

LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

TELEPHONIC MEETING OF THE
BOARD OF DIRECTORS

OPEN SESSION

Tuesday, June 15, 2010

12:07 p.m.

Legal Services Corporation
3333 K Street, N.W.
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.
Charles N.W. Keckler
Victor B. Maddox
Thomas R. Meites
Laurie Mikva
Sarah M. Singleton
Victor M. Fortuno, Interim President and General
Counsel (ex officio)

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
David L. Richardson, Treasurer and Comptroller
Mattie Cohan, Senior Assistant General Counsel, Office
of Legal Affairs
Linda Mullenbach, Senior Assistant General Counsel,
Office of Legal Affairs
Karen J. Sarjeant, Vice President for Programs and
Compliance
Charles Greenfield, Program Counsel III, Office of
Program Performance
Charles Jeffress, Chief Administrative Officer
John C. Meyer, Director, Office of Information
Management
Jeffrey E. Schanz, Inspector General
Laurie Tarantowicz, Assistant Inspector General and
Legal Counsel, Office of the Inspector General
Ronald "Dutch" Merryman, Assistant Inspector General
for Audit, Office of the Inspector General
Danilo A. Cardona, Director, Office of Compliance and
Enforcement
Kamala Srinivasagam, Program Counsel III, Office of
Compliance and Enforcement
Stephen Barr, Media Relations Director, Government
Relations and Public Affairs Office
Evora A. Thomas, Program Counsel III, Office of
Program Performance
Linda Perle, Center for Law & Social Policy (CLASP)

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Motions: 4, 15, 15, 25, 30

1 PROCEEDINGS

2 (12:07 p.m.)

3 CHAIRMAN LEVI: I'm happy to call us to order.

4 This is a duly noticed meeting of the board of
5 directors of the Legal Services Corporation.6 And we have an agenda which -- Treefa, do you
7 have it? Do we have to -- do we approve the agenda?
8 Is that -- do I have a motion to approve the agenda?

9 MOTION

10 DEAN MINOW: So moved.

11 PROFESSOR KECKLER: Second.

12 CHAIRMAN LEVI: All in favor?

13 (A chorus of ayes.)

14 CHAIRMAN LEVI: I should ask, do we have a
15 quorum?16 PRESIDENT FORTUNO: Yes, we do. But for the
17 record -- if we may, for the record, this is Vic
18 Fortuno. You may want to have each board member on the
19 call identify themselves for the record just to make
20 sure that we have a complete and accurate record of
21 who's on the call.

22 CHAIRMAN LEVI: I'm shocked that, given the

1 extra minutes that I gave you, that you haven't already
2 done that.

3 PRESIDENT FORTUNO: We actually started to.
4 We had --

5 CHAIRMAN LEVI: I'm just -- okay.

6 PRESIDENT FORTUNO: -- Laurie Mikva, Jonann
7 Chiles, Sharon Browne, Robert Grey, Charles Keckler,
8 Vic Maddox, and Martha Minow. I don't know if there
9 are any others. And now we have John Levi. Is there
10 anyone else?

11 MR. MEITES: Tom Meites.

12 PRESIDENT FORTUNO: Tom Meites.

13 CHAIRMAN LEVI: We've got Tom. And do we
14 have -- can I have approval of the draft minutes of
15 April 17 from the joint meeting? Is there a motion?

16 DEAN MINOW: So moved.

17 CHAIRMAN LEVI: Second?

18 PROFESSOR KECKLER: Second.

19 CHAIRMAN LEVI: Any issues with the minutes?
20 Comments? Corrections?

21 (No response.)

22 CHAIRMAN LEVI: All in favor?

1 (A chorus of ayes.)

2 CHAIRMAN LEVI: Okay. So now I'm going to, I
3 think, turn this over to the co-chairs of the two
4 committees to discuss the revisions to the accounting
5 guide. Are we going to have a presentation here now,
6 or did you already have it?

