

LEGAL SERVICES CORPORATION  
BOARD OF DIRECTORS

MEETING OF THE  
BOARD OF DIRECTORS

OPEN SESSION

Tuesday, July 22, 2014

9:05 a.m.

Des Moines Marriott Downtown  
700 Grand Avenue  
Des Moines, Iowa 50309

BOARD MEMBERS PRESENT:

John G. Levi, Chairman  
Martha L. Minow, Vice Chair  
Sharon L. Browne  
Robert J. Grey Jr.  
Charles N.W. Keckler  
Harry J.F. Korrell, III (by telephone)  
Victor B. Maddox  
Laurie Mikva  
Father Pius Pietrzyk, O.P.  
Julie A. Reiskin  
Gloria Valencia-Weber  
James J. Sandman, ex officio

## STAFF AND PUBLIC PRESENT:

Lynn Jennings, Vice President for Grants Management  
Ronald S. Flagg, Vice President for Legal Affairs,  
General Counsel, and Corporate Secretary  
Stefanie Davis, Assistant General Counsel, Office  
of Legal Affairs (by telephone)  
David L. Richardson, Comptroller and Treasurer,  
Office of Financial and Administrative Services  
Carol A. Bergman, Director, Office of Government  
Relations and Public Affairs  
Carl Rauscher, Director of Media Relations, Office of  
Government Relations and Public Affairs  
Wendy Long, Executive Assistant, Office of Government  
Relations and Public Affairs  
Jeffrey E. Schanz, Inspector General  
John Seeba, Assistant Inspector General for Audit,  
Office of the Inspector General  
Thomas Coogan, Assistant Inspector General for  
Investigations, Office of the Inspector General  
David Maddox, Assistant Inspector General for  
Management and Evaluation, Office of the  
Inspector General  
Lora M. Rath, Deputy Director, Office of Compliance  
and Enforcement  
Julia Kramer, Program Counsel, Office of Compliance  
and Enforcement  
Janet LaBella, Director, Office of Program  
Performance  
Robert E. Henley, Jr., Non-Director Member, Finance  
Committee  
Allan J. Tanenbaum, Non-Director Member, Finance  
Committee  
Dennis Groenenboom, Executive Director, Iowa Legal  
Aid  
Patrick McClintock, Iowa Legal Aid  
  
Tom Kilbride, Illinois Supreme Court  
Don Saunders, National Legal Aid and Defenders  
Association (NLADA)  
Terry Brooks, American Bar Association Standing  
Committee on Legal Aid and Indigent Defendants  
(SCLAID)

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

2 (9:05 a.m.)

3 CHAIRMAN LEVI: We're going to stand for the  
4 Pledge of Allegiance.

5 (Pledge of Allegiance.)

6 CHAIRMAN LEVI: Thank you. Can I have a  
7 motion -- well, I guess I have to call the meeting to  
8 order. This is the Board of Directors of the Legal  
9 Services Corporation having its duly noticed Board  
10 meeting in Des Moines, Iowa. And it's my privilege to  
11 ask for a motion to approve the agenda.

## 12 M O T I O N

13 DEAN MINOW: I so move.

14 MS. REISKIN: Second.

15 CHAIRMAN LEVI: All in favor?

16 (A chorus of ayes.)

17 CHAIRMAN LEVI: Can I have a motion to approve  
18 the minutes?

19 FATHER PIUS: Two changes, very quickly.

20 CHAIRMAN LEVI: Okay. Good.

21 FATHER PIUS: The April 8th, meeting I was not  
22 there by telephone. I was, I believe, in person; at

1 least it's my recollection.

2 CHAIRMAN LEVI: Oh, yes, you were.

3 M O T I O N

4 FATHER PIUS: And then the next one, on the  
5 May 22nd, I'm not listed as present although I am  
6 listed as moving a motion. So I'm assuming I was in  
7 fact present since I moved a motion. So if we could  
8 add me to the May 22nd and remove "by telephone" from  
9 the April 8th.

10 And with those two amendments, I would so  
11 move.

12 CHAIRMAN LEVI: Did any other member of the  
13 Board notice any similar issue with respect to their  
14 own attendance? Was there any other issue like that?

15 (No response.)

16 CHAIRMAN LEVI: Okay. So you're moving it, as  
17 amended. And can it be seconded?

18 MR. GREY: Second.

19 CHAIRMAN LEVI: All in favor?

20 (A chorus of ayes.)

21 CHAIRMAN LEVI: My report will be fairly  
22 brief, I want to start by thanking a couple of folks

1 who really have gone beyond, in my view, in many  
2 respects what we asked of them. And that's Frank  
3 Strickland and Herb Garten, who have not only been on  
4 the Institutional Advancement Committee, they have come  
5 to so many of our Board meetings and really been a huge  
6 help.

7 I know that getting to these meetings is not  
8 always so easy. And basically, what they've done for  
9 us is to extend their own service and provide for us  
10 that kind of institutional knowledge and transition  
11 from one Board to another that I think is so essential.

12 I hope in some respects that we are offering  
13 to future LSC Boards a way of operating. I'm not  
14 necessarily volunteering myself, but I'm just saying  
15 that some of us, I'm sure, will be happy to help a  
16 succeeding Board be successful.

17 Frank is still here. Herb went early this  
18 morning. But I'd like to offer a round of applause for  
19 Frank.

20 (Applause)

21 CHAIRMAN LEVI: The other thing that Frank and  
22 Herb, and Allan Tanenbaum is back there, they all

1 themselves made a personal commitment to the campaign  
2 the other day. And we're very, very grateful for that  
3 as well.

4           Then I want to speak again about our  
5 auxiliary -- I won't say non-Board-member Committee  
6 members. They have really served, I think, a terrific  
7 purpose and been so helpful to us. Bob Henley and  
8 Allan Tanenbaum are here, and David Hoffman and Paul  
9 Snyder have been on the phone.

10           Really, you folks have made such a huge  
11 difference in our Committees' ability to function, and  
12 you've helped our Board exercise its own role, because  
13 you have expertise that we don't have and didn't fully  
14 have in our own membership.

15           Again, this is what not-for-profit boards do  
16 frequently when they do not, among their membership,  
17 necessarily have the expertise; they go out and find it  
18 and add to committees so that they can exercise their  
19 function and better inform the board.

20           Again, I think our Board is trying to model  
21 what I regard as best practice in not-for-profit  
22 governance for future Boards. And I want to

1 say -- Allan is here; maybe Bob is there, too -- if we  
2 could have a round of applause to acknowledge their  
3 time commitment, too. Thank you very much.

4 (Applause)

5 CHAIRMAN LEVI: Then I see David Groenenboom  
6 back there. Do you want to stand up? Dennis, I'm  
7 sorry, Dennis. Your program was just a wonderful host  
8 here, and we so appreciate all of the work that you put  
9 into hosting us, and the presentations were terrific.  
10 So thank you.

11 (Applause)

12 CHAIRMAN LEVI: The programs, the panelists,  
13 they were all terrific here, at the highest level, and  
14 I think set our -- each time we have a meeting we say,  
15 my gosh. That group has set the bar higher for the  
16 next group. And it just keeps moving up.

17 So thank you so much, also to Drake Law School  
18 for providing us not only the clinic but the quote that  
19 I've been looking for above the seats there. When I  
20 first came into office, I had recalled -- I don't know  
21 why -- that Madison had written about justice in the  
22 Federalist Papers, but I couldn't find it, and it had

1 to take me all the way to Drake Law School. So there  
2 we are.

3 Then I know for the staff that putting on  
4 these meetings, we aren't an easy crowd, and it's quite  
5 demanding. And you've produced once again, with  
6 seamless three days here, and we know that behind the  
7 scenes we have people who are recovering, folks that  
8 are dealing with complex issues that made staffing this  
9 not the easiest exercise.

10 So to all of you who chipped in to make it  
11 possible for us to have this kind of a meeting here and  
12 not even notice what was going on behind the scenes,  
13 thank you to all of you.

14 So Julia, welcome. Thank you very much. I  
15 hope we'll see you at the next meeting, that we didn't  
16 scare you away. I don't know where Bernie is; she's  
17 out there in the back, probably running around getting  
18 folks' boarding passes and things like that. And Wendy  
19 Long -- Wendy, are you hiding out back there? So why  
20 don't you all stand up, too, and be acknowledged.

21 (Applause)

22 CHAIRMAN LEVI: Then I also want to recognize

1 my friend Tom Kilbride, who is on the SCLAID committee.

2 And I think he's still with us this morning -- there  
3 you are, yes. He, as Chief Justice, hosted us, helped  
4 host us, in Illinois and actually appointed Illinois's  
5 Access to Justice Commission.

6 He's a very active member of the SCLAID  
7 Committee, and just terrific to have him here in Iowa.

8 We appreciate your being with us this morning, too.

9 Thank you, Tom.

10 (Applause)

11 CHAIRMAN LEVI: Now, this is also a Board  
12 meeting at which we -- I'm handing out congratulations,  
13 and I want to say we have a very hardworking group of  
14 folks in Washington.

15 I know because we all, as we came in, received  
16 those boxfuls of GAO reports that we had to look at and  
17 understand and then face some questions about what were  
18 we going to do to figure out how to bring our internal  
19 operations and our governance into the modern era.

20 I want to say that Frank's Board had really  
21 begun on this project, and he was very gracious to hand  
22 it over with a momentum. But I want Frank to know that

1 Carol Bergman and others at LSC picked up the ball, and  
2 we are now at a position where I can say that -- are we  
3 done or almost done, Carol?

4 MS. BERGMAN: One left.

5 CHAIRMAN LEVI: One left. And so that has  
6 itself taken a lot of the time of the staff, and each  
7 one of the items has been particularly time-consuming.  
8 And so we very much appreciate it.

9 I also want to say that I for one appreciate,  
10 as we heard in the Audit Committee, the way in which  
11 the Inspector General's office and OCE are  
12 communicating, and that the recommendations of our  
13 Fiscal Oversight Task Force are being implemented.

