

LEGAL SERVICES CORPORATION  
BOARD OF DIRECTORS

MEETING OF THE GOVERNANCE  
AND PERFORMANCE REVIEW COMMITTEE

OPEN SESSION

Monday, April 13, 2015

11:14 a.m.

Legal Services Corporation  
3333 K Street, N.W.  
Third Floor  
F. William McCalpin Conference Center  
Washington, D.C. 20007

COMMITTEE MEMBERS PRESENT:

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

OTHER BOARD MEMBERS PRESENT:

Harry J.F. Korrell, III  
Victor B. Maddox  
Laurie Mikva  
Father Pius Pietrzyk, O.P.  
Gloria Valencia-Weber

## STAFF AND PUBLIC PRESENT:

James J. Sandman, President

Lynn Jennings, Vice President for Grants Management

Rebecca Fertig Cohen, Special Assistant to the  
President

Wendy Rhein, Chief Development Officer

Patrick Malloy, Grants Management/Legislative Fellow,  
Executive Office

Ronald S. Flagg, Vice President for Legal Affairs,  
General Counsel, and Corporate Secretary

Mark Freedman, Senior Assistant General Counsel,  
Office of Legal Affairs

Stefanie Davis, Assistant General Counsel, Office  
of Legal Affairs

Peter Karalis, Graduate Law Fellow, Office of Legal  
Affairs

Sarah Anderson, Graduate Law Fellow, Office of Legal  
Affairs

David L. Richardson, Comptroller and Treasurer,  
Office of Financial and Administrative Services

Carol A. Bergman, Director, Office of Government  
Relations and Public Affairs

Treefa Aziz, Government Affairs Representative,  
Office of Government Relations and Public Affairs

Wendy Long, Executive Assistant, Office of Government  
Relations and Public Affairs

Jeffrey E. Schanz, Inspector General

Laurie Tarantowicz, Assistant Inspector General and  
Legal Counsel, Office of the Inspector General

John Seeba, Assistant Inspector General for Audit,  
Office of the Inspector General

## STAFF AND PUBLIC PRESENT (Cont'd):

Daniel O'Rourke, Assistant Inspector General for  
Investigations, Office of the Inspector General

David Maddox, Assistant Inspector General for  
Management and Evaluation, Office of the  
Inspector General

Magali Khalkho, Director of Management Operations,  
Office of the Inspector General

Daniel Sheahan, Program Evaluation Analyst, Office of  
the Inspector General

Traci Higgins, Director, Office of Human Resources

Janet LaBella, Director, Office of Program  
Performance

Evora Thomas, Program Counsel, Office of Program  
Performance

Sheila Mashhadishafie, Program Counsel, Office of  
Compliance and Enforcement

William Carl Isler, Program Counsel, Office of  
Compliance and Enforcement

Herbert S. Garten, Non-Director Member, Institutional  
Advancement Committee

Frank B. Strickland, Non-Director Member,  
Institutional Advancement Committee

Thomas Smegal, Non-Director Member, Institutional  
Advancement Committee

Robert E. Henley, Jr., Non-Director Member, Finance  
Committee

Robin C. Murphy, National Legal Aid and Defender  
Association (NLADA)

Dominique Martin, Law99.com

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## 1 P R O C E E D I N G S

2 (11:14 a.m.)

3 CHAIRMAN MINOW: I'd like to call to order a  
4 meeting of the Governance and Performance Review  
5 Committee. And I would entertain a motion for approval  
6 of the agenda.

## 7 M O T I O N

8 MR. KECKLER: I'll make that motion, but I  
9 wanted to just note on number 6, it says, "Report on  
10 services of authority." I think that should be  
11 "sources."

12 CHAIRMAN MINOW: You are completely correct.  
13 Thank you so much.

14 MR. KECKLER: With that, I will make the  
15 motion.

16 MS. REISKIN: Second.

17 CHAIRMAN MINOW: All in favor?

18 (A chorus of ayes.)

19 CHAIRMAN MINOW: And approval of the minutes  
20 of the session of January 22nd?

21 MR. KECKLER: Move approval.

22 MS. REISKIN: Second.

1 CHAIRMAN MINOW: Yes. All in favor?

2 (A chorus of ayes.)