7 DEAN MINOW: Have not had it yet.

8 MR. MADDOX: John, this is Vic Maddox here. I
9 don't know how fulsome a presentation you're looking
10 for. We had a 90-minute meeting that just concluded a
11 few minutes before noon in which we went through the
12 recommendations by management addressing each of the
13 comments that had been made to the proposed accounting
14 guidelines at our April meeting in Tucson.

15 And we had a full discussion, I think, of all
16 of the comments and the input by the Office of the
17 Inspector General, and we made a few minor
18 modifications to the document that was circulated in
19 advance of the meeting. We orally moved those changes,
20 and the staff has those and will be incorporating them
21 into the document that is finally produced.

22 With the exception of one possible additional

1 change, the board -- the joint committees, excuse
2 me -- passed the motion approving the proposed
3 revisions to the LSC Accounting Guide for the
4 recipients. One possible change had to do with some
5 additional language. If you have the document in front
6 of you, it's on page 4 of the memorandum that Chuck
7 Greenfield did on June 3rd.

8 There was some additional language regarding
9 the audit committee's role for the grantees that,
10 subject to any requirements of state law, would require
11 various things to be done by the audit committee. One
12 of those in item No. 6 was to basically have risk
13 assessment, governance, compliance, and ethics.

14 At the suggestion of Tom Meites, we have taken
15 the "compliance" word and we're considering additional
16 language that the OIG and the staff and management may
17 propose that would beef that language up just a bit to
18 provide some additional guidance to audit committees
19 regarding their compliance obligations and what it
20 actually involved.

21 As we are here now, we don't yet have that
22 draft language; at least, I haven't seen it.

1 PRESIDENT FORTUNO: No. Actually -- this is
2 Vic -- I asked staff to work on some language, and it's
3 Mattie Cohan who is kind of honcho-ing that. She just
4 came into the room and may have some language to
5 propose for consideration.

6 MS. COHAN: Yes. This would be a substitute
7 for No. 6 on page 4. "Ensuring the recipient's
8 operations are conducted and managed in a manner that
9 emphasizes ethical and honest behavior, compliance with
10 applicable laws, regulations, and policies, effective
11 management of the recipient's resources and risks, and
12 accountability of persons within the organization."

13 And that was taken from some corporate
14 governance language that Dutch found us online that,
15 our little working seemed to think, encompassed all of
16 the things that we were thinking about, but in a
17 slightly more expanded manner without going overboard,
18 given the layout of the fairly shot bullets.

19 PRESIDENT FORTUNO: Would anyone like Mattie
20 to read that language again?

21 MR. MADDOX: Maybe a little bit slower would
22 be helpful.

1 MS. COHAN: Sorry. My New Yorker tendencies.

2 "Ensuring the recipient's operations are
3 conducted and managed in a manner that emphasizes
4 ethical and honest behavior, compliance with applicable
5 laws, regulations, and policies, effective management
6 of the recipient's resources and risks, and
7 accountability of persons within the organization."

8 MR. MADDOX: Thank you, Mattie.

9 MS. COHAN: It's a little long, but --

10 PRESIDENT FORTUNO: But it's an alternative.

11 CHAIRMAN LEVI: And this was discussed during
12 the 90-minute meeting?

13 MR. MADDOX: It was, John. This is Vic
14 Maddox.

15 CHAIRMAN LEVI: Yes, Vic.

16 MR. MADDOX: We got onto it because Tom Meites
17 had looked at our audit committee charter for our own
18 audit committee to see how we have articulated the
19 compliance efforts that we are obliged to undertake,
20 and how that might inform the requirements that we seek
21 to impose on the grantees.

22 CHAIRMAN LEVI: Yes.

1 MR. MADDOX: And I think that the language
2 that the staff has just proposed seeks to sort of
3 encompass the concepts that our own charter has, while
4 keeping it concise enough to be consistent with the
5 format of the document we're dealing with.