14 I do want to thank the Inspector General,  
15 who's here, also for his cooperation with our Board.  
16 We don't always make things easy on him, either, but  
17 thank you for giving us the information we asked for.  
18 I know it put you and your staff to a busy week. But  
19 we do very much appreciate it, and as you can see, it  
20 made a big difference yesterday. So thank you.

21 Well, our 40th anniversary is actually  
22 technically a few days away. It's a serious moment.

1 It's a serious moment for any organization. And it's a  
2 particularly serious moment for LSC, and I've talked  
3 about this in other meetings, and certainly you'll hear  
4 me too much in September, probably.

5           But we get a chance to take stock of where we  
6 are and where we're going. There's kind of an  
7 expectation at big anniversaries that organizations,  
8 not-for-profits particularly, usually do take a good  
9 look at themselves and where they find themselves.

10           Where we find ourselves, we know I'm not going  
11 to go through the numbers. I've given two speeches  
12 yesterday about that. But the 40th is an opportunity  
13 that we get to tell our story, to tell our story to  
14 people who might not otherwise have been listening.

15           That's what makes, actually, the campaign:  
16 Whether people decide to give us money or not, it's a  
17 vehicle by which we get the door open to go and tell  
18 them about us, to tell our story to folks who may not  
19 have been listening.

20           It's an opportunity that people understand to  
21 put out stories and discussion papers about just what  
22 we're doing and how important we are to the orderly

1 functioning of the American justice system. The quote  
2 yesterday about, "We're not charity, we're justice," I  
3 very much believe.

4           So I took to heart -- I think it was our  
5 meeting our first here, on Sunday -- which really was  
6 about how to best communicate the 40th and what's going  
7 on, and found -- this was during the Institutional  
8 Advancement Committee -- that the members of that  
9 Committee were feeling themselves, I think, fairly busy  
10 on the development side. But the communications side  
11 probably needs a little support.

12           So once again I went to you and I asked Julie  
13 Reiskin if she would be willing to chair a  
14 communications subcommittee. And of course not only  
15 did she say yes, she's already sent her first set of  
16 ideas out. And I asked Father Pius and Gloria and  
17 Robert to join committee. And I leaned on the Dean  
18 here to be ex officio, and she said yes, too.

19           So everybody said yes. And I hope that we  
20 won't make more work for the staff, but in fact we can  
21 help in what I know is going to be a busy year. And we  
22 also do know that Martha Bergmark's group -- I've

1 forgotten their name, Voices -- are working on public  
2 awareness. We'll have to figure out how to intersect  
3 them so that we don't duplicate, but also we take  
4 advantage of their being there.

5           So I again want to thank this Board for  
6 stepping up. It always has. And that's my report.  
7 Any questions? Oh, I think there is -- you asked for  
8 a schedule for the 40th. And if it isn't already in  
9 your inbox, I don't know if Wendy Rhein is on --

10           MS. RHEIN: I am.

11           CHAIRMAN LEVI: -- but somehow it will be  
12 today.

13           MS. RHEIN: Yes.

14           CHAIRMAN LEVI: It's a tentative schedule, and  
15 there are some tweaks and changes that will have to be  
16 made as things roll along.

17           Yes?

18           MR. GREY: Mr. Chairman, I think all of us  
19 have been a part of organizations that have very  
20 important missions. But there is no mission more  
21 important than this. And I am reminded by what was  
22 said at the meeting yesterday that this is a justice

1 initiative. And it just was a powerful statement.

2 It had nothing to do with the politics of the  
3 situation. It had everything to do with the values of  
4 this country and of the people of this country. And I  
5 can think of no better leader for this justice  
6 initiative than you. So thank you for your work.

7 CHAIRMAN LEVI: Thank you, Mr. Grey.

8 (Applause)

9 CHAIRMAN LEVI: Thank you, and I so appreciate  
10 that. I think the country is lucky to have this Board,  
11 frankly.

12 MR. GREY: I think it is, too.

13 CHAIRMAN LEVI: And this President at this  
14 moment. And the more that I've been in this role, the  
15 more you realize, if you ask yourself -- Don Saunders  
16 and his group, the NLADA, they're also including the  
17 criminal side.

18 But if you're talking about the civil voice,  
19 the civil justice system, the voice of those that are  
20 living at or below the 125 percent guideline, other  
21 than this organization and some of the work of the  
22 SCLAID Committee, there is no other national voice.

1           So we're it. And so what happens in the  
2 future to the country's justice system, I want to make  
3 sure that at least we do the best we can to tell the  
4 story of where it is right now. So thank you very  
5 much, Mr. Grey. I appreciate that, and the rest of  
6 you.

7           Now it's my privilege to turn it over to our  
8 President -- oh, to members, members' reports first.  
9 You made one comment. Gloria?

10           PROFESSOR VALENCIA-WEBER: Since our last  
11 meeting, I've been to some other law-related meetings  
12 as well as can report on what I think is a first  
13 significant step on what we call the New Mexico Pro  
14 Bono Project.

15           At a law meeting in D.C. in May, I did  
16 contact, serendipitously, another senior partner at a  
17 D.C. law firm, and I'm going to follow up with Wendy on  
18 how we can get potential contribution and other  
19 support.

20           Then last week, the New Mexico Bar had its big  
21 annual meeting, 400-plus attorneys, and I had finagled  
22 Robert to come to New Mexico, where he did two

1 absolutely wonderful talks, inspiring people. One was  
2 to the ABA Foundation Fellows breakfast, and the other  
3 was the keynote for the whole conference.

4           It was basically to move -- I guess, and if  
5 you can pardon an old term, it's a "come to Jesus"  
6 talk, telling people what their role and their duty  
7 ethically is as lawyers in a privileged profession  
8 unlike any other because of the actual responsibility  
9 we have for justice.

10           It culminated a project that was begun last  
11 fall. Unfortunately, the Sunday before the bar  
12 conference, John Robb, Jr., died. He was the  
13 90-year-old pioneer for all the LSC, along with people  
14 like Pete Domenici and others. And so it was a very  
15 moving conference in that people were very mournful  
16 that John was not there.

17           I have invited and forwarded to Wendy and  
18 people at LSC material that we have been unearthing on  
19 John Robb, including a Law Review and other articles  
20 that would be wonderful for documentation as we prepare  
21 materials for our 40th.

22           John's death was a personal loss because as

1 soon as I was appointed to LSC, he reached out and has  
2 been mentoring me and helping me all along, and never  
3 said no to anything.

4           Moreover, after we'd have a meeting and people  
5 on the quartet, as we called it -- that was Ed Marks,  
6 director of our New Mexico Legal Aid; Peter Winograd,  
7 who many of you know from the Board of Governors of ABA  
8 and many other areas; and John, and myself -- if you  
9 weren't on the task in a day and a half, John was on  
10 you. You got the email. You got the phone message.  
11 And we really have moved along on that project.

12           We now have full collaboration of the New  
13 Mexico Supreme Court, all of the judges' associations  
14 for the state district courts, all of the  
15 non-LSC-funded pro bono organizations in New Mexico,  
16 other organizations like the Southwest Center for  
17 Women. And as we're moving forward and have submitted  
18 an innovation grant, but we're not waiting on that  
19 outcome, we have a full agenda.

20           So I want to thank the people that helped me  
21 when I requested information, and I want to finish  
22 with, again, a great appreciation for Robert Grey.

1 Thank you.

2 CHAIRMAN LEVI: Thank you, Gloria.

3 Martha?

4 DEAN MINOW: I just want to say that  
5 anniversaries have the effect of making you stand back  
6 and think, not only what was I like when I was  
7 40 -- let's put that aside -- but really, I look back  
8 at when we all joined this Board.

9 It's really been incredible, in my view, to  
10 see the work of this organization since that time.  
11 None of it would be possible without Jim and his  
12 leadership and the staff.

13 The implementation of the Fiscal Task Force, I  
14 said to Lynn -- maybe it was after one drink, but I  
15 said, so how far are we? About 50 percent? And you  
16 said, no, about 70 percent, which is phenomenal.

17 I think we've made some progress on the Pro  
18 Bono Task Force implementation; the coordination of the  
19 supportive role and the review role that this  
20 organization plays with its grantees; the collaboration  
21 with other actors in this same field; the relationship  
22 with the IG, fantastic; the work of the IG,

1 outstanding, the fraud awareness work; and the  
2 relationship with Congress, so on just about every  
3 front that I could imagine, including I think dinners  
4 are better.

5           But I just thought it was worth standing back  
6 and saying, this is impressive. And I just applaud  
7 everyone whose work is involved. Oh, I have to also  
8 say, of course, our accomplishment in convincing our  
9 oversight committee, Carol, that we are actually doing  
10 okay in meeting the General Accounting Office's  
11 requirements -- that's also very, very heartening.

12           CHAIRMAN LEVI: Any other member have a  
13 report?

14           (No response.)

15           CHAIRMAN LEVI: Thank you.

16           That brings us to the President's report.

17           PRESIDENT SANDMAN: Thank you, John.

18           I'd like to report on six items this morning.  
19           First, I'll provide an update on the business process  
20 analysis we're undertaking of LSC's grant-making and  
21 grants oversight function. Second, I'll give a brief  
22 update on our implementation of the recommendations of

1 the Fiscal Oversight Task Force.

2 I'll provide an update of our status of our  
3 grant from the Public Welfare Foundation, and report  
4 separately on other grants that the Public Welfare  
5 Foundation has made to other organizations for access  
6 to justice projects.

7 I'll describe a briefing that we had on  
8 Capitol Hill back in May for House members and staff,  
9 and finally, note some improvements to our just-issued  
10 fact book and annual report. I'll be able to report  
11 briefly on a number of these items; I reported  
12 previously on some of them at meetings of the  
13 Committees of the Board over the past few days, which I  
14 think all Board members were at.