3 CHAIRMAN MINOW: Very good.

4 I would like to recognize Carol Bergman for a  
5 report on GAO inquiry.

6 MS. BERGMAN: Thank you very much.

7 MR. LEVI: Every time we see that as an agenda  
8 item, that gives a little --

9 CHAIRMAN MINOW: The heart stops a little.

10 MS. BERGMAN: Yes. No, this came up, I  
11 mentioned, at the last Board meeting. On October 1,  
12 2014, LSC received an inquiry from GAO regarding a  
13 study of federal programs that target low-income  
14 individuals, families, and communities. And the  
15 inquiry was sent to 80 federal programs across 13  
16 different federal agencies.

17 The GAO inquiry was requested by Senators  
18 Sessions and Coburn, and it was a followup to the 2011  
19 CRS -- that's the congressional Research Service --  
20 report on federal benefits to low-income communities.  
21 This is not a traditional formal investigation; it was  
22 strictly an inquiry that included questions to the

1 agencies that could be answered by email.

2 And I mentioned this at our last Board  
3 meeting, that LSC had responded to the inquiry on  
4 October 16th. There's been no followup by GAO. And at  
5 that time Julie asked us to report back on what the  
6 results of the study were.

7 Of course, it's not yet complete. GAO is  
8 continuing to work on the final report and is expected  
9 to publish something by the end of May of this year.  
10 So obviously, I'll get something back to you at that  
11 point.

12 CHAIRMAN MINOW: Thank you very much.

13 So let's turn to item 4, a report on the  
14 Public Welfare Foundation grant, the Midwest Disaster  
15 Preparedness grant, and LSC's research agenda. And for  
16 that I turn to our indomitable and wonderful President,  
17 Jim Sandman.

18 PRESIDENT SANDMAN: Thank you, Martha.

19 We've about completed work on our toolkit, our  
20 outcomes measurement toolkit for grantees. The one  
21 last piece is that we want to consult with the vendors  
22 of case management systems that are used by our



1 grantees to see how the information that grantees might  
2 collect can be best integrated with them.

3           Some of the case management systems already  
4 have this capability built into them. But to the  
5 extent that the ones that are most widely used do not,  
6 we want to see how we might facilitate the inclusion of  
7 that capacity in their case management systems. There  
8 are four principal case management system vendors that  
9 our grantees deal with. Once we've completed that  
10 piece, we'll be in a position to roll it out for  
11 testing and then for ultimate implementation later in  
12 the year.

13           We have our --

14           CHAIRMAN MINOW: Could I ask a question, Jim?

15           Do we ever have an information session with such  
16 vendors to talk with them?

17           PRESIDENT SANDMAN: Yes, we did. We did it at  
18 the Technology Initiative Grant conference in  
19 Jacksonville a couple of years ago.

20           We have made our Midwestern disaster  
21 preparedness grants to our grantees in Nebraska and  
22 Iowa. We still have some more money coming from the

1 funder, but the first round of money has gone out.

2 CHAIRMAN MINOW: That's great.

3 PRESIDENT SANDMAN: We are pursuing grant  
4 possibilities with our potential funders. I'm not at  
5 liberty to disclose the identity of the funders in open  
6 session, but we'll address that in closed session.  
7 They're not comfortable having their names mentioned at  
8 this point.

9 But among the subjects that we're seeking  
10 funding for are an update our justice gap study; we  
11 last did our justice gap study in 2009 -- that's six  
12 years ago now -- and we think it would be very helpful  
13 to have more current data.

14 We're looking at the possibility of doing a  
15 comprehensive evaluation of the technology initiative  
16 grants that we've made. Under our TIG program, every  
17 grantee is required to do an evaluation as a part of  
18 the grant.

19 But the grants are not of a magnitude that  
20 allows the grantee to devote substantial resources from  
21 the grant to the evaluation process. The typical TIG  
22 is less than \$100,000, so if they have to allocate a

1 portion of that to doing evaluation, you're not talking  
2 about a lot of money for a comprehensive look.

3           In addition, they have to report on the  
4 evaluation at the time they close out the grant, which  
5 is typically about six months after the cycle ends.  
6 Well, often they won't have enough experience under  
7 their belts by that point to have useful evaluative  
8 information.

9           But we have identified a funder that is  
10 interested in investing in a comprehensive look-back,  
11 particularly at our largest and broadest TIGs, in a  
12 couple of categories such as online intake and document  
13 assembly programs. And they are also considering the  
14 possibility of helping us develop a protocol going  
15 forward or future TIGs that our grantees could adapt.