6 So what we did in our joint meeting was to
7 approve the accounting standards of the accounting
8 guide as we've modified it in certain very slight ways,
9 and so that we could then present it to the full board
10 for consideration. And if I understand what we
11 anticipated, the full board might then adopt the
12 recommendation of the two committees and incorporate
13 the additional staff language that we've just had
14 provided to us.

15 CHAIRMAN LEVI: And are you moving that? Can
16 that be in the form of a motion?

17 MR. MADDOX: Well, unless there's further
18 discussion, I think the language --

19 CHAIRMAN LEVI: There can still be further
20 discussion.

21 MR. MADDOX: -- satisfies me. It was Tom's
22 original thought. Maybe we should get his input.

1 MR. MEITES: Yes. Vic, I think that's fine.

2 MS. BROWNE: This is Sharon Browne. I do have
3 a question. On page 4, right after the new language
4 that was just read by Mattie, the next sentence talks
5 about the small-sized LSC programs. And there seems to
6 be an incomplete thought.

7 I wasn't sure whether the fact that -- were
8 to -- the small -- let me -- the small LSC programs
9 certainly have different concerns with regard to having
10 experts available to them on financial matters. But
11 the sentences right after No. 6 seem to leave it
12 hanging whether or not there is an exception for the
13 small LSC programs. If you read it --

14 MR. MADDOX: I think in our discussion in
15 April, Sharon, it's my recollection that we concluded
16 that it might be difficult for some of the grantees to
17 actually have a formal audit committee, and in the
18 event that they don't actually create a formal audit
19 committee, then their finance committee would need to
20 have the sort of expertise that would allow it to
21 perform the audit committee functions. That was my
22 recollection.

1 MS. BROWNE: Well, then, I'm wondering if the
2 language that's redlined there actually conveys that
3 recognition. It seems to imply that even the small LSC
4 boards, for best practices, the governing board is to
5 have both a finance committee and a separate audit
6 committee. So there doesn't seem to be that
7 distinction being made.

8 MR. MADDOX: Well, I think the language that
9 is in blue that follows the best practice language
10 says, "The critical point is that all finance and audit
11 committee duties listed immediately above must be
12 performed by a financial oversight committee(s)," which
13 the way I read it suggests that there must be a
14 financial oversight committee, and there may be more
15 than a financial oversight committee, but that in all
16 events, all of the finance and audit committee duties
17 have to be undertaken.

18 It was my understanding that this language is
19 the result of our discussion in April and the
20 subsequent follow-up by the management at LSC to
21 effectively compromise our concern for best practice
22 with the realities of our grantee community. And to my

1 mind, it does that.

2 DEAN MINOW: This is Martha. I thought that
3 it straddles that real tension very well.

4 MR. MADDOX: Yes. I agree with that, Martha.
5 Sharon, if you disagree, I mean, we certainly could
6 make additional changes.

7 MS. BROWNE: Well, I'm just wondering if it's
8 possible to add the word "nevertheless" after the comma
9 in the first sentence, saying, "While it is recognized
10 that some boards, due" -- I guess "to" -- "their small
11 size and other considerations, will decide not to have
12 a separate audit committee, nonetheless it is
13 considered a best practice for governing board bodies
14 to have both a finance committee and a separate audit
15 committee."

16 I think just having the "nevertheless" after
17 the comma, and then add the "to" between the "not" and
18 the "have" would certainly satisfy my concerns. It
19 just seemed to be a little bit of a disconnect there to
20 me.

21 CHAIRMAN LEVI: Does anyone object to
22 those -- do you want "nonetheless" or "nevertheless"?

1 MS. BROWNE: I would say "nevertheless."

2 DEAN MINOW: I think that's good, but then I
3 would like to add "generally" because again, even the
4 accountant standards all say "generally" always.

5 CHAIRMAN LEVI: Okay.

6 MS. BROWNE: That would be fine with me.

7 DEAN MINOW: Great.

8 CHAIRMAN LEVI: So is that clear where the
9 "nevertheless" and the "generally" go?

10 MR. MADDOX: John, what I understand,
11 effectively the motion would be that we would amend the
12 first sentence in the new paragraph that appears on
13 page 4 that begins "While."