15 As you know, we're undertaking a business  
16 process analysis of our grant-making and grants  
17 oversight functions. This was the excellent suggestion  
18 of our Chief Information Officer, Peter Campbell, who  
19 has recognized the need for us to undergraduate or  
20 replace our grants management software.

21 We use a system called EZ Grants, which we've  
22 customized and call LSC Grants. And we have customized

1 it over time to meet our needs to such an extent that  
2 we can no longer use upgrades that EZ Grants issues.  
3 What we have is too different from the base model to be  
4 able to accommodate upgrades.

5 Peter correctly recognized that if you  
6 superimpose new technology on bad processes, you still  
7 have bad processes. So if you want to get out of the  
8 new technology what you're hoping to get out of it, you  
9 have to be sure you have good processes in place from  
10 the get-go.

11 So we've retained a consulting firm, Barker &  
12 Scott, which has done a comprehensive analysis of every  
13 step of our grant-making and grants oversight. My own  
14 view is that they have done a very impressive job.

15 They interviewed 53 people within the  
16 organization, including people from the Inspector  
17 General's office. Between the Management side and the  
18 Inspector General's office, we employ about 130 people,  
19 so that's a very substantial percentage of our  
20 employees.

21 In the course of their work, they identified  
22 every place in which we store information about

1 grantees, however we store it -- on paper, in PDFs, in  
2 databases -- and they identified 257 different  
3 repositories of grantee information. This is why we  
4 needed to undertake this process before we go out and  
5 buy any new software.

6           What they found was that, not surprisingly, we  
7 need better processes for managing, analyzing, and  
8 reporting grantee information. They found that we have  
9 different people who do similar things in different  
10 ways. That's not efficient.

11           We have a siloed approach to the collection of  
12 data. Each office tends to have its own way of  
13 collecting and storing data, with the result that  
14 sometimes that imposes burdens on grantees.

15           Sometimes we have information at LSC, but the  
16 person who needs it from a grantee doesn't know where  
17 to locate it at LSC. So the easiest thing for the  
18 person at LSC to do is to ask the grantee to give it to  
19 us again. That's not efficient, and it's burdensome on  
20 grantees. We want to change that.

21           Too many employees have an insufficient  
22 understanding of the picture, all of the different ways

1 in which LSC is collecting and using information, how  
2 people in offices other than their own are using  
3 information.

4 This is a summary of their recommendations.  
5 They've recommended that we implement a robust grants  
6 management and reporting system. That has to do with  
7 technology. They also recommended that we implement a  
8 document management system that provides easy access to  
9 grant-related documents and eliminates the need for  
10 work-arounds, which is one of the reasons that we have  
11 257 repositories of grantee information now.

12 They've recommended that we make our  
13 organizational policies topic-based, not office-based.

14 So if you do it by topic, you may, under the topic  
15 that you're trying to address, have different functions  
16 for different offices, but everybody can see the work  
17 that other people are doing related to the same topic  
18 if you organize your policies in that way.

19 They recommended that we standardize and  
20 streamline our processes and eliminate the individual,  
21 personal customization that's led to a lot of our  
22 issues; and finally, that we establish

1 organization-wide data governance policies and  
2 procedures.

3           They have given us their report in two forms.

4     One is a summary. They're both PowerPoint  
5 presentations. The other is a much more detailed  
6 report. It's about 117 slides, as I recall, with  
7 extensive appendices.

8           Among the appendices are the listings of all  
9 of the different places in which we store grantee  
10 information. I'd be happy to provide it to any Board  
11 member who wants it, but it might crash your system.  
12 Be warned.

13           The next steps are for them to develop a road  
14 map for implementation of their recommendations. And  
15 we have a meeting with them scheduled at the end of  
16 this month to begin to talk about what the road map  
17 would look like.

18           Their recommendations will require a lot of  
19 work and take a lot of time to implement. We can't do  
20 all of the things that they're recommending  
21 simultaneously, so we need to sequence them and decide  
22 what's most important and what we should do first.

1           We will start with getting detailed  
2 requirements for a new grants management system, and as  
3 a part of their contract, they will be developing a  
4 request for proposals for a grants management system  
5 that lays out exactly what our needs are so that we can  
6 get some good bids and proceed with the technology step  
7 at the same time that we're proceeding to improve our  
8 internal processes.

9           FATHER PIUS: Have you shared some of this  
10 result with staff? Are they being kept in the loop in  
11 terms of at least the general results and where we  
12 might be going?

13           PRESIDENT SANDMAN: Yes, absolutely. We had a  
14 kickoff meeting with staff when Barker & Scott began  
15 their work for them to explain the process that they  
16 were going to be going through.

17           As I noted, they met extensively with staff,  
18 so people had involvement during the course of the  
19 process. And we had a briefing for staff in June where  
20 they presented the summary version of their report and  
21 responded to questions.

22           Some good news on fiscal oversight. We have

1 created and now filled a new position within the Office  
2 of Compliance and Enforcement, Deputy Director for  
3 Fiscal Compliance.

4           The goal in creating this position is to  
5 improve and standardize all our processes for doing  
6 fiscal reviews of our grantees so that any time we send  
7 a fiscal team out to visit a grantee, they're looking  
8 at the same things in the same way, and provide a basis  
9 for us to compare the fiscal performance of one grantee  
10 to another.

11           We just yesterday internally announced the  
12 hiring of the person to fill that position, Lisa  
13 Watson. She has experience in audit program  
14 development, financial management, risk assessments.  
15 Most recently she was manager for compliance and  
16 internal audit for Avendra. She was previously a  
17 senior associate at KPMG.

18           So I think she has very relevant experience.  
19 She has management experience and is a terrific person  
20 for this new function. And she's starting August 11th.

21           As Lora reported yesterday, we've continued to  
22 improve the fiscal capacities of grant applicants,

1 particularly in the application process. We now  
2 require, in the application for grants, information on  
3 a broad range of fiscal subjects.

4           The applicants are required to upload their  
5 policies, their finance and audit committee charters,  
6 their cost allocation methodologies, so we can compare  
7 them to the requirement of our accounting guide.

8           We do use the results in funding decisions,  
9 including the length of the funding term and whether to  
10 impose special grant decisions. As Lora noted and as I  
11 had reported previously, we had substantially more  
12 special grant conditions this year related to fiscal  
13 matters than we've had in prior years.

14           I reported to the Governance and Performance  
15 Review Committee on Sunday about the status of our  
16 Public Welfare Foundation grant. Our consultants have  
17 completed a comprehensive report on the survey they did  
18 of grantees at the end of last year on their use and  
19 desired uses of data.

20           They have completed a report on the work that  
21 they've done to date. And last month we had a very  
22 productive two-day meeting of our advisory committee

1 that was also attended by the head of the California  
2 state-level funder, the IOLTA funder, because they're  
3 about to roll out outcomes reporting requirements for  
4 the 99 grantees that they support in California,  
5 including eleven LSC-funded programs. We want to be  
6 sure that we're coordinating with them and not creating  
7 inconsistent or duplicative reporting requirements for  
8 our grantees.

9           The results of the discussions that we had at  
10 our meeting with the task force were several  
11 recommendations: first, that LSC should revise its  
12 performance criteria to require that grantees collect  
13 and analyze outcomes data for all extended service  
14 cases; and then that they actually use the data, not  
15 just collect it but use it, to manage toward their  
16 strategic goals and to improve the service that they  
17 provide to their clients.

18           We're trying to create a culture of using  
19 outcomes and data analysis to improve client service.  
20 This will be an ongoing process. It's going to take  
21 some time, but we're eager to get started.

22           We will be providing and developing, with the

1 assistance of our consultants, a toolkit that includes  
2 examples of commonly used outcome reporting systems  
3 currently in place that are used by other funders,  
4 particularly IOLTA funders.

5           There are five states that for some time have  
6 required outcomes reporting by IOLTA recipients in  
7 those states; they are New York, Maryland, Virginia,  
8 Florida, and Texas. And we'll also be providing  
9 examples of outcomes reporting systems that have been  
10 developed by individual legal aid programs to help them  
11 provide better service and to manage themselves better.

12           Yes?

13           MS. REISKIN: I understand all the  
14 difficulties with it. But is there going to be any  
15 further discussion or work to try to figure out if  
16 there's a way to do outcomes with non-extended, since  
17 it seems like that's the majority now of what are  
18 people are providing, is non-extended?

19           PRESIDENT SANDMAN: Yes. Excellent question.  
20 That's very challenging, but we have to deal with  
21 that. We do hope in the toolkit to be able to provide  
22 some information on what some are currently doing to

1 track outcomes in brief services cases.

2 Often there are difficulties in following up  
3 with the client after brief services are rendered.  
4 Locating the client can be difficult. A number of our  
5 grantees do surveys of clients that they've provided  
6 brief service to.

7 They're often more in the form of customer  
8 satisfaction surveys than surveys about what happened  
9 as a result of the service that was provided, but we're  
10 hoping to be able to collect what's currently in use  
11 out there. And I think that's going to be phase two.  
12 I think that's something that we're going to have to  
13 continue to work on.

14 Many of our grantees report that although by  
15 far the largest number of cases closed are handled with  
16 brief services, that the time that their attorneys  
17 spend on extended service cases is actually  
18 substantial, and that measuring their output by number  
19 of extended service cases closed is not an accurate way  
20 to look at things.

21 But nevertheless, there is no getting around  
22 the fact that brief services are a substantial part of

1 the work that our grantees do, and we have to be moving  
2 to a point where we can include that in our analysis.

3           The plan that we're pursuing would give  
4 grantees flexibility to choose and to tailor their own  
5 outcome measurement tools, depending on the nature of  
6 their practice, the nature of their service area, their  
7 priorities, their individual needs. And we do not plan  
8 to impose a uniform, mandatory, one-size-fits-all  
9 system for everybody.

10           We are also looking toward requiring that what  
11 we call high-level outcomes in extended service cases  
12 be reported to LSC for, among other reasons, giving us  
13 more information to make our case to Congress about  
14 what happens to the clients that our grantees serve.  
15 These high-level categories might be in the nature of  
16 maintained housing or improved safety for victims of  
17 domestic violence.