16           We're looking at the possibility of doing much  
17 more extensive outreach to public and law librarians,  
18 who are an important interface for people who do not  
19 have counsel. Libraries, particularly public  
20 libraries, are often the first stop for people who are  
21 looking for information on a variety of subjects,  
22 including legal subjects.

1           We have done outreach to librarians in the  
2 past. We did it at 2010 at a preconference before the  
3 TIG conference that year. But I think there's more  
4 that could be done there if we could get the funding to  
5 do it.

6           CHAIRMAN MINOW: Julie?

7           MS. REISKIN: I'm really happy to hear that.  
8 I know one trend among libraries now is they're  
9 starting to hire social workers because it's such a  
10 place for -- it's the number one place where people who  
11 are homeless go for a whole bunch of reasons.

12           And so I think anything we do with libraries,  
13 if we could make sure that we have some sort of focus  
14 with folks who are currently not housed, that would be  
15 particularly wonderful.

16           PRESIDENT SANDMAN: I've learned recently that  
17 some of the most successful collaborations are between  
18 law librarians and public librarians, that if you can  
19 pair the two, you can increase the capacity and  
20 knowledge of the public librarians.

21           And there are some states where the Access to  
22 Justice Commissions include a law librarian because

1 they've recognized the importance of that perspective  
2 in expanding access to justice.

3           CHAIRMAN MINOW: That came up in our  
4 discussion yesterday with the SCLAID representatives.  
5 And it seemed to me that that was something actually  
6 worth including as a reference, even in the grant  
7 application, because there's a lot of history there to  
8 build on.

9           PROFESSOR VALENCIA-WEBER: Also, many of the  
10 state-funded law schools in the West, especially as  
11 they came late into the Union, treat the law library as  
12 a public library, and ours is one of those. Now,  
13 there's an area dedicated to resources for pro se and  
14 the public. Now, there are of course caveats. There's  
15 warnings that the law librarian is not going to be your  
16 lawyer and all that.

17           But just by state law and funding, they  
18 function as public libraries, especially if it's in a  
19 state with only one law school. That's the only place  
20 people can go to get a complete law library other than  
21 their capital.

22           CHAIRMAN MINOW: Thank you. Jim?

1           PRESIDENT SANDMAN: Next agenda item.

2           MR. KORRELL: If you're going to go on to the  
3 agenda, I want to ask about the justice gap study. Is  
4 that something -- remind me what you said. That's  
5 something LSC is contemplating?

6           PRESIDENT SANDMAN: Yes. We'd like outside  
7 funding to do it.

8           MR. KORRELL: And do you have a sense of how  
9 much that costs?

10          PRESIDENT SANDMAN: That study was -- my  
11 recollection is it was less than \$100,000. We'd like  
12 to do something more comprehensive.

13          MR. KORRELL: We've been on the Board long  
14 enough that we can predict what it's going to say.  
15 Right? And I do wonder, is that something that we --  
16 if it's a \$100,000 project, maybe it's not such a huge  
17 deal. But if we're going to talk about spending a lot  
18 of resources on something like that, it just seems to  
19 me that we have a pretty good sense of what it's going  
20 to say, and maybe we should spend the money on legal  
21 services.

22          MR. LEVI: Well, I'm sorry. But it was really

1 updated from 2005, the 2009 one, and many folks when  
2 we've been out there, and even congressional offices,  
3 have asked, aren't you guys going to update this thing?

4           So it's a known document that is regarded as  
5 being helpful, I guess, to folks that are interested in  
6 us, and has not been updated.

7           MR. KORRELL: I'm not going to make a big  
8 stand on it. But it seems to me it's either going to  
9 show that the justice gap has widened, and then people  
10 are going to say, what have you been doing, or it's  
11 going to say, the justice gap has narrowed, and they're  
12 going to say, you don't need as much money any more.

13           I don't know. The problem is huge, and is it  
14 this big or this big? It just doesn't strike me as a  
15 hugely important piece of information. But I'm not  
16 going to make a stand on it; just one Board member's  
17 reaction.

18           PRESIDENT SANDMAN: We do get asked about it,  
19 and our thinking here is that we would do this only  
20 with private money, that we're not inclined to use  
21 appropriated funds to do another justice gap study at  
22 this point.

1           CHAIRMAN MINOW: Charles?

2           MR. KECKLER: Thanks. Well, one thing about  
3 it, the session yesterday with SCLAID brought up their  
4 study of the public defender program in Missouri. And  
5 it struck me, if you're going to do the justice gap  
6 study, that's a great way to update it, update our  
7 methodology and improve it in a way.