14 And the sentence would then read, "While it is
15 recognized that some boards, due to their small size
16 and other considerations, will decide not to have a
17 separate audit committee, nevertheless it generally is
18 considered a best practice for governing board bodies
19 to have both a finance committee and a separate audit
20 committee."

21 Is that consistent with what I heard?

22 CHAIRMAN LEVI: Yes.

1 DEAN MINOW: Yes.

2 MS. BROWNE: Yes.

3 M O T I O N

4 MR. MADDOX: I would move that we modify the
5 language of that paragraph as I've just indicated.

6 CHAIRMAN LEVI: Is there a second?

7 MS. BROWNE: This is Sharon Browne. I'll
8 second.

9 CHAIRMAN LEVI: Any further discussion on
10 that?

11 (No response.)

12 CHAIRMAN LEVI: Okay. All in favor?

13 (A chorus of ayes.)

14 CHAIRMAN LEVI: Any other comments or
15 suggestions regarding the draft?

16 MR. MADDOX: Well, that raises the question,
17 John, if we have a motion, I guess, to include the
18 language that Mattie Cohan read to us.

19 CHAIRMAN LEVI: Yes. In addition to this
20 change.

21 M O T I O N

22 MR. MADDOX: Correct. And I would so move.

1 CHAIRMAN LEVI: Is there a second?

2 DEAN MINOW: Second.

3 CHAIRMAN LEVI: Any further discussion?

4 (No response.)

5 CHAIRMAN LEVI: All in favor?

6 (A chorus of ayes.)

7 CHAIRMAN LEVI: Opposition?

8 (No response.)

9 CHAIRMAN LEVI: Okay. Then the new manual is
10 adopted, as modified here by motion. Vic, will you
11 take the steps then to see that it's properly
12 circulated and that the board gets the final draft?

13 PRESIDENT FORTUNO: Absolutely.

14 DEAN MINOW: I commend everybody involved.
15 This is a technical but important thing to do.

16 CHAIRMAN LEVI: Very important. I also want
17 to say that it probably will not be the last time that
18 we take a look at this. I think it will be something
19 we're looking at -- I've asked Vic to prepare for the
20 board now -- the staff did a sort of a preliminary
21 briefing for the committee chairs, Robert Grey, Vic
22 Maddox, and myself.

1 Now we're going to have it, I think, for the
2 entire board, and we need to schedule it, on what our
3 compliance -- what we do, really, in the compliance
4 arena, and to sort of give us a history on that as a
5 briefing for the board.

6 And Vic, I'd like you to begin the process,
7 Vic Fortuno, of surveying -- maybe Pat can -- the board
8 as to when people are available for that. It'll
9 probably -- you'll probably need a 90-minute time frame
10 for that.

11 PRESIDENT FORTUNO: Okay. We'll go ahead and
12 get that process started.

13 CHAIRMAN LEVI: And then, following that, I
14 have asked Vic Maddox and Robert Grey to co-chair an
15 effort and bring in the best folks we can find out
16 there in the larger community to study our compliance
17 efforts and our best practices going forward, and come
18 back to us with a report.

19 We'll get that process underway of appointing
20 this group, and have them come in and get to work, so
21 that we can assure ourselves -- or make the changes
22 that are necessary to bring ourselves into the best

1 possible position we can in terms of the compliance
2 arena and what is expected of us generally from the GAO
3 and the public and Congress, to what we know in private
4 industry and from other -- I'd say from the franchise
5 world, maybe, and the accounting world, are best
6 practices that maybe we are not yet familiar with. I
7 don't know. I'm assuming we aren't, but I don't want
8 to get ahead of this group.

9 I'm hoping that this is something that would
10 take no more than four to six months to do. But I
11 think we could really benefit from it as an
12 organization. And I want to thank our committee
13 characters for their willingness to undertake this.