18           Our timetable is to roll out the new  
19 performance criteria and the toolkit by year-end, and  
20 to move towards outcomes data collection on  
21 2015 -- maybe not on January 1st, but if not then, at  
22 some point during the year in 2015.

1           FATHER PIUS:  Jim, when you do do that, if you  
2 could make a presentation to the Delivery Committee  
3 about the changes in the performance criteria, we can  
4 schedule that for whenever those are ready to come  
5 out -- just a presentation of the changes.

6           PRESIDENT SANDMAN:  We'll do that.

7           I do want to note other grants that the Public  
8 Welfare Foundation has made.  They are funding -- yes?

9           DEAN MINOW:  I guess there's just a question  
10 about the whole communication strategy around that.  Do  
11 grantees know this is coming?  Is that the best format  
12 for getting it out?

13          PRESIDENT SANDMAN:  Oh, no, no.

14          FATHER PIUS:  I don't mean to make this as the  
15 announcement of it.  No, this would be after the  
16 announcement, just so that there's a formal  
17 communication.

18          DEAN MINOW:  I see.

19          FATHER PIUS:  Just I want it as a part of the  
20 formal committee to the Committee about --

21          DEAN MINOW:  No.  That makes total sense.  I  
22 just meant --

1           FATHER PIUS: No, I'm sorry. I did not mean  
2 the rollout to be to the Committee.

3           PRESIDENT SANDMAN: Yes.

4           DEAN MINOW: I totally understand that. I was  
5 wondering about the rollout itself.

6           PRESIDENT SANDMAN: Yes. Our plan is this,  
7 that I will shortly be sending out an email message to  
8 all grantees communicating this information in some  
9 detail. And our plan is to have a presentation at the  
10 NLADA conference in November where we talk about this.

11           We may even try to work with Don and his team  
12 to schedule a briefing the day before the conference  
13 begins for anybody who wants to come early and have  
14 detailed discussions about this.

15           DEAN MINOW: And then have a webinar or some  
16 online version?

17           PRESIDENT SANDMAN: Yes. Technical assistance  
18 and training are going to be important about this.  
19 Yes.

20           DEAN MINOW: Right. Right.

21           FATHER PIUS: And then I would think just a  
22 briefing --

1           CHAIRMAN LEVI:  When is NLADA in relation to  
2  our 40th?

3           PRESIDENT SANDMAN:  It's in early November.

4           CHAIRMAN LEVI:  Oh, so you won't be quite  
5  ready at the other time?  That's what I --

6           PRESIDENT SANDMAN:  We'll see where we are for  
7  the October meeting.  It would be more likely for the  
8  October meeting, but --

9           FATHER PIUS:  I'm certainly willing to wait  
10  for it after November.  For the January meeting, it's  
11  really just a briefing on the rollout of this.  I  
12  didn't mean to make anything earth-shattering.  But I  
13  think it's just something that there should be public  
14  communication, yes.

15          PRESIDENT SANDMAN:  Yes.  The Public Welfare  
16  Foundation has made a number of grants related to the  
17  work that we do, and I thought it would be useful for  
18  the Board to be aware of what they're funding.  This is  
19  good news for us in many respects in that they're  
20  funding work that we would have liked to do but that  
21  would be time-consuming and difficult for us to do.

22          So, for example, we've talked about the

1 desirability of having collected in one place  
2 information about all of the federal funding sources  
3 other than LSC that are available for civil legal aid.

4 And the Public Welfare Foundation has made a grant to  
5 NLADA to do exactly that and to make the information  
6 available to all legal services programs in the  
7 country.

8 They have made a grant also to NLADA to  
9 develop a website that compiles all of the existing  
10 research on service delivery for legal aid. That is a  
11 literature search and collecting and cataloguing  
12 exercise.

13 CHAIRMAN LEVI: Wait just a second.

14 Don, is NLADA appropriately grateful to LSC  
15 for opening these doors?

16 (Laughter.)

17 MR. SAUNDERS: More than grateful.

18 PRESIDENT SANDMAN: They've made a grant to  
19 Alan Houseman to do an analysis of literature, the  
20 existing literature, on the economic benefits of civil  
21 legal aid.

22 They've made a grant to the ABA's Fund for

1 Justice and Education to help expand the number of  
2 state access to justice commissions, to provide  
3 technical assistance to access to justice commissions,  
4 and to share best practices so that access to justice  
5 commissions are benefitting from the work that others  
6 have done and aren't reinventing the wheel.

7 I'm personally particularly grateful for this.

8 I was just appointed to the District of Columbia  
9 Access to Justice Commission by the D.C. Court of  
10 Appeals, and am finding that there is good information  
11 collected about best practices, what a high-functioning  
12 access to justice commission should be doing.

13 They've made a grant to the National Center on  
14 State Courts to support court-based innovations to  
15 improve access to justice, building on the work that  
16 we've heard about in a number of our meetings about  
17 kiosks and self-help centers that are located in  
18 courthouses.

19 And, as you know, they have, particularly in  
20 conjunction with the Kresge Foundation, made a  
21 substantial grant to create a communications hub now  
22 known as Voices for Civil Justice to improve public

1 awareness of civil legal aid and the need for it.

2 All of the grants that they've made together  
3 total \$3.3 million, so this is a substantial investment  
4 that they've made. And there are more grants in the  
5 works.

6 I coordinate regulatory. I talk regularly to  
7 Mary McClymont, who is the president of the Public  
8 Welfare Foundation. We have a very good relationship.

9 And we benefit very much, and our grantees will  
10 benefit, from this work that they're funding through  
11 other organizations.

12 We did something new back in May, something  
13 for the first time. We held a briefing on Capitol Hill  
14 for members of the House of Representatives and staff.

15 It was on May 21st. As it turned out, the House was  
16 in session that day, so only staff members attended.

17 It was held in a hearing room in one of the  
18 House office buildings, and it was standing room only.

19 We had a great turnout. The title of the presentation  
20 was called, "Litigants Without Lawyers: Equal Justice  
21 under Threat in Our State Courts." And the panelists  
22 were Chief Justice Nathan Hecht of Texas; Justice Jess

1 Dickinson of the Mississippi Supreme Court; Justice  
2 Janice Holder of the Tennessee Supreme Court, a former  
3 Chief Justice of the Tennessee Supreme Court; and  
4 Justice Carol Hunstein of the Georgia Supreme Court,  
5 also a former Chief Justice.

6 All of these people have appeared on panels  
7 that you have seen that LSC has previously sponsored.  
8 This is a bipartisan group of justices, and they made a  
9 nonpartisan presentation about what's going on in the  
10 state courts today with the number of unrepresented  
11 litigants they're seeing, what the impact is on the  
12 administration of justice, and on the quality of  
13 justice in our state courts when so many people don't  
14 have meaningful access to a lawyer.

15 This was Carol Bergman's idea. I thank her  
16 for it. I think it was an excellent idea. I think the  
17 turnout was an indication of the value that staff saw  
18 in this, and we got wonderful feedback. A number of  
19 people said that it was the best briefing they'd ever  
20 attended.

21 Briefings of this kind are held regularly on  
22 Capitol Hill by all sorts of entities, but we got very

1 good feedback, including there were two staffers from  
2 the Senate side at this briefing. Most times staff  
3 from one side don't go over to the other side. They  
4 don't make the trip across or under the grounds of the  
5 Capitol.

6 But the two Senate staffers who did come asked  
7 us if we could do the same thing on the Senate side  
8 because they found it so valuable. So I think this is  
9 a very strategic way of engaging people on Capitol Hill  
10 and of using other messengers to inform them about the  
11 importance and value of the work that we do.

12 MR. MADDUX: Jim, roughly how many? Standing  
13 room only --

14 PRESIDENT SANDMAN: It was not a huge hearing  
15 room.

16 CHAIRMAN LEVI: Well, it was over 100. It was  
17 120. The room had over 100 seats in it.

18 FATHER PIUS: Jim, did they videotape this or  
19 anything?

20 PRESIDENT SANDMAN: Yes. It was videotaped  
21 and it's up on our website. Is that right, Carol?  
22 Yes.

1           FATHER PIUS:  It's not on the videos page yet,  
2  but I'll find it.

3           CHAIRMAN LEVI:  But you will hear Nathan Hecht  
4  on it.  I thought it was a very powerful analogy -- I  
5  don't want to interrupt your flow, though --

6           PRESIDENT SANDMAN:  Go ahead.

7           CHAIRMAN LEVI:  -- talk about if you took a  
8  busy expressway and you put a bicyclist in front of  
9  each lane, that is the impact of having this many pro  
10  ses in the state courts.  And I thought that was -- you  
11  could hear the resonation in the room.

12          PRESIDENT SANDMAN:  Finally, I just wanted to  
13  point out a few things about our just-issued fact book  
14  and annual report.  You got copies when you arrived on  
15  Sunday.

16          We have renamed the fact book "LSC By The  
17  Numbers," and both the annual report and the fact book  
18  are intended to be user-friendly and directed at  
19  external audiences beyond just LSC itself and our  
20  grantees.

21          The annual report, the online version,  
22  includes links to videos of the presentations that have

1 been made at our Board meetings and our White House  
2 forum. We've talked a number of times about our  
3 frustration in having these wonderful presentations  
4 that are made at our Board meetings heard only by the  
5 people who happen to be in the room, and about the  
6 desirability of getting them out to other people. And  
7 the videos that we're now doing, the work that Marcos  
8 Navarro is doing at all of our meetings, is now making  
9 the presentations available and accessible to a much  
10 broader audience.

11           The annual report includes QR codes, you'll  
12 notice, so you can scan the QR card with your smart  
13 phone and watch the video on your smart phone. The  
14 annual report focuses on some of our real strengths in  
15 technology and pro bono, and also includes a number of  
16 client stories at the back to make real the benefits of  
17 the work that we do.