8           Because if you think about something like a  
9 legal need or a justice gap study about, say,  
10 evictions, in a lot of these earlier things that states  
11 do and that we do, we find, there are so many people  
12 that are unrepresented in eviction cases that come to  
13 our grantees and need help with evictions.

14           On the other hand, if you do what they did  
15 with the public defender thing and you work out how  
16 long eviction cases take, right, that puts a real new  
17 level of quantification on the level of legal need. It  
18 says, okay, there are this number of people with an  
19 unfilled gap of 1,250 hours of lawyers that would be  
20 needed that aren't provided.

21           So by taking the different kinds of cases and  
22 the different kinds of legal needs and attaching



1 quantification to them, that seems like that gets a  
2 more secure number on the quantifiable level of legal  
3 need in terms of demand for lawyer hours that's  
4 unfilled.

5 I'm just paralleling off their study. And I  
6 think that in terms of a research agenda and getting  
7 private money, you have an example there, too. You  
8 have a prototype in saying, I want to replicate this  
9 study that's been successful and useful from an  
10 advocacy standpoint and has some social scientific  
11 validity.

12 I think that would be appealing to funders as  
13 well as a way to improve -- not just redo it, what  
14 you're saying, Harry -- but to do it in a new, more  
15 authoritative way that might be more useful. That was  
16 my thought yesterday on this.

17 CHAIRMAN MINOW: I think that's very  
18 constructive. And I, too, was very taken with that  
19 study. The justice gap is important and we always want  
20 to have some point of comparison. But frankly, it's  
21 been outstripped in methodology by subsequent work,  
22 including what we heard about yesterday.

1 Harry?

2 MR. KORRELL: I echo Charles's thoughts about  
3 that presentation yesterday, and that we'd just propose  
4 that at least in composing this redo of the justice gap  
5 study, that we try to communicate something other than  
6 just that X number of people need lawyers and don't get  
7 them.

8 I just don't think that kind of statistic is  
9 very helpful for the funders. And again, they've heard  
10 it over and over and over. And I wonder if there is a  
11 way to pick a category of case that no one can complain  
12 about, right -- domestic violence cases -- and do the  
13 kind of analysis and show that by not funding civil  
14 legal aid, we're having this many really bad outcomes  
15 that would be different if we spent more money because  
16 a domestic violence case takes X hours and we're only  
17 giving it a fraction of X hours, or whether it's  
18 veterans' benefits or something like that people are  
19 going to pay attention to.

20 And hopefully the funding that comes with it  
21 is useful for all of the legal services our grantees  
22 provide. But anyway, some thoughts for what that study

1 might look like.

2 CHAIRMAN MINOW: Everybody ready to go on to  
3 the next item?

4 (No response.)

5 CHAIRMAN MINOW: Great. So Jim, could we hear  
6 about the evaluations of the Comptroller, Grants  
7 Management, and Vice President for Legal Affairs? As  
8 everyone knows, this Committee is charged with doing  
9 evaluations of Jim and the OIG. But as to other senior  
10 officers, we are charged with overseeing those  
11 evaluations, and that's why we're turning to Jim.

12 Charles?

13 MR. KECKLER: One quick question before we do  
14 that. We have comptroller listed there, but should it  
15 not be the Treasurer? Because obviously, it's the same  
16 person who's the Comptroller and the Treasurer. But I  
17 think that our role is the Treasurer because the  
18 Treasurer is, under the bylaws, an officer of the  
19 Corporation.

20 PRESIDENT SANDMAN: That is correct.

21 CHAIRMAN MINOW: I think you're quite right.  
22 You're quite right, Charles. Thank you very much for

1 that. So it is the same person, but under his role as  
2 Treasurer, because that's what the bylaws say.

3 PRESIDENT SANDMAN: Thank you, Martha. I have  
4 done evaluations of the other three officers of the  
5 Corporation, the Treasurer, the Vice President for  
6 Legal Affairs, and the Vice President for Grants  
7 Management, and I will report now a summary of my  
8 conclusions. I'll start with David Richardson, our  
9 Treasurer.

10 I believe that Dave has implemented and  
11 manages an excellent system of financial controls. I  
12 have confidence in the integrity of our processes and  
13 our people. Dave is scrupulous. He understands his  
14 fiduciary role and the importance of prudent  
15 stewardship of public funds. He cares deeply about LSC  
16 and is very loyal to the institution.