14 One other piece of business that I'm told I
15 need a vote on, and it doesn't have to be a pre-noticed
16 vote, but on occasion now, the search committee will
17 have to have closed sessions. And apparently, any
18 committee having a closed session needs to get prior
19 authorization from the board to have closed sessions.

20 And instead of coming back each time we need
21 to have a closed session, I hope we can trust one
22 another that we won't be closing any sessions

1 inappropriately. But as you can certainly understand,
2 in the interviewing process or in discussing individual
3 consultants or, ultimately down the way, the
4 qualifications of any individual candidates, there may
5 be some times -- I hope not too many -- that we will
6 have to have closed sessions.

7 So I need a majority vote of the directors in
8 order to be able to close those sessions. And I'm told
9 by Vic Fortuno that this one vote can cover those
10 meetings. Am I correct as to that, Vic?

11 PRESIDENT FORTUNO: I think that if you want
12 to do more than one at a time, you just need to note
13 what the subject would be so as to note that they fall
14 within the exceptions. But I think that there has to
15 be a vote of the directors to authorize closure. I
16 think you just have to specify what it is that you're
17 closing for. It can't be blanket in that sense.

18 CHAIRMAN LEVI: No. Well, I think I just gave
19 the examples, didn't I? But otherwise, you'll give
20 them right now because you know them.

21 PRESIDENT FORTUNO: I assume that what we're
22 talking about is personal privacy and --

1 CHAIRMAN LEVI: Yes.

2 PRESIDENT FORTUNO: -- financial information
3 of the individual persons?

4 CHAIRMAN LEVI: Yes.

5 PRESIDENT FORTUNO: Privacy because you're
6 talking about folks who are not LSC employees but who
7 are employees of search firms who will be interviewed
8 because --

9 CHAIRMAN LEVI: Well, because they're
10 employees -- I'm sorry.

11 PRESIDENT FORTUNO: And the
12 confidential -- and the confidential business
13 information of the various search firms.

14 CHAIRMAN LEVI: Right. Or of themselves. And
15 of comparing their references, discussing references
16 regarding individuals.

17 MS. COHAN: With respect to the basis for
18 closing meetings at which you're discussing the search
19 firms themselves, those could be closed under exemption
20 4, having to do with confidential business information,
21 not exemption 6, having to do with personal privacy
22 interests.

1 So you can still close it. It's just that
2 there's a different exemption that applies.

3 CHAIRMAN LEVI: Thank you.

4 DEAN MINOW: Do you need to have some vote,
5 then? Or do we just understand that they qualify?

6 CHAIRMAN LEVI: We have to -- if I understood,
7 to close any meetings going forward, so as we get to
8 the point of debating the references of various
9 individual consultants, we're going to need to have,
10 for example -- this is a good example -- a closed
11 session. So that's probably the privacy. That's not
12 the business information.

13 MS. COHAN: I understand. But it seems a
14 little odd that we'd have to one by one by one have
15 such votes in the session.

16 CHAIRMAN LEVI: Well, that's why I'm trying to
17 get a more -- yes, I agree. That's why I'm trying --

18 MS. COHAN: And so if we know in advance that
19 there would be this business exemption that would apply
20 to the firms, and there would be the personal
21 confidentiality exemption that would apply to the
22 individuals, why can't we, if we need to, take a vote

1 now to say, when this issue arises, we vote that we
2 will be in closed session, and then not have to take
3 this up time after time.

4 PRESIDENT FORTUNO: Actually --

5 CHAIRMAN LEVI: That's what I'm saying,
6 that --

7 PRESIDENT FORTUNO: This is Vic Fortuno. If I
8 may, the Sunshine reg, and I'm citing to 1622.6 of our
9 regulations, provides that, and I'll quote, "A separate
10 vote of the directors shall be taken with respect to
11 each meeting or portion thereof proposed to be closed
12 to the public."