18           The annual report is in HTML format on the  
19 website. The fact book will be shortly, which, as  
20 Julie has helped us realize, is an important  
21 accessibility issue that we're very cognizant of and  
22 working on.

1           That concludes my report. I'd be happy to  
2 answer any questions.

3           MR. FLAGG: Jim, you had asked me to update  
4 the Board on the Management calendaring and tracking  
5 tool from your report in April.

6           PRESIDENT SANDMAN: Yes.

7           MR. FLAGG: If you'd like me to, I can do that  
8 now.

9           PRESIDENT SANDMAN: Please.

10          MR. FLAGG: You may recall that in April, Jim  
11 talked about, as a risk management tool, a calendaring  
12 and project tracking project that we'd started. And I  
13 think in April we had a three-foot-long shot of an  
14 Excel spreadsheet.

15          Since that time we've advanced the ball  
16 technologically, and what you see here is a website  
17 that is accessible, if you have the right passwords, on  
18 any computer. And as you can see, each of the LSC  
19 offices is depicted with their recurring tasks listed  
20 under each office.

21          Scrolling across, you would see the dates of  
22 events. If there's a secondary office involved, that

1 office is identified, and the authority, if there is  
2 one, regulatory or statutory, dictating the particular  
3 task is identified.

4           This is actually quite a powerful tool. For  
5 example, charitable solicitation renewals: As a result  
6 of our fundraising, we have applications in virtually  
7 every state. And there you can see the due dates, or  
8 we can be reminded of the due dates, of all of those.

9           The tool can be viewed in a number of  
10 different ways -- this, for example. The tool will  
11 really serve two different purposes. In the prior  
12 view -- this would be a view that an individual manager  
13 or somebody within an office would probably prefer  
14 because it would allow you to see all of the tasks for  
15 that organization.

16           In this view, this is color-coded. This is a  
17 week, I guess the current week, and this shows all of  
18 the things that are on the calendar in terms of due  
19 dates across LSC. So this would be something that  
20 could be useful for senior managers, Jim, or if we have  
21 a transition to new leadership within LSC, this would  
22 be a tool to help them learn what's going on and what

1 our due dates are.

2 MS. REISKIN: Is there something that someone  
3 checks when they've done it so that Management knows  
4 this has been handled?

5 MR. FLAGG: It can be customized. The idea is  
6 going to be, I think, that each office will be able to  
7 use the tool for their own purposes, and certainly as a  
8 project tracker that you would check off as various  
9 benchmarks would be reached. There's the capability to  
10 do that.

11 CHAIRMAN LEVI: Other questions for Ron? I  
12 have a few just for Jim.

13 I'm assuming, as in the past, your report will  
14 be sent out by email to everybody?

15 PRESIDENT SANDMAN: Yes.

16 CHAIRMAN LEVI: I, too, want to thank -- I  
17 took a quick look; I haven't had a chance to read it  
18 from cover to cover. But the annual report and "By The  
19 Numbers" books look terrific. And I assume some of the  
20 staff in the room who were responsible for that are  
21 here, and if you were, raise your hands and we can  
22 appropriately applaud you because it's terrific. Thank

1 you very much.

2 (Applause)

3 CHAIRMAN LEVI: It does strike me, and I'd  
4 just make this as an observation, that it might be time  
5 at some point in the few upcoming months to get the  
6 Fiscal Oversight Task Force at least together on the  
7 phone and give them an update as to all the work you've  
8 done so that they can understand that, in fact, their  
9 report didn't just go on the shelf.

10 I just think they donated a lot of time. I  
11 don't know what Vic and Robert think about that, but it  
12 seems to me like it's been a while since they've heard  
13 from us, and they might be interested to know how much  
14 we've done.

15 Any thoughts on that? Not jumping for joy.  
16 Okay. Yes?

17 MS. REISKIN: Is that Task Force and all of  
18 the Pro Bono being invited to the 40th?

19 CHAIRMAN LEVI: Yes.

20 Yes, Gloria?

21 PROFESSOR VALENCIA-WEBER: I just have a  
22 question and a small comment.

1           On the outcomes measurement, especially for  
2 extended service, I'm assuming in all the things that  
3 Jim has described that are happening, between the  
4 Welfare grants and the NLADA studies and all, that  
5 we'll encounter some of the processes that have been  
6 developed by some of the foundations, big foundations,  
7 for non-LSC-funded programs.

8           I know Robert Wood Johnson Foundation and  
9 others that fund some programs, including one that I'm  
10 on a board for, have a good deal of extended service  
11 nonprofits that they're engaging with. And that might  
12 be useful for us.

13           The other is, when is the NLADA meeting, the  
14 national conference? And what might be the way, either  
15 as a Board member or that people from non-LSC-funded  
16 pro bonos, might be able to attend?

17           PRESIDENT SANDMAN: That meeting is in  
18 November, and it's well attended by people from  
19 throughout the legal aid community, both LSC-funded and  
20 not.

21           CHAIRMAN LEVI: I just have one other thing,  
22 and then Charles.

1           You did mention that the access to justice  
2 commissions, that I can't remember which group it is,  
3 is pulling together best practices. Is that something  
4 that's in writing? And if so, can we see it?

5           PRESIDENT SANDMAN: Yes. The ABA is doing  
6 that, and they have an updated 2014 list of best  
7 practices that I can forward to you.

8           CHAIRMAN LEVI: I think that would be helpful.  
9 Terry? Well, let Charles, and then you come on up.

10          MR. KECKLER: Thank you, Mr. Chairman.

11          Jim, I think today, looking especially at the  
12 performance data collection and the business process  
13 analysis, there's a little bit of an inflection point,  
14 I've noticed here today, because I think that we're  
15 starting to move ahead, in some ways, of other federal  
16 entities and federal departments, at least in some  
17 respects. I think in those respects -- some agencies  
18 are doing that kind of thing, but I think we're moving  
19 ahead of them in some ways.

20          So one practical potential idea that follows  
21 onto that is that as we deal with the rest of the  
22 federal government and our other federal partners, I

1 think that there is going to be some interest, that  
2 you'll find some interest, in sharing ideas of what  
3 we're doing with them.

4           Maybe even beyond that, there might be some  
5 potentialities -- and it's obviously up to you and up  
6 to them -- about the Intergovernmental Personnel Act  
7 and having people from, say, the Justice Department,  
8 having somebody come over and look at what we're doing.

9           There are still some respects from our  
10 Committee, talking about our regulations and things  
11 like that -- there are areas where we can still catch  
12 up with other parts of the federal establishment. But  
13 there are also areas where we're beginning to lead the  
14 way.

15           So I think that some opportunities for  
16 exchange of ideas or even people might be something  
17 that we can look forward to in the next year.

18           PRESIDENT SANDMAN: We'd like to try to do  
19 that. We had looked into our eligibility to  
20 participate in details, have people from government  
21 agencies come to us or vice versa. And my  
22 understanding -- I think Lynn checked into this -- was

1 that we can't do that.

2 MS. JENNINGS: Ron did it for us.

3 PRESIDENT SANDMAN: Oh, Ron? Yes, we're not  
4 eligible for details.

5 MR. KECKLER: I think you could still do the  
6 Intergovernmental Personnel Act, I believe. There's  
7 other potential -- because you can do that with a state  
8 or with a nonprofit generally. You can take federal  
9 personnel and do that.

10 So as a nonprofit corporation, that would be  
11 another alternative way that people might look into  
12 acquiring some civil service expertise and exchanging.  
13 Just a thought that people --

14 PRESIDENT SANDMAN: We'll follow up on that.  
15 Thank you.

16 MR. BROOKS: Terry Brooks with the American  
17 Bar Association, just to respond to the Chairman's  
18 question.

19 The Public Welfare grant is to the ABA's  
20 vehicle for 501(c)(3) funds that are incoming, and then  
21 those funds are distributed to sub-entities that  
22 actually do the work. In this case, it's the SCLAID

1 Committee that operates the Access to Justice Resource  
2 Center, which has an extensive web presence and has the  
3 documentations that Jim referenced online.

4 We just received a draft yesterday or the day  
5 before of some additional tools, including an online  
6 self-assessment tool, that we'll have available soon.  
7 So all of that is available.

8 I should note that that operation is overseen  
9 by a subcommittee of SCLAID which is chaired by our  
10 mutual friend, Tom Kilbride.

11 CHAIRMAN LEVI: I think at some point, with  
12 the overlapping of the work that we do and the various  
13 states that we go to and we hear about their access to  
14 justice commissions, it would be good to have this  
15 Board brought up to speed to some extent as to what is  
16 now regarded as best practices.

17 When we actually came into office, I think  
18 there were less than 20 access to justice commissions  
19 at that time. And now we're probably approaching -- I  
20 think we're above 30.

21 MR. BROOKS: That's correct, yes.

22 CHAIRMAN LEVI: So I think that it would be

1 useful for us, and maybe you and the SCLAID Committee  
2 can figure out with Jim how to either get us the  
3 information to read or make a little presentation at an  
4 upcoming meeting about what we're seeing and what best  
5 practices might look like.

6 MR. BROOKS: Sure. We'll look for an  
7 opportunity to do that.

8 CHAIRMAN LEVI: Great.

9 I have no other questions for the President.  
10 Does anybody else? Julie?

11 MS. REISKIN: Have you guys decided, in terms  
12 of the grants, that replacing LSC Grants -- and I love  
13 the process that you did -- that there isn't anything,  
14 that you're going to have to build something, that  
15 there's nothing off the shelf that would meet our  
16 needs?

17 PRESIDENT SANDMAN: We haven't determined that  
18 at all. There may be something off the shelf. It'll  
19 be something new; there's nothing off the shelf that we  
20 can buy to add onto what we currently have.

21 CHAIRMAN LEVI: Well, I once again want to  
22 thank the President for that comprehensive report, for

1 all the work that obviously is being done, and for,  
2 really, the work of him and his team, many of the  
3 members of which are still with us this morning, in  
4 advancing the modern-day operation of LSC. So thank  
5 you very much, Jim.

