

LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

TELEPHONIC MEETING
OF THE BOARD OF DIRECTORS

OPEN SESSION

Wednesday, July 21, 2010

10:35 a.m.

Legal Services Corporation
3333 K Street, N.W.
3rd Floor Conference Center
Washington, D.C. 20007

BOARD MEMBERS PRESENT:

John G. Levi, Chairman
Martha L. Minow, Vice Chairman
Sharon L. Browne
Jonann C. Chiles
Thomas A. Fuentes
Robert J. Grey, Jr.
Victor B. Maddox
Laurie Mikva
Sarah M. Singleton

STAFF AND PUBLIC PRESENT AT THE CORPORATION'S OFFICES:

Patricia Batie, Acting Corporate Secretary and FOIA
Officer, Office of Legal Affairs

Kathleen Connors, Executive Assistant to the President

Kamala Srinivasagam, Executive Office

Karen J. Sarjeant, Vice President for Programs and
Compliance

Jeffrey E. Schanz, Inspector General

David de la Tour, Program Counsel III, Office of
Compliance and Enforcement

Charles Greenfield, Program Counsel III, Office of
Program Performance

Sean Driscoll, Special Assistant, Government Relations
and Public Affairs Office

Stephen Barr, Media Relations Director, Government
Relations and Public Affairs Office

Evora A. Thomas, Program Counsel III, Office of
Program Performance

C O N T E N T S

OPEN SESSION:	PAGE
1. Approval of agenda	4
2. Consider and act on Resolution 2010-009 which authorizes the Board Chairman to establish a Fiscal Oversight Task Force	4
3. Public comment	10
CLOSED SESSION:	
4. Consider and act on recommendation of the Search Committee for LSC President regarding selection of an executive search recruiter	
OPEN SESSION (Resumed):	
5. Consider and act on other business	14
6. Consider and act on motion to adjourn meeting	15

Motions: 4, 10, 13, 15

1 PROCEEDINGS

2 (10:35 a.m.)

3 CHAIRMAN LEVI: I'm going to call the meeting
4 to order. This is the open session of the duly noticed
5 meeting of the Legal Services Corporation, noticed in
6 the Federal Register on July 16.

7 And I would ask for a motion to approve the
8 agenda.

9 MOTION

10 MR. MADDOX: So moved.

11 CHAIRMAN LEVI: Second?

12 MS. BROWNE: Second. This is Sharon Browne.

13 CHAIRMAN LEVI: All in favor?

14 (A chorus of ayes.)

15 CHAIRMAN LEVI: A few minutes ago, I guess
16 last evening Robert Grey, and this morning Victor
17 Maddox -- I hope everyone has received it -- made a
18 couple of changes to the draft resolution that had been
19 circulated regarding the establishment of a fiscal
20 oversight task force. So if you don't have that in
21 front of you, you may want to take a look at it for a
22 second while I give a little bit of background for the

1 benefit of everyone on the call.

2 JUDGE SINGLETON: I'm sorry. When was it
3 circulated, John?

4 CHAIRMAN LEVI: This morning at about -- just
5 about 20 minutes ago, unfortunately. And it just --

6 MS. BROWNE: Okay. John, this is Sharon. I
7 don't have it.

8 CHAIRMAN LEVI: Let me say it has changes
9 which can be -- which also can be read. And if Pat
10 Batie can just read the changes so that people have
11 them. They're not -- one of them is significant in the
12 sense that it asks that the report be delivered by the
13 31st of March. And the second change is to give the
14 task force the authority to retain consultants.

15 MR. GREY: Robert Grey.

16 CHAIRMAN LEVI: And Robert, if you want to
17 speak to the changes that you made with Victor last
18 night. He reviewed them and approved them.

19 MR. GREY: Yes. They weren't really
20 substantive changes. I think I asked -- we just sort
21 of reordered it to, I think, give us a little bit of
22 flexibility, one, in terms of reaching out to people,

1 not necessarily through testimony as it was sort of set
2 up before, but just being to get to folks who are both
3 internal to us in terms of the grantees and others who
4 may have an interest.

5 And I think we also felt that we may need to
6 hire somebody to give some objective analysis of the
7 activities that we want to review. And we
8 wanted -- and we've got that subject to John's and your
9 approval. And otherwise, I think it's in order for the
10 board.

11 CHAIRMAN LEVI: I want to give a little
12 background on the establishment of the task force.

13 Early after I had been asked to join this
14 board and reviewed materials on my own confirmation, I
15 saw that there were a number of GAO reports that had
16 come out in recent years. I observed the then-current
17 board attempting to deal with these issues that were
18 presented by the GAO and the professional staff at the
19 Corporation.