13 So our regulation seems to require a vote, a
14 separate vote, with respect to each meeting.

15 CHAIRMAN LEVI: So that's contrary to the
16 advice you gave me last week when I asked about
17 bringing this up?

18 MS. COHAN: A single vote can be taken to
19 close a series of meetings. I think the difference is,
20 one vote can be taken to close a series of scheduled
21 meetings. I'm not sure that, under the regulation, one
22 vote can be taken to close any meetings that might

1 happen at some point. I think that's the difference.

2 That it would be more convenient, yes, for you
3 to be able to take one vote now to close any meetings
4 that you might have. I think the regulation
5 contemplates instead that if you have a -- if you
6 already had a schedule of meetings, you could have one
7 vote to close all the meetings that would be subject to
8 closure at that time rather than having a vote for each
9 separate meeting.

10 DEAN MINOW: So I suggest that when we set up
11 our schedule for the interviews, we have that vote.

12 MS. COHAN: Yes. That would work.

13 CHAIRMAN LEVI: Well, we need to have that
14 vote as it relates to the next meeting of the search
15 committee because we will be discussing the relative
16 merits of individual consultants and their references.

17 And that will be coming up very shortly.

18 So in order for me to notice a closed session
19 of the search meeting --

20 MS. COHAN: Right.

21 CHAIRMAN LEVI: -- the next meeting, I
22 actually have to have the vote for that right now.

1 MS. COHAN: Yes.

2 CHAIRMAN LEVI: And then beyond that we can, I
3 guess, get other votes. I'm disappointed to learn this
4 not in the manner in which it was described to me
5 previously, and we'll take that up at a different
6 moment.

7 PRESIDENT FORTUNO: Well, but you have -- if
8 the series of meetings is going to be within a period
9 of 30 days, the statute permits that. So if you know,
10 for example, that you're going to be meeting ten days
11 from now, and then that you're going to have another
12 meeting or two but all will be within 30 days of the
13 initial meeting, then you're fine. Hello?

14 CHAIRMAN LEVI: Yes. I'm here.

15 PRESIDENT FORTUNO: Yes. So it's a matter
16 of -- my understanding was you were going to have an
17 initial meeting you wanted to close.

18 CHAIRMAN LEVI: Yes. Right.

19 PRESIDENT FORTUNO: And then you would have
20 other meetings, but that they would be within 30 days
21 of the first meeting that you're going to have. If
22 that's the case, you can do the series now.

1 CHAIRMAN LEVI: But the regulation you just
2 read didn't say the 30 -- okay.

3 PRESIDENT FORTUNO: If you don't know, then --

4 M O T I O N

5 MR. GREY: John, this is Robert. I would move
6 that you be allowed to do what is necessary pursuant to
7 the regulations to have a closed meeting.

8 CHAIRMAN LEVI: Okay. Thank you very much.
9 Second?

10 PROFESSOR KECKLER: Second that.

11 CHAIRMAN LEVI: Is that sufficient, Vic, to
12 help the problem here?

13 PRESIDENT FORTUNO: Yes. I think -- well,
14 you've described what is going to be discussed. We've
15 explained what the exemption would be. And if this
16 meeting is going to occur within, say, 30 days, I think
17 you're fine. And my understanding is it is.

18 You could actually close more than one meeting
19 if you know that the subsequent meetings will occur
20 within 30 days of that first meeting. But for now, it
21 sounds like all you need to do and are intending to do
22 is just to close that first one?

1 CHAIRMAN LEVI: Well, I think Robert's motion
2 went a little further than that. I thought it -- you
3 said that if there were other meetings within 30 days,
4 that that could cover that. And I'm assuming there
5 will be more than one meeting in the next 30 days.

6 PRESIDENT FORTUNO: And if it's the same
7 exemption that you would be looking to have apply, then
8 yes, you can close a portion of meetings that occur
9 within 30 days of your first one for the same
10 exemption.

11 If there's a different exemption you seek to
12 have apply, then you would need to reconsider at that
13 point. But my assumption is that you'll be employing
14 the same exemption in each instance.

15 CHAIRMAN LEVI: Well, although we haven't
16 really gotten into exemption 4, I suppose that could
17 happen. Do we need to state that here?