17 We had a clean, timely audit this past year --  
18 no problems, completed on time, without any management  
19 letter, which was an improvement over the please couple  
20 of years.

21 He has a very good command of the technical  
22 skills that the job requires. I talked to Robert Grey

1 to get his input in his capacity as chair of the  
2 Finance Committee. He described Dave as efficient,  
3 thoughtful, accurate. He said that it's obvious that  
4 Dave thinks about the organization and is deeply  
5 committed to it.

6 I identified several areas for improvement.  
7 One is to work on simplicity and clarity of  
8 presentations to the Finance Committee and the Board of  
9 Directors, but both Robert and I noted improvement in  
10 that over the course of the past year.

11 I encouraged Dave to work on responsiveness to  
12 his internal clients. He plays a unique role within  
13 the organization, and often people depend on him and  
14 can go only to him for certain kinds of financial  
15 information. So timely response is important.

16 And I suggested that we work on improving our  
17 budgeting processes, which is something that I had  
18 raised last year, but I think we need to continue to  
19 work on.

20 Lynn Jennings is our Vice President for Grants  
21 Management. Lynn has a broad and very challenging  
22 portfolio. She has to keep many balls in the air, and

1 she does it well. She excels at cross-office  
2 integration, which I think is particularly important in  
3 the grants management function. She's good at breaking  
4 down silos.

5 She knows whom to consult and involve in other  
6 offices within the organization, whether it's  
7 Government Relations and Public Affairs, the Office of  
8 Legal Affairs, the Office of Information Technology, or  
9 the Office of Finance and Administrative Services.

10 Lynn has a very broad skill set. She's good  
11 at policy matters, data analysis, and systems. She has  
12 a strong understanding of the organizational mission,  
13 our strategic goals, and the operations of LSC.

14 In the past year she oversaw the  
15 implementation of two new grant programs, the Pro Bono  
16 Innovation Fund and the Midwest Disaster Grants. She  
17 did an outstanding job on both. I think those were  
18 textbook examples of how to set up a good and well-run  
19 grants management program from the start.

20 She has strengthened our relationship with the  
21 Office of Inspector General. I think we have a strong  
22 and good working relationship with Office of Inspector

1 General. We have regular meetings. We value our  
2 relationship with our colleagues in OIG, and Lynn gets  
3 a lot of credit for that.

4 She played a behind-the-scenes role in the  
5 40th anniversary conference and showed a high level of  
6 organizational competence in the work that she did  
7 there. She has had a lot of personal involvement in  
8 enhancing our fiscal oversight, particularly with some  
9 grantees that have had significant problems.

10 My suggestions for Lynn are that she work on  
11 priority-setting because she has so many different  
12 functions and needs to keep so many balls in the air to  
13 ensure that the most important projects get  
14 accomplished first and in a timely manner. And I made  
15 some suggestions about rethinking how we conduct  
16 grant-making and grants oversight.

17 Because, as the prior presentation  
18 demonstrated, there is very little competition for most  
19 of our grants, I think our focus needs to be on special  
20 grant conditions and the term of grants. The model  
21 that we use currently, which has applications coming in  
22 in June and final decisions not made until December, is

1 very time-consuming, and I think we should look at  
2 trying to improve the efficiency of that process.

3 I also think that we could look at the  
4 efficiency of the visit model of doing oversight.  
5 Sending substantial teams of people out to a program  
6 for a week or two is a big investment of time, and I  
7 think we should take a look at what we might be able to  
8 do remotely, what we might be able to do by Skype, and  
9 what the cost-benefit analysis is of the visit model  
10 that we currently use.

11 I'll turn now to Ron Flagg, our General  
12 Counsel and Vice President for Legal Affairs. Ron has  
13 a very long list of accomplishments during the past  
14 year. He is remarkably productive.

15 He has eliminated the backlog on legal  
16 opinions in responding to requests from clients need  
17 LSC grantees. He expanded the number of published  
18 advisory opinions addressing issues of concern to LSC  
19 personnel and to grantees. We posted eight external  
20 opinions during 2014 and eight internal opinions.

21 As you all know, he has spearheaded the  
22 revision of a number of our regulations, including the



1 private attorney involvement regulations, assistance to  
2 aliens, regulations governing legal assistance in  
3 criminal proceedings. He has taken the lead in  
4 developing our rulemaking agenda.