20 There were other continuing [audio blip] that
21 were occurring around the country. As a new board
22 coming in, with who knows how long we will be able to

1 serve, nevertheless for my tenure -- and this is
2 irrespective of whether I was on -- whether this board
3 had public funds or private funds -- as a board [audio
4 blip], I want to make sure that we could assure
5 ourselves and, ultimately, the public that the kind of
6 oversight that a modern grantmaking organization should
7 have in place, that we had in place.

8 I'm not an expert in that. When I talked with
9 many of you who were coming into the board and many of
10 you who were leaving the board, with no -- while there
11 was some expertise, there wasn't a sense among us, I
12 think, that we possessed the breadth of knowledge that
13 would give us the assurance that we had the gold
14 standard in place.

15 And given the number of issues that have
16 confronted LSC in the recent past, I thought, as a
17 matter of some urgency, that I wanted to get a blue
18 ribbon task force in place to help us take a hard look
19 at how we conduct fiscal oversight -- how we have in
20 the past, how we do it currently, and to give us advice
21 on how we might best do it in the future.

22 Now, I had wanted to have -- and some of you

1 may wonder why I moved this to a phone call -- I had
2 wanted to have the fiscal oversight briefing for the
3 board which is now scheduled for the meeting in
4 Milwaukee. I had tried to arrange with the staff to
5 have that conducted some months ago. But for a variety
6 of reasons, scheduling and otherwise, this was the best
7 date we could come up with.

8 I did not want to wait for any longer, though,
9 to have the authority to establish the task force
10 because I need to go out, and I have in mind and I've
11 talked with you, the kinds of individuals from the
12 kinds of fields that relate to this, from grantmaking
13 organizations to accounting firms to those with tech
14 knowledge, who can help us and who can give us the
15 benefit of their insight.

16 I did not want to start to ask for those
17 people's assistance until the task force was put in
18 place. And I'm committed to finding outstanding
19 people. I will certainly consult with the co-chairs,
20 Victor Maddox and Robert Grey, before putting anyone on
21 the task force because it really is their task force.

22 And I also want to say that I do not have any

1 intention of putting any current or former LSC
2 employees on the task force so that we get a completely
3 independent look here at our operation, and that we can
4 all stand by and feel good about the process that we
5 went through.

6 I'm sure maybe some of you have some questions
7 of me about my thinking. But that was my thinking, and
8 I want to get started on this. And I didn't want to
9 wait any longer. And so that is why I asked for the
10 call. I apologize, I did not realize a notation vote
11 was -- required unanimity and that it was the kind of
12 thing that had not usually been done.

13 I thought that I had had individual
14 conversations with each of you about what I was
15 thinking about here, and that I sensed a great deal of
16 support, wide-ranging, across the political spectrum
17 for putting such a task force in place. And I just
18 felt that there was no reason to wait any longer to get
19 it moving, and that's why I scheduled the call.

20 Are there any questions or observations that
21 people wish to make?

22 DEAN MINOW: It's Martha Minow. I think that

1 it's a very good step to try to be proactive in this
2 area. And the competence question is central, and it
3 seems like the right way to try to tackle it.

4 CHAIRMAN LEVI: Any other comments?

5 (No response.)

6 CHAIRMAN LEVI: Could I have a motion?

7 M O T I O N

8 DEAN MINOW: I so move.

9 CHAIRMAN LEVI: Second?

10 MR. MADDOX: Second.

11 CHAIRMAN LEVI: All in favor?

12 (A chorus of ayes.)

13 CHAIRMAN LEVI: Opposed?

14 (No response.)

15 CHAIRMAN LEVI: The motion carries
16 unanimately. Thank you very much for that.

17 And now I believe I have to give -- is there
18 public comment here for a minute?

19 (No response.)

20 CHAIRMAN LEVI: Well, hearing none, then we
21 now have to -- board members, we are now having a
22 closed session. So you all have to hang up and dial

1 in. Did you all get the second number, and does
2 everybody know it, with the passcode, so that we can
3 discuss in closed session for a few minutes?

4 MS. BATIE: Chairman Levi?

5 CHAIRMAN LEVI: Yes?

6 MS. BATIE: This is Pat Batie. I just wanted
7 to clarify for the record that the motion that was just
8 made was to adopt the resolution establishing a fiscal
9 oversight task force. That has been assigned
10 Resolution No. 2010-009.