6 Mr. Inspector General?

7 MR. SCHANZ: Thank you, Mr. Chairman. As  
8 always, I'm not nearly as sophisticated as the  
9 President, so I do not have a PowerPoint. But I do  
10 have some issues I'd like you to pay attention to.

11 One, we'd like to echo all the accolades given  
12 to this Board. In my interactions with the Board, I've  
13 always had their support. I believe they read every  
14 report that I send to them, and they're all posted on  
15 our website.

16 Now, something emblematic of that support, I  
17 also wear another hat with the CIGIE, Council of  
18 Inspectors General for Integrity and Efficiency. And I  
19 signed onto a memo -- 40 of us have signed onto it so  
20 far -- about access to records issues that some of the  
21 larger IGs -- and the examples are EPA, Department of  
22 Justice, and AID -- are having getting access to

1 records within their organization.

2 I was pleased to report to my colleagues that  
3 I haven't had any such issues since my first year on  
4 the job. We resolved them with the then-Board and made  
5 changes to the access to records, indicating that the  
6 LSC OIG gets access to everything.

7 I was quite surprised to find out that some of  
8 my brethren in the community were still having problems  
9 with that. So I signed onto the memo as a sign of  
10 support. But that was not because I've had any  
11 problems since I've been here, so that's because  
12 of -- you are the head of the agency, and the head of  
13 the agency has access to records issues in some  
14 of -- as I mentioned, EPA, DOJ, and AID.

15 I was, frankly, surprised because my  
16 relationship with the Board and with Management has  
17 been such that I haven't had these issues. I haven't  
18 had to fight these battles for five of my six years  
19 here.

20 So that's my thanks to the Board, and I'm just  
21 amazed that these things still occur. You all have  
22 recognized, I hope, the importance and the independence

1 of the Inspector General, and I appreciate that on a  
2 personal and professional level. So thank you.

3 The other issue I want to talk to you about is  
4 we are knee-deep in the peer review process. We do  
5 have a draft report from Federal Farm Finance Agency of  
6 our audit operations. We're in the process of  
7 finalizing that report. You will see it when it is  
8 finalized.

9 On the flip side off that, we will be in  
10 Chicago because we're scheduled to look at in 2015  
11 Railroad Retirement Board. We're hoping that most of  
12 their information is automated so we don't have to be  
13 on site in determining whether their audit unit  
14 complies with GAGAS and the Yellow Book. So that's  
15 coming up in the spring. Spring in Chicago is nice.  
16 We may be there; we may not. We're going to try to do  
17 it electronically as much as we could.

18 The only other thing I have is when we're in  
19 closed session, I'm going to turn over the presentation  
20 to Tom Coogan. So this will be the Tom Coogan show in  
21 closed session.

22 We do have information I'd like to provide to

1 the Board now. It's paper copy. We can make it  
2 electronic or we can send it to you by FedEx. But we  
3 do have an advanced -- you use the term, Jim,  
4 toolkit -- for how to prevent fraud, waste, and abuse  
5 in the programs.

6           So we've put together a package that will be  
7 hopefully a big hit at the 40th. And you can look  
8 through that at your leisure, and we can talk about it  
9 more in the closed session or at a subsequent Board  
10 meeting.

11           But we've been doing so many of these fraud  
12 awareness briefings to critical acclaim, we wanted to  
13 put something together so when the investigators in the  
14 OIG leave, they have something to remind them that, oh,  
15 yes, I should do this in this instance.

16           So that's part of the forward thinking that we  
17 get from our investigative staff, and I did want to  
18 provide that to you, and commend the OIG investigative  
19 staff, who you also know got the CIGIE award.

20           So thank you very much. That's all I have.  
21 Any questions?

22           CHAIRMAN LEVI: Questions?

1           DEAN MINOW: Cool to have the problems with  
2 answers. That's very cool.

3           MR. SCHANZ: Dean, I think it has something to  
4 do with a good lawyer knows the answer to the question.

5           CHAIRMAN LEVI: I also want to make sure that  
6 Harry, if he has any questions or comments, that he  
7 knows he has to chirp.

8           MR. KORRELL: I do, John. Thank you. Just  
9 listening in.

10          CHAIRMAN LEVI: Okay. Any other comments?  
11 Questions?

12                   (No response.)

13          CHAIRMAN LEVI: Thank you, Jeff.

14                   Now we have, as many of us saw -- I think we  
15 all saw from the email a few weeks ago -- a very  
16 longstanding member of the senior operations at LSC  
17 who, in fact, at one point, I think, was a reluctant  
18 ethics officer for us in addition to his many other  
19 accomplishments.

20                   John Meyer recently retired. And I thought it  
21 would be appropriate -- oh, he actually hasn't quite  
22 yet retired; August 11th. So I don't want to advance

1 his date any quicker than we're having to say goodbye.

2 But there is, not in the Board book but in the  
3 packet, at the back of your packet that we were given,  
4 a resolution recognizing his accomplishments and  
5 service -- I hope. If someone has it, if they could  
6 hold it up so we can see what it is. It is at the  
7 back?

8 DEAN MINOW: It's in the packet.

9 CHAIRMAN LEVI: Oh, okay. All right. It's  
10 right under the agenda. We're going to add ethics  
11 officer, actually, in the "Whereas," appropriately add  
12 that in, because it was a big burden to him, frankly.

13 Can I --

14 M O T I O N

15 FATHER PIUS: I, like many of you, have met  
16 John on a number of occasions and have always been  
17 impressed not only by his knowledge of what Legal  
18 Services has done but his great love for it and his  
19 great passion for it.

20 So it is with great appreciation that he has  
21 done that I move that the Board approve this  
22 resolution, with the amendment suggested by the

1 Chairman.

2 DEAN MINOW: Second.

3 CHAIRMAN LEVI: All in favor?

4 (A chorus of ayes.)

5 CHAIRMAN LEVI: And this is a good example,  
6 too, of outstanding folks that could have done so many  
7 things with their lives, and they devoted them to legal  
8 services. And we congratulate him on his career and  
9 his tenure at LSC.

10 Next is, in your Board book, a resolution  
11 recognizing Charles De Monaco at the Fox Rothschild  
12 firm for his pro bono representation. Do you want to  
13 say something about that, Ron?

14 MR. FLAGG: Just briefly. In some ways the  
15 litigation in which Fox Rothschild and Chuck De Monaco  
16 helped us was fortuitous in one regard, the timing. We  
17 met in Pittsburgh last year, and immediately following  
18 that meeting we were named in a lawsuit.

19 But as a result of that meeting, we had many  
20 law firms that stepped forward to volunteer to help us,  
21 and we ended up working with Chuck De Monaco and Fox  
22 Rothschild. They did a terrific job, and the lawsuit

1 was dismissed.

2 Chuck and our office put together motions to  
3 dismiss on, I think, three occasions because there was  
4 a complaint, an amended complaint, and a second amended  
5 complaint, and eventually the lawsuit was dismissed.  
6 And the resolution recognizes Fox Rothschild and Chuck  
7 De Monaco's pro bono contribution to LSC.

8 CHAIRMAN LEVI: Thank you.

9 Can we have a motion?

10 M O T I O N

11 DEAN MINOW: So moved.

12 FATHER PIUS: Second.

13 CHAIRMAN LEVI: All in favor?

14 (A chorus of ayes.)

15 CHAIRMAN LEVI: Now I want to say, as we turn  
16 to the report of the Delivery of Legal Services  
17 Committee, that this is a Committee that has really  
18 found its role and its voice, and it is a real pleasure  
19 to ask one of its chairs -- I guess it is Father  
20 Pius --

21 FATHER PIUS: I'll take it by default. Thank  
22 you.

1           No action items for the Board, but again, a  
2 very, I think, helpful panel, looking both at the  
3 performance criteria and the creative ways in which the  
4 two grantees have dealt with board representation.

5           We were, I think, especially impressed, as  
6 everyone was, by the amount of work done by the two  
7 client members of the board of directors and what a  
8 leadership role they have both shown not only in their  
9 committees but also with legal services and our  
10 grantees.

11           So there were some interesting ideas. Again,  
12 and I will express it publicly to the Board again, I do  
13 think at some point in the future the Corporation needs  
14 to take a serious look at the performance criteria for  
15 a top-down -- now is not the time, but a top-down  
16 review of the performance criteria. I think as we look  
17 more and more, we see that after ten years it's about  
18 necessary.

19           I think listening to the grantees, we hear  
20 some wonderfully creative ideas. And not only that,  
21 their ideas of what does a good board involvement look  
22 like? And the fact that I don't think our performance

1 criteria adequately captures that. I suggest some  
2 changes. But that's, I think, in the future.

3 But for now, to hear some these creative ideas  
4 and to see the seriousness and energy that goes into  
5 that amongst all the people who are involved is  
6 especially heartening for us. So I really wanted to  
7 again publicly thank them for their role and for their  
8 involvement in the Board. So thank you.

9 CHAIRMAN LEVI: Any other comments or  
10 questions for Father Pius? Martha?

11 DEAN MINOW: I thought the panel was just  
12 outstanding. There were wonderful ideas, but also,  
13 really as important for us, to get that direct  
14 communication about what's going on.

15 FATHER PIUS: Yes. Unless I give the wrong  
16 impression, I actually don't organize them myself. So  
17 a big, huge thanks to the staff at LSC for bringing  
18 those together.

19 They're the ones that know the local people,  
20 and their ability to find those who can speak so  
21 authoritatively and so energetically and so helpfully  
22 on these matters has been a wonderful help to us. So I

1 certainly want to thank all the support we've received.

2 MS. REISKIN: Yes. That was a wonderful  
3 panel. And I hope that this will maybe put to rest any  
4 thoughts that it might be too hard or too difficult to  
5 get and keep client board members because clearly it  
6 isn't if it's done thoughtfully and properly; and also,  
7 that there isn't a need, that maybe we should not need  
8 to have client board members, because clearly they  
9 bring a lot to the table, including fundraising and  
10 sustainability.