5 He revised our conflict of interest policy,  
6 our whistleblower policy, and our EEO policy. I have a  
7 much longer list, but you get the flavor.

8 Ron provides superb legal advice. He and his  
9 office are responsive, helpful, pragmatic,  
10 well-integrated within the organization, well-respected  
11 within the organization. They understand their  
12 clients' needs.

13 They conducted a client survey last year  
14 seeking the input of the people that they work with  
15 here to get a measure of how people think they're  
16 doing, and Ron plans to repeat that survey again this  
17 year.

18 He has good and respectful relationships with  
19 external stakeholders. He's an excellent manager. As  
20 I mentioned, his office has a strong client service  
21 culture and consistently produces high-quality work.  
22 Ron is versatile, a great utility infielder. He's able

1 to take on new and unexpected responsibilities.

2 My one suggestion is that Ron think about  
3 benchmarking the operations of our Office of Legal  
4 Affairs against comparable general counsels' offices to  
5 see what we might learn about how they do things and  
6 whether they have suggestions for improvement.

7 That completes my report.

8 CHAIRMAN MINOW: Well, this sounds like very  
9 thorough and thoughtful reviews with very constructive  
10 suggestions. I do have to say that we are just  
11 incredibly blessed and lucky to have such truly  
12 outstanding senior officers.

13 The Treasurer has had us in good hands for  
14 some time, and I think that we all feel very reassured  
15 by his care. I marvel every day at what Lynn is able  
16 to do; I really cannot even keep it all in my head.  
17 And I think we are night and day from where we were,  
18 and I think everyone is nodding, and that's really  
19 excellent.

20 Ron, how you got rid of the backlog I have no  
21 idea. But I think that you have proven that a lawyer  
22 can be a constructive force for good --

1 (Laughter.)

2 CHAIRMAN MINOW: -- inside of an organization  
3 and outside the organization. And we're very grateful.

4 Anyone have any further comments? Julie?

5 MS. REISKIN: Yes. As the token non-lawyer, I  
6 really appreciate Ron's ability to communicate  
7 information without it being an 800-page treatise and  
8 in English. That's been very -- I mean, I'm serious.  
9 I do appreciate that. And I really appreciate Lynn's  
10 openness to including clients on program quality  
11 visits.

12 MR. LEVI: I want to thank all three of you.  
13 You certainly have made our job easier. This is our  
14 Board's near fifth year anniversary, and I can only  
15 tell you that sitting here in this meeting is very  
16 different than what we first approached here. And all  
17 of you have made such a terrific contribution to  
18 helping us get to where we are today, and thank you.

19 CHAIRMAN MINOW: Excellent. Our last  
20 substantive item on the agenda is the corrected report  
21 on sources of authority governing LSC Board actions.  
22 And now we get to see Ron Flagg in action.

1           MR. FLAGG: Jim was kind enough not to mention  
2 my proofreading abilities, but I'm working on those as  
3 well.

4           At the last Committee meeting, you recall we  
5 went over a list of briefing materials for new  
6 Management personnel and, for that matter, new Board  
7 members. And within that list of materials were a  
8 variety of sources of authority. And it was suggested,  
9 quite constructively, that we organize those in a way  
10 that would be helpful.

11           The short answer to Martha's question as to  
12 how we've accomplished things we've accomplished over  
13 the last year is we've got a great staff. And in  
14 connection with this particular project, I'd like to  
15 introduce Peter Karalis, who is one of our two graduate  
16 fellows and who did the bulk of the work on this.

17           So if you look at page 154 of your Board book,  
18 you will see the sources of authority governing LSC  
19 Board actions as they've been compiled and organized  
20 into variety categories, which we think are the  
21 principal categories of interest to the Board.

22           We will post this list online. It will be

1 interactive, and we will post it with an index so that  
2 if, for example, you want to know what guidance there  
3 is with respect to the Board's actions on rulemaking,  
4 you could just type in "rulemaking" and up would pop  
5 the material that's on page 161.

6           Within each topic, I think the organization is  
7 from highest level of authority down. So we typically  
8 start with the LSC Act. Then if there's an  
9 Appropriation Act provision, that is listed next. And  
10 then we have our bylaws, and typically below that would  
11 be internal policies or these resolutions of the Board  
12 going back.