11 CHAIRMAN LEVI: Okay.

12 MS. BATIE: Thank you.

13 CHAIRMAN LEVI: With that, does anybody have
14 an objection to that clarification?

15 JUDGE SINGLETON: Just it's as it was
16 amended --

17 CHAIRMAN LEVI: As it was amended this
18 morning.

19 JUDGE SINGLETON: -- this morning.

20 MS. BATIE: Okay. Thank you.

21 MR. FUENTES: John, Tom Fuentes here from
22 California. I may have come in just a bit late. Did

1 you take a roll call at the beginning of the meeting to
2 verify that there was a quorum established?

3 CHAIRMAN LEVI: Yes.

4 MR. FUENTES: Very good, John. Thank you.

5 CHAIRMAN LEVI: Thank you very much.

6 MR. GREY: This is Robert. Could someone send
7 me to new call-in number and access code, please, by
8 e-mail?

9 CHAIRMAN LEVI: Pat, can you just read it to
10 everybody and they can take a second?

11 MS. BATIE: No. I would prefer not to do
12 that.

13 CHAIRMAN LEVI: All right.

14 MS. BATIE: I will forward the number, Mr.
15 Grey.

16 DEAN MINOW: Are we hanging up and starting
17 and calling in again?

18 MS. CONNORS: Yes. We're going to activate
19 the call in a moment, and then you will have access to
20 it.

21 DEAN MINOW: Thank you.

22 (The board adjourned to executive session from

1 10:47 a.m. to 11:15 a.m.)

2 CHAIRMAN LEVI: We do have a quorum, so we can
3 now resume our open session.

4 And if I could have a motion regarding the
5 recommendation of the search committee.

6 M O T I O N

7 MR. FUENTES: Tom Fuentes. So move.

8 DEAN MINOW: Just to state it for the record,
9 the search committee recommends that the LSC board
10 engage the services of the search firm Heidrick &
11 Struggles to conduct a search for our next president.

12 CHAIRMAN LEVI: And I assume, Tom, that that's
13 what you meant?

14 MR. FUENTES: That's right.

15 CHAIRMAN LEVI: And so that will be Mr.
16 Fuentes' motion. And a second from Martha Minow? Is
17 that --

18 DEAN MINOW: Yes.

19 CHAIRMAN LEVI: Any discussion on the motion?

20 (No response.)

21 CHAIRMAN LEVI: All in favor?

22 (A chorus of ayes.)

1 CHAIRMAN LEVI: Thank you very much. Any
2 other business?

3 (No response.)

4 CHAIRMAN LEVI: I want to say that I've been
5 sending out notices to everybody about Milwaukee. I
6 think we have a very full and interesting agenda. I
7 hope you can all be there for as much of it as
8 possible.

9 I'm also told that all of our nominees -- Pat
10 Batie can confirm this -- are going to be able to
11 attend. Is that correct, Pat?

12 MS. BATIE: That is correct. Yes. That is
13 correct.

14 MR. MADDOX: John, has the agenda for the
15 Milwaukee meeting been circulated?

16 CHAIRMAN LEVI: I think it's about to be. If
17 it hasn't been, it will be within 24 hours, I think.

18 DEAN MINOW: Has it changed in terms of
19 outside hours from the last draft, do you know?

20 CHAIRMAN LEVI: No. You mean in terms of the
21 time frame of the meeting?

22 DEAN MINOW: Right. Right.

1 CHAIRMAN LEVI: The formal business of our
2 meeting, in the sense that we have the pro bono
3 reception with the Wisconsin bar and the Chief Justice
4 of Wisconsin, is at 5:30 on Thursday. I know that at
5 prior times, those receptions have been on Friday.
6 They asked us to put it on Thursday because it's summer
7 in Wisconsin and they were afraid that everybody would
8 scatter.

9 So that's when it's to begin, and we will be
10 going through, I would say, early to midafternoon, with
11 the conclusion of our closed session, on Saturday, but
12 in time, hopefully, that people may easily depart and
13 reach their destinations from Milwaukee, which does not
14 have as many flights as a lot of other cities. That's
15 our objective.

16 Is that what you meant, Laurie?

17 MS. MIKVA: Yes. Yes, John. Thanks.

18 CHAIRMAN LEVI: Okay. Can I have a motion to
19 adjourn?

20 M O T I O N

21 MR. FUENTES: So move.

22 DEAN MINOW: Second.

1 CHAIRMAN LEVI: All in favor?

2 (A chorus of ayes.)

3 CHAIRMAN LEVI: Thank you very much, and thank
4 you all for taking the time this morning.

5 DEAN MINOW: Thank you, John.

6 (Whereupon, at 11:18 a.m., the board meeting
7 was adjourned.)

8 * * * * *

9

10

11

12

13

14

15

16

17

18

19

20

21

22