
3 not sure on what Management's position is, we've already
4 submitted our budget request to Congress, based on the
5 President's recommendation of the \$440 million. Now,
6 obviously dealing with the circumstances that are going on on
7 the Hill now, I don't know whether that is something that we
8 will have to revisit or whether we proceed with that.

9 MS. BERGMARK: I think our view is that we're
10 proceeding with our budget request, and that's what we will
11 be presenting in the House and Senate subcommittees. But by
12 September, and David, you can lay out what your proposed
13 schedule might be for committee consideration, we obviously
14 won't know until much later what we really are -- what really
15 is in store for us. So -- and I think David has some
16 thoughts about when we might be able to get to that.

17 MR. RICHARDSON: Yes. You certainly -- we do have
18 a budget that was presented to Congress with the 440. And
19 looking at reduced funding, we will certainly, as soon as we
20 have an idea, start -- we've actually already started looking
21 at how we can reduce that figure.

22 Not knowing the exact amount of money that might be

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1 available, we could look at some preliminary budgets at your
2 July scheduled meeting. But that would be very preliminary
3 since we do not have the actual amounts, as yet, to look at.
4 Possibly we'll have an idea at that time. But we are
5 certainly working on it.

6 We've already made some reductions to our proposal.
7 But I'll look at -- in June, after we get the rescission
8 figures budget to you, we'll then take a second cut at the
9 '96. We can review that in July. Hopefully when we meet in
10 September, we will have some '95 figures -- or '96 figures
11 available, and then can present you a preliminary budget at
12 that point based on the information we have.

13 So I look to September, at least, to have a
14 preliminary budget on the table.

15 MS. BERGMARK: Alex will have a more complete
16 report tomorrow, but our view of the action of the Senate
17 Budget Committee yesterday proposing a 65 percent reduction
18 for Legal Services next year means that we are not in a
19 business-as-usual posture and that he has suggested to Doug
20 that we may want to move up our July meeting to perhaps the
21 end -- toward the end of June and begin to have the Board
22 really look at and deliberate and consider what a

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1 substantially redesigned system of Legal Services delivery
2 might need to look like to accommodate really a future that
3 is one that no one of us looks forward to, but is one that we
4 may have to face. So -- but we'll have further and more
5 detailed discussion of that, I think, tomorrow.

6 CHAIR MERCADO: Okay. Any questions or points that
7 anyone would like to bring?

8 MR. SMEGAL: Thank you, Mr. Richardson.

9 CHAIR MERCADO: As far as the Item No. 6, Consider
10 and act on other business, I think the only other item that
11 we had outstanding out there was the question of reviewing
12 whether our recommended audit guide was going to be presented
13 to the Finance Committee, but my understanding is that that
14 document is not ready at this time for us to review. Is that
15 correct?

16 MR. RICHARDSON: That is correct.

17 CHAIR MERCADO: Is there a likelihood that we would
18 be reviewing that in June some time or do you have any sense
19 of that?

20 MS. BERGMARK: On the audit guide, the Provisions
21 Committee will consider this afternoon a proposed resolution
22 to transfer responsibility for audit -- setting of policy

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1 with reference to review of financial statement audits of
2 grantees to the Inspector General's Office. We anticipate
3 publishing the audit guide next week for comment that would
4 then come in over the course of the next 40 or so days, so
5 that it could come back for review by the Board at -- after
6 that time.

7 I think the meeting of the Ad Hoc Governance
8 Committee needs to consider jurisdictionally where the audit
9 guide ought to be considered in a committee first before it
10 gets to the Board. So I would anticipate some, perhaps,
11 discussion of that in the Ad Hoc meeting this morning on how
12 to do that.

13 CHAIR MERCADO: Okay.

14 MS. BERGMARK: The Provisions Committee assignment
15 on consideration of this resolution was one that seemed to
16 make sense since the function being considered was one that
17 currently resides in OPEAR and is integrally sort of related
18 to the monitoring and oversight of local programs. So that
19 seemed like an appropriate committee call for that purpose
20 and we still need to consider how the Board and committees
21 are going to take a look at the audit guide.

22 MS. FAIRBANKS-WILLIAMS: So actually then we

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1 wouldn't be approving any type of audit until in the Fall so
2 that it would be too late to use that type of audit for this
3 year and we would have lost another whole year without doing
4 an --

5 MS. BERGMARK: No. Our thought is that it would be
6 applicable for Fiscal Year -- correct me if I'm wrong,
7 Gerry -- September 30th ending.

8 MR. SINGSEN: No. I think we've got through
9 December.

10 MS. BERGMARK: Or the end of the year?

11 MR. SINGSEN: December 31.

12 MS. BERGMARK: December 31, okay, but it would be
13 for this program year, so consideration would happen in July,
14 December 31 was the date that we finally arrived at.

15 CHAIR MERCADO: Okay. Other than the regulatory
16 review that we need to do as far as the Finance Committee is
17 concerned and the audit guide, were there some other
18 outstanding items that we needed to review for the next
19 meeting?

20 MR. RICHARDSON: I don't believe so at this point.

21 CHAIR MERCADO: I don't have a copy of the calendar
22 with me, and of course the calendar is sort out of sync with

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1 all the activity going on in the Hill, too, as far as
2 looking at where all we're supposed to be working on, as far
3 as budget and budget reviews and budget marks.

4 MR. RICHARDSON: Well, the thing that we're not
5 doing at this meeting, which we will be doing with the
6 modified budget is -- I mean, we've reviewed the expenses for
7 the six-months and the way, of course, we will put together
8 the budgeting for the remainder of the year, we will put
9 together a budget for the last five months since we now have
10 April. So we will do that within the rescission budget.

11 So that's the only other thing that I'm aware of
12 that we need to be doing, except for the time table, and of
13 course, we just laid out, we're operating a little bit behind
14 schedule to get the PAG/FCC Committee to come and testify in
15 regards to '96 with the uncertainty, I'm not sure how that --
16 if we need to do that at this point or not. It would
17 probably be better to wait until we're more certain.

18 CHAIR MERCADO: Sure. Any other business or items
19 that anyone wishes to bring before the Finance Committee?

20 (No response.)

21 CHAIR MERCADO: Okay. There being none, any other
22 business? Thank you, Mr. Richardson, and I would at this

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1 time entertain a motion to adjourn.

2 MR. SMEGAL: Any public comment?

3 CHAIR MERCADO: Oh. Public comment?

4 (No response.)

5 M O T I O N

6 MR. SMEGAL: I move to adjourn.

7 CHAIR MERCADO: All those in favor?

8 MR. SMEGAL: Aye.

9 CHAIR MERCADO: Motion carries. Okay. Thank you.

10 (Whereupon, at 10:00 a.m., the meeting of the
11 Finance Committee was adjourned.)

12 * * * * *

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