13           We actually -- Peter -- went back 40 years and  
14 looked at every resolution that the Board had ever  
15 enacted and tried to figure out which of these were  
16 still effective and which we should be directing your  
17 attention to. The good news was there are relatively  
18 few that have lasting effect, and those are the ones  
19 that are included on this list.

20           CHAIRMAN MINOW: I think I'm one of the people  
21 who hoped we'd have such a thing, and it's really  
22 staggering. Very, very helpful, very thorough, and the

1 idea of having an interactive dimension is excellent.

2 Anyone have any further thoughts?

3 FATHER PIUS: Just as we go forward with  
4 updating the source book, this might be something that  
5 you want to include in the source book just as a  
6 service to us. And obviously, you'll get a new Board  
7 in three years, maybe; obviously this should be one of  
8 the first documents, I would imagine, that you do in  
9 your orientation to the new Board.

10 MR. FLAGG: Good suggestion. Thank you.

11 MR. LEVI: In reviewing this, did you think we  
12 were missing anything?

13 MR. FLAGG: I can't say, as we went through  
14 this, that we noticed any omissions. I think the two  
15 areas in which we have done the sort of analysis you're  
16 suggesting are with Charles and the Ops and Regs  
17 Committee in connection with our regulations.

18 I think, as a standard matter and in terms of  
19 best practices for any agency, be it a private  
20 organization such as ours or government agency,  
21 annually looking at the regulations to see what could  
22 be modified, what could be updated, and Harry would

1 quickly add what might be omitted or deleted, is  
2 something we should do annually, and we do.

3 The other way in which we are doing that in a  
4 comprehensive way is looking at our internal policies.

5 And so, as the Board is aware, just in the last couple  
6 years we have revised of conflict of interest policies,  
7 our whistleblower policy, our EEO policy.

8 Those are all pretty fundamental policies, and  
9 you would have thought that gee, we must be up to snuff  
10 on that. And obviously, we made substantial changes to  
11 those. But we are looking at that list of policies to  
12 see if there's anything we're missing. And you'll be  
13 happy to know we're developing an anti-nepotism policy.

14 And you'll also be happy to know that not  
15 every policy will come before you. But the more  
16 significant ones will, and we routinely look at our  
17 policies and look at what other organizations are doing  
18 to make sure that we have what we need, and to the  
19 extent we address issues, we're addressing them  
20 consistent with best practices.

21 MR. LEVI: Yes. Well, the nepotism point  
22 would be a good one, the kind of thing I was interested

1 in. I guess I want to ask the flip, which is, in  
2 reviewing this, did you think there were some that were  
3 superfluous or outdated?

4 CHAIRMAN MINOW: In the Harry principle.

5 MR. FLAGG: Yes. And I think the answer is  
6 clearly yes. And they are not included on this list.

7 MR. LEVI: Oh, they're not? They're not  
8 included?

9 MR. FLAGG: Correct. They are not included.  
10 And as a practical matter, I think the question is, do  
11 you need a Board resolution rescinding some 40-year-old  
12 policy that nobody has looked at in 39 years? And  
13 we've considered that.

14 MR. LEVI: Well, maybe it's like the email  
15 deletions thing, that after ten years or whatever --

16 MR. FLAGG: I think for the most part, where  
17 there were superfluous policies, they've typically been  
18 superseded by another policy that is more recent. So  
19 certainly where that was the case, we didn't feel a  
20 need to go back and rescind --

21 MR. LEVI: Well, I suppose that if there were  
22 really a group of them that are outdated, you could



1 just package them together and we can just ship them  
2 out.

3 MR. FLAGG: We can look at that. But in any  
4 event, certainly the list we have here -- and if a  
5 policy falls in the woods and nobody knows about it, is  
6 it really a policy? So all of the policies that are in  
7 effect and that continue to have practical application  
8 are listed on this list, and we'll consider whether we  
9 need, as a formal matter, to rescind some other  
10 policies that are no longer followed.

11 MR. LEVI: Well, thank you.

12 CHAIRMAN MINOW: I think we should do that,  
13 just to clean up our --

14 MR. LEVI: I think it's a matter of  
15 appropriate --

16 CHAIRMAN MINOW: Governance.

17 MR. FLAGG: Yes. And again, a lot of them, by  
18 their own terms, were time-bound.

19 MR. LEVI: That's different.

20 CHAIRMAN MINOW: If they were time-bound and  
21 if they were explicitly superseded, we do not need to  
22 see them. But if there are any that do not fall in

1 those categories, we should clean them up.