11 So I appreciate the work putting that panel  
12 together, and it was really good. And I agree with  
13 Father Pius about the performance criteria.

14 CHAIRMAN LEVI: Other comments? Questions?

15 (No response.)

16 CHAIRMAN LEVI: Mr. Grey with the Finance  
17 Committee that probably set a record this Board with  
18 the most efficient -- I have to compliment all of the  
19 Committee chairs, though. We've really gotten to the  
20 point where we're getting pretty good at guessing what  
21 we need in terms of time in building the Board calendar  
22 and schedule, and not having Committees feel rushed to

1 do their work.

2 But we got ourselves in a situation yesterday  
3 afternoon, and the Finance Committee -- my goodness,  
4 they boxed it up and put a bow on it. And wow, 20  
5 minutes, I think, from start to finish. So Mr. Grey.

6 MR. GREY: I have to tell you that I am very  
7 fortunate to have the Committee members that I have who  
8 are very not only thoughtful but considerate of the  
9 work that has to be done. And I like the way we  
10 approach things. Don't leave many stones unturned.

11 Mr. Chairman, you're always good about  
12 complimenting people. And so it's always nice to be  
13 able to say the same about you because of what you do  
14 and the way you lead. But I have got to tell you,  
15 there are not many people that have a Treasurer like  
16 LSC.

17 If you think about the folks who are here when  
18 we started and who are here today, he is one of those  
19 individuals who has found his work to be important.  
20 And he's kept his nose to the grindstone.

21 When we've asked him to step up to the plate  
22 to make changes in the way he has reported, the way he

1 has looked at the data that we thought relevant, he's  
2 always made those adjustments without any issues  
3 related to, this is my territory. Don't you start  
4 delving into my work.

5 He's been very supportive. And so, David,  
6 thank you for what you do and the way you do it, and  
7 for the adjustments you've made and the way you've made  
8 them. Thank you very much.

9 Mr. Chairman, since I was cut short yesterday,  
10 I'm going to take a little bit more time today.

11 (Laughter.)

12 MR. GREY: I'm just kidding.

13 CHAIRMAN LEVI: Grab it.

14 MR. GREY: No, we're good. We have one action  
15 item, but we had a long discussion over several  
16 months -- I'm sorry?

17 FATHER PIUS: Two action items.

18 MR. GREY: Two action items. I stand to be  
19 corrected. What are they? Oh, for 2015, the 2015  
20 continuing budget.

21 FATHER PIUS: Which is a continuing --

22 MR. GREY: Right. The easier one, and then

1 the other one. That's why I have these Committee  
2 members, Mr. Chairman. The first was the action on the  
3 2015 budget. It was moved and approved as presented.  
4 And the second action item was the 2016 request, and  
5 that was moved, approved, discussed, and passed.

6           There was additional information requested by  
7 the IG, who was forthcoming in both his research and  
8 his presentation -- I want to thank the IG's office for  
9 that, Jeff -- and a process set out by the President  
10 and the staff of LSC that required, at different  
11 points, discussion about the way in which we might  
12 construct the budget for 2016 that was both inclusive  
13 and informative.

14           The President made adjustments along the way  
15 as well, based on requests for information, and I  
16 thought, Jim, you did a great job in presenting that  
17 information. And I know you would also want to  
18 compliment staff for the research that they have done  
19 as well.

20           At any rate, we are getting better, Mr.  
21 Chairman, at understanding the process, I think, of how  
22 you put together budgets. We are really learning a lot

1 more about how LSC functions financially and its  
2 relationship to the Hill, which is always interesting,  
3 I guess is the best way to put it.

4 But we did get a budget, and it is before you  
5 in the form of a resolution for \$486,900,000.

6 CHAIRMAN LEVI: Thank you. Which order should  
7 we take the two? Should we do that first and then the  
8 continuing resolution?

9 MR. GREY: I think 2015 is probably the one we  
10 ought to take first. Page 234.

11 CHAIRMAN LEVI: So the continuing resolution  
12 is in --

13 MR. GREY: It's a temporary operating  
14 authority.

15 CHAIRMAN LEVI: Temporary, yes. Yes.

16 MR. GREY: It's based on a continuing  
17 resolution.

18 CHAIRMAN LEVI: Yes. So I don't think it  
19 needs a second.

20 MR. GREY: It doesn't.

21 CHAIRMAN LEVI: It's put to us. All in favor?

22 (A chorus of ayes.)

1 CHAIRMAN LEVI: Opposed?

2 (No response.)

3 CHAIRMAN LEVI: Then we have the --

4 MR. GREY: Adopting LSC's appropriate request  
5 for fiscal year 2016.

6 FATHER PIUS: And I'd like to say a few words,  
7 actually, on that.

8 CHAIRMAN LEVI: I'm sorry?

9 FATHER PIUS: If we could have a little  
10 discussion on that before we go to the vote Since it's  
11 before us, I have a couple things.

12 First is to thank the President and Management  
13 for their hard work on this. We're essentially  
14 presenting a budget request that doesn't differ much  
15 from the last public request from Management, and  
16 that's not an easy decision to make.

17 I think when we entered the Board as a group  
18 or came onto the Board as a group several years ago, I  
19 think our budget requests were so out of line with  
20 reality that we were effectively excluded from the  
21 discussion about the budget.

22 I think we have worked hard to be realistic

1 about the budget to make us really players. And I  
2 think Jim has, very courageously, stood up for that and  
3 presented these budgets that are based on real need but  
4 yet at the same time are aware of the situation that  
5 we're in.

6 I have been, as many of you know, one of the  
7 people arguing a lot to make sure that the field budget  
8 increases and to make sure that those go through. And  
9 to say that we're going to ask for a maintained amount  
10 on something like that is hard.

11 But I trust Jim's judgment on this. I think  
12 he has shown how thoughtful he has been and all of  
13 Management has been on this, and he deserves the  
14 respect on that.

15 I wanted to thank, too, the IG. There was  
16 some concern about the budget from their side, and they  
17 have responded with a great deal of information for us.

18 And I want to commend the IG as well. In my four  
19 years on the Board, I have been wonderfully impressed  
20 by the degree of cooperation that we have seen from the  
21 IG and Management, and its relationship with the Board.

22 There is a wonderful relationship of trust and

1 respect that has flowered, really, within the  
2 Corporation that has worked for the benefit of the  
3 Corporation and the benefit of the grantees.

4           That said, I can't help but express some  
5 disappointment, some sorrow, that the IG is the only  
6 aspect of the budget that is increasing, while we are  
7 asking for the same amount that we asked last year in  
8 the field budget. That for me is very difficult.

9           It is my respect for the IG, for his  
10 independence -- not complete autonomy from the Board,  
11 but his independence from the Board -- that will prompt  
12 me to vote in favor of it. But I do hope he is aware  
13 at least of how I feel, that it's slightly unfortunate  
14 that the only aspect of this budget that we're asking  
15 for an increase on is the IG's budget.

16           It expresses to me a disunity amongst the IG  
17 and Management that shouldn't exist and I wish didn't  
18 exist. It's not the worst thing in the world. It's  
19 not catastrophic. But I wish it didn't occur. But  
20 nonetheless, I do have a great respect for their  
21 office, and I understand their need, and so will  
22 certainly be supporting that when it comes to a vote.

1           So thank you for letting me talk for a little  
2 bit about this. You all know my feelings about the  
3 budget, so thank you.

4           DEAN MINOW: That was so well said, but  
5 doesn't mean I don't want to say something, too.

6           (Laughter.)

7           DEAN MINOW: I completely second your eloquent  
8 statement about the respect for Management and for the  
9 OIG, and enormous gratitude for their great  
10 communication and collaboration.

11           I guess my concern is, at a moment when  
12 everybody is trying to be abstemious and not seek more  
13 funds, for the message from this request to be, we need  
14 more money for the OIG but not for the field -- I fear  
15 for those who are not really paying close attention.

16           It may imply that we as a Board believe that  
17 there is a serious problem in the fiscal management and  
18 in the fraud of our grantees, or even of the central  
19 office. And while I think there are ongoing issues, I  
20 also think there's been enormous progress, largely due  
21 to the work of the OIG, and the fraud awareness package  
22 that we just got is a wonderful example of that.

1           The detection, the rate of processing of  
2 issues, the implementation of the Fiscal Task Force  
3 recommendations -- I just think there's been such  
4 progress, so that the message to Congress is just not  
5 the one that I think is accurate. But I, too, will be  
6 voting in favor of the recommendation.

7           CHAIRMAN LEVI: Other comments? Sharon, then  
8 Charles.

9           MS. BROWNE: I think both Martha and Father  
10 Pius are very eloquent in their recognition of the  
11 budget request that we have before us. And I think a  
12 lot of the respect that LSC has garnered over the last  
13 couple years is through the eagle eye of the Office of  
14 Inspector General, making sure that we are accountable,  
15 that we do take very seriously our task and our  
16 responsibility in making sure that the funds that we  
17 receive from Congress that are taxpayer funds happen to  
18 be well spent, and that there is no mischief being  
19 achieved.

20           I think that the Office of Inspector General  
21 has a lot to be in the spotlight as the efforts made  
22 towards achieving these goals. And I think if we want

1 to continue with this high quality of assurance that we  
2 can give to Congress, that the Office of Inspector  
3 General has to continue with having an appropriation  
4 that he can do his job.

5           What hasn't been said is that the Inspector  
6 General, over the last couple years, has been spending  
7 any carryover to meet these tremendous needs that we  
8 have -- responsibilities we have placed on him.

9           So admittedly it kind of sends a mixed message  
10 on the budget request that only the IG has asked for an  
11 increase. But I think when you look at the fact that  
12 the carryover is being spent and has been spent down  
13 and they will not be able to continue with their duties  
14 and responsibilities, I understand why this increase  
15 for the Inspector General is necessary. And I'll  
16 support the budget for that reason. Thank you.