18 MS. COHAN: If you're going to close a meeting
19 to discuss which search firm you wish to engage, the
20 applicable exemption under which you could close the
21 discussions of the relative merits of the search firms
22 would be exemption 4.

1 If, in this series of meetings -- because I'm
2 not sure what you're envisioning -- if you're going to
3 have a few meetings within 30 days, all of which are
4 centered around selecting a search firm, they would
5 all --

6 CHAIRMAN LEVI: I think that --

7 MS. COHAN: -- those discussions would all be
8 covered by exemption 4. If you were --

9 CHAIRMAN LEVI: I think part of the discussion
10 will be under 6, if not the majority, in getting
11 references on individuals who are consultants as
12 opposed to the particular firm. So I think it's
13 exemptions 4 and 6.

14 And I just want to make sure that this vote
15 covers both exemptions. Is that -- because I don't
16 think we're going to be able to say, well, this
17 meeting's on 4 and this meeting's on 6. I think you're
18 going to have both, but only a small amount of 4, if
19 any; mostly 6. But there could be a little of 4.

20 PRESIDENT FORTUNO: I think, if you want to
21 cite to both, so long as we're confident that at least
22 one does cover it, I think you're fine. So you can

1 cite to both. I think it's important that at least one
2 of the two, and we're satisfied that one of the two and
3 maybe both, would cover. But you can certainly cite to
4 both.

5 CHAIRMAN LEVI: Okay. Now, we had -- Mr.
6 Grey, can you add that to your motion?

7 MR. GREY: My motion is amended to allow
8 exemptions under 4 and 6 under the regulation.

9 CHAIRMAN LEVI: And that will satisfy this
10 issue?

11 PRESIDENT FORTUNO: Yes.

12 CHAIRMAN LEVI: Vic? Okay. Can I have a
13 second?

14 PROFESSOR KECKLER: Second that.

15 CHAIRMAN LEVI: All in favor?

16 (A chorus of ayes.)

17 CHAIRMAN LEVI: So then I have a question for
18 Mr. Meites and the prior board. How could you lead
19 search committees under the Sunshine?

20 MR. MEITES: That's a long story.

21 CHAIRMAN LEVI: Well, maybe it's something
22 that the ops and regs ought to look at.

1 MR. MEITES: Well, that's a long story as to
2 why it was left, but not an interesting story.

3 CHAIRMAN LEVI: Okay. I think it does seem to
4 me that to bring our governance -- this is fully
5 transparent and nobody has any intention of doing
6 anything that wouldn't be fully reported in an
7 appropriate way.

8 But in trying to move things along,
9 particularly in this arena, it seems to me we may have
10 possibly opened ourselves up to a process that's so
11 cumbersome and extended that it makes it really
12 difficult to move it along in the best way for the
13 Corporation.

14 And I really think that ops and regs ought to
15 study that as a matter of good internal governance.
16 And that also may be something that performance reviews
17 ought to be looked at as well. And I'd like to suggest
18 that.

19 I know I've taken -- that's okay?

20 MR. MEITES: Yes. That's fine. We can start
21 looking at that in our next meeting.

22 CHAIRMAN LEVI: Thanks very much.

1 Anything else for the good of the order here
2 today?

3 (No response.)

4 CHAIRMAN LEVI: Well, thank you all for taking
5 the time today, and thank you to those who participated
6 in the 90-minute call. I only was privileged to be on
7 it for ten minutes, and it sounded pretty good.

8 So I wish everybody -- is there a motion to
9 adjourn? I believe I should have asked for public
10 comment.

11 (No response.)

12 CHAIRMAN LEVI: Hearing none, motion to
13 adjourn?

14 M O T I O N

15 PROFESSOR KECKLER: So moved.

16 CHAIRMAN LEVI: Second?

17 MR. GREY: Second.

18 CHAIRMAN LEVI: All right. Thanks, everybody.

19 (Whereupon, at 12:39 p.m., the meeting was
20 adjourned.)

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