2 I wonder about another class, which is those  
3 that are Board statements/resolutions/rules. Should  
4 there be some kind of tickler file, not a sunset, but a  
5 "here's when it would be good to revisit" or something  
6 like that?

7 MR. FLAGG: Yes. I think there are two  
8 different pieces. One is not one that is what you  
9 explicitly mention, but we do have -- I think we shared  
10 with you -- a tool that we still have and that we're  
11 still working on improving, which is this omnibus  
12 calendar that shows when every due date of anything in  
13 the organization comes up, pursuant to these or other  
14 sources of guidance.

15 You've asked a different question, which is,  
16 when should we review any of these policies? My sense  
17 is that would be policy-specific, which is to say I  
18 don't know that -- for example, the bylaws. At any  
19 point a Board could say, gee, why don't we look at the  
20 bylaws comprehensively and revisit them?

21 I don't know if we want to put a date on  
22 individual resolutions. Just looking at the first one

1 that pops up, revised Board of Directors compensation  
2 policy, that's something -- I think my answer to your  
3 question would be if I was a new Board, I would look at  
4 this list and I would look at -- and this is not a  
5 particularly long list.

6 It would take about ten mites for somebody to  
7 go through and say, specifically with regard to the  
8 resolutions, let's look at each of these and decide  
9 whether we as a new Board want to revisit these issues.

10 So I think my sense would be that the right  
11 time for the Board to look at these would be any time  
12 there's a new Board, I would look at all of -- and  
13 maybe in our briefing materials or in our briefing  
14 protocols, that would be the appropriate prompt, to say  
15 to a new Board, you really ought to look at these very  
16 specific Board-created policies and resolutions and see  
17 if there are any you want to update.

18 The other, more general policy -- the EEO  
19 policy, obviously, any Board is going to want to look  
20 at that. But if we've done our work right, that should  
21 not be changing Board to Board.

22 CHAIRMAN MINOW: What you suggest may be just

1 right. I do know that in the nonprofit board world,  
2 there are scheduled, suggested best practices for when  
3 you should, how often you should revisit your bylaws,  
4 how often you should revisit your compensation. So I  
5 don't know if we want to be tethered to that or want to  
6 look at it. But they do exist.

7 MR. FLAGG: Well, and I think Jim suggested,  
8 we look for benchmarking. And that's another in which  
9 we can definitely do that.

10 CHAIRMAN MINOW: So does the person who did  
11 the work want to say anything?

12 MR. KARALIS: It was certainly an educational  
13 experience.

14 (Laughter.)

15 CHAIRMAN MINOW: Well, we are grateful, and I  
16 think it sets a baseline that the organization will not  
17 go back on, of having accessible and easily reviewed  
18 and current governing sources of law. And so although  
19 it was a typo originally, I think we want to thank you  
20 for your service.

21 MR. KARALIS: You're very welcome.

22 CHAIRMAN MINOW: All right. So now, is there

1 any other business?

2 (No response.)

3 CHAIRMAN MINOW: Then I would like to know, is  
4 there any public comment?

5 (No response.)

6 CHAIRMAN MINOW: All right. I will consider  
7 and act on any motion to adjourn the meeting because we  
8 stand between this and lunch.

9 MR. LEVI: We have a closed session, though.

10 CHAIRMAN MINOW: Oh, we're going to have a  
11 closed session. So sorry. We are still standing  
12 between us and lunch. But we're going to have a closed  
13 session, so can the people who are not going to come to  
14 the closed session -- you can go have lunch. No.  
15 We're not having lunch yet, so nobody should feel bad.

16 MR. LEVI: Where will lunch be? Out here?  
17 Fourth floor? We will reconvene with the Audit  
18 Committee, then, for the public session, for the public  
19 group here, at --

20 CHAIRMAN MINOW: But we do need to adjourn  
21 this meeting. So sorry.

22 MR. LEVI: We need to adjourn this meeting.

1 I'm sorry.

2 CHAIRMAN MINOW: Yes. So can we adjourn this  
3 meeting?

4 M O T I O N

5 MR. LEVI: So move.

6 PRESIDENT SANDMAN: Second?

7 MS. REISKIN: Second.

8 CHAIRMAN MINOW: Great. And now we go to our  
9 closed session.

10 (Whereupon, at 11:50 a.m., the Committee was  
11 adjourned to Closed Session.)

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