17           CHAIRMAN LEVI: Charles next, and then Gloria,  
18 and then Julie. And I don't know if anybody else wants  
19 to comment.

20           MR. KECKLER: Thank you, Mr. Chairman. Well,  
21 the budget request is essentially the same as the last  
22 two years, and so my objections voiced previously in

1 the last two years remain.

2           You'll all be happy to know that it's getting  
3 harder, but to summarize, my principal objection being  
4 that we should baseline our requests on prior  
5 appropriations rather than on prior appropriations  
6 requests, sometimes that, I should point out, I  
7 interpret the analysis by the IG as having done, basing  
8 it on his prior appropriation.

9           I do, however, want to put on the record that  
10 despite my vote, I do support a modest, reasonable  
11 increase over current services, and I think that would  
12 be appropriate for this organization. So that should  
13 not be interpreted otherwise. Thank you.

14           CHAIRMAN LEVI: Gloria, and then anybody else?

15           No.

16           PROFESSOR VALENCIA-WEBER: I join Father Pius  
17 and Martha Minow's comments. I believe everything we  
18 send to Congress has a message, explicit and implicit.

19           And so for that reason I join their comments.

20           MS. REISKIN: I also agree, although I do  
21 remember, when we first came on the Board, the IG  
22 telling us this was going to happen because they had

1 that surplus. I do remember them saying that. And so  
2 I don't know if maybe we should have given  
3 different -- no one can predict the future, but they  
4 did say this was going to happen.

5 I don't remember, and maybe I missed  
6 something, anyone saying something at the time. But I  
7 do have concerns with the message, and I'm wondering if  
8 we could -- that was in the report, but a lot of people  
9 aren't going to read the report. I don't know if  
10 there's anything we could do with messaging.

11 I also just wanted to publicly thank the  
12 people that sent such thoughtful comments on the  
13 budget. They were very well thought out. It wasn't  
14 just -- it was very well thought out. I know; I read  
15 them all. It gave me a lot to think about. I wish we  
16 could ask for more, and I wish it were different.

17 But anyway, I just wanted to say that. And I  
18 hope my memory is correct, but I do have that memory.

19 CHAIRMAN LEVI: I think your memory is  
20 correct.

21 Martha, did you have something more you wanted  
22 to say?

1           DEAN MINOW: Well, in fact, Julie's good  
2 comment leads me just to put a request to Jim for some  
3 time in the future to inform us about how the whole  
4 organization is using its carryover, and there was some  
5 money set aside, and how it's spending down, and what  
6 are the implications of that for the entire budget.

7           MR. GREY: Actually --

8           PRESIDENT SANDMAN: We're on it.

9           MR. GREY: They're on it. I've seen some of  
10 the results of that. We haven't had a full discussion  
11 about it, but it will be in Committee the next time  
12 Finance meets.

13           Both the President and the Treasurer have  
14 already taken some measure of that and have looked at  
15 scenarios that I think give us a way of anticipating  
16 what might be on the up side, what might be on the down  
17 side, in terms of sustainability vis-a-vis a carryover  
18 and how it's used and the purpose for it.

19           It's instructive. I think this is not an easy  
20 budget to construct. It has nuances related to the  
21 funders and the users. And I think that we are  
22 understanding that and being careful about that so that

1 we are able to properly fund the work that we do, and  
2 at the same time be respectful of the fact that there  
3 is uncertainty in the way in which we do it.

4           PRESIDENT SANDMAN: I just want to note that  
5 we did, in a memo to the Finance Committee for the  
6 April meeting, lay out what our plans were to spend  
7 down the carryover. Going forward, what we have to do  
8 is continue to analyze that and be cognizant of what is  
9 being referred to as the sustainability issue.

10           MR. MADDOX: Mr. Chairman, I just want to add,  
11 I think everyone's comments are appropriate and  
12 reasonable. I really don't disagree with much of  
13 anything I've heard. I sympathize with Charles'  
14 position.

15           I have voted against Management resolutions  
16 and recommendations in the past when I thought the  
17 recommendation was unreasonable. I don't think that  
18 this recommendation is unreasonable. I appreciate the  
19 thoroughness of Jim's analysis and the persuasiveness  
20 of his presentation.

21           I also want to say that I think the Inspector  
22 General's materials from last Friday were extremely

1 helpful. I was initially somewhat skeptical of a 20  
2 percent increase in the budget request for the OIG. I  
3 had other comments on some people raising questions.  
4 And I think that the analysis and the justification for  
5 the Inspector General's request was well done and  
6 persuasive.

7 I also think that it's important that we have  
8 an independent Inspector General, in contrast to some  
9 of the other IGs in the federal government. The  
10 Treasury Inspector General has repeatedly found 12- to  
11 \$14 billion of annual fraud in programs administered by  
12 the IRS, and its recommendations amount to shouting  
13 into a void -- largely, I think, because the Inspector  
14 General there reports to an agency head rather than to  
15 a board of directors like this.

16 So I appreciate the IG's work. I think it's  
17 important that it be appropriately funded. And despite  
18 my sympathy for Charles' position, I'll be voting in  
19 favor of the request.

20 CHAIRMAN LEVI: Father Pius and then Laurie.  
21 Well, either. You guys fight it out. One of you go.

22 MS. MIKVA: I just wanted to thank our

1 non-Board members for their very helpful, thoughtful  
2 participation in this process. One of them is gone,  
3 but I found it very helpful.

4 FATHER PIUS: I just wanted to, very  
5 quickly -- Julie brought it to mind -- is that the  
6 Chief Justices association and their contribution, the  
7 justices, state court justices, have been  
8 extraordinarily helpful to us in many different  
9 aspects.

10 I think their involvement in -- they didn't  
11 give a specific amount, but still, their involvement  
12 and their interest in the funding issue, I think, is  
13 wonderful. I certainly hope that they will be  
14 encouraged to continue to be helpful and to be  
15 informative to us in that way. And I certainly hope  
16 that in our report to Congress on our budget request,  
17 they are highlighted as one of the most helpful  
18 comments that we have received.

19 PRESIDENT SANDMAN: We have a strong  
20 relationship with them. They have the liaison, who is  
21 a senior judge of the D.C. Superior Court. I just  
22 spoke to him yesterday. The Conference of Chief

1 Justices is meeting currently, and we're in regular  
2 touch with them. And I agree with you. They are  
3 extraordinarily supportive.

4 CHAIRMAN LEVI: Finally, any other comments?

5 (No response.)

6 CHAIRMAN LEVI: I just want to say, as the  
7 Finance Committee does look at the carryover and how  
8 it's being spent down in terms of the Management end of  
9 things, that I think it's extremely important -- I  
10 think this Board and this executive understand our  
11 operation.

12 We need to make sure that we have enough money  
13 in our Management budget that, going forward, we leave  
14 the next group with an orderly functioning, not a  
15 maxed-out, stressed-out -- but people that can do their  
16 jobs, and that there are enough of them.

17 So if we're spending down the carryover to  
18 such a point where we won't be able to sustain our  
19 staffing, that's something we need to know. We need to  
20 fix it. And we need to make sure we don't hand that  
21 mess off to somebody else. So I put it to the Committee  
22 that it is at the top of my list to make sure that

1 doesn't happen.

2           So with that, I think everybody's had their  
3 comments, and the resolution is pending. It doesn't  
4 need a second, I don't believe. So all in favor?

5           (A chorus of ayes.)

6           CHAIRMAN LEVI: Opposed?

7           MR. KECKLER: Opposed.

8           CHAIRMAN LEVI: Abstentions?

9           (No response.)

10          CHAIRMAN LEVI: All right. Is that the end of  
11 your report, Mr. Finance Chair?

12          MR. GREY: It is, with one additional note,  
13 and that is, the very astute political advice that we  
14 get from Government Relations through Carol Bergman is  
15 very valuable. And I can tell you that it is with  
16 great comfort that we know the arena in which we have  
17 to play based on her very wise comments and advice to  
18 us. So I want to thank her for that as well.

19          CHAIRMAN LEVI: Thank you.

20          Audit Committee?

21          MR. MADDOX: Thank you, Mr. Chairman.

22          The Audit Committee met yesterday, and we

1 received briefings from Management regarding the risk  
2 management matrix and the status of the various  
3 functions under the matrix.

4           We received a briefing from Management  
5 regarding the management representation letter with  
6 connection to financial reporting.

7           We received a briefing from Management  
8 regarding the LSC audit and review activities, and  
9 received a thorough PowerPoint presentation which was  
10 submitted or directed, I think, yesterday evening to  
11 everyone. And I encourage everyone to look at it in  
12 detail because it is detailed and informative.

13           We had a robust discussion concerning the  
14 Office of Compliance and Enforcement referrals from the  
15 OIG regarding audit reports and independent audits of  
16 grantees. We had substantial input from our non-Board  
17 Committee members, David Hoffman and Paul Snyder, which  
18 was extremely helpful.

19           I think that the discussion was generally  
20 helpful to the Committee and to the Corporation in  
21 guiding that process going forward. So we'll be  
22 following up on that in future meetings.

1           There were no action items for the Board's  
2 consideration, and that concludes my report.

3           CHAIRMAN LEVI: Ops and Regs -- oh, there's a  
4 question?

5           PROFESSOR VALENCIA-WEBER: Not a question. I  
6 join Victor's comments, and as somebody who has very  
7 small residual knowledge from one course of Accounting  
8 for Lawyers, the performance and help from Paul and  
9 David has just been invaluable.

10           I expect in the future we're going to have  
11 some more spirited, intensive discussions, and I  
12 appreciate the IG and Lora Rath as we develop what we  
13 need to do to do our job as the Committee. Not that  
14 they will all be action items; in fact, it's more  
15 education and instruction, and that happened yesterday.  
16 So I appreciate that.

17           CHAIRMAN LEVI: Thank you.

18           Ops and Regs?

19           MR. KECKLER: Thank you, Mr. Chairman.

20           The Operations and Regulations Committee met  
21 on Sunday. We have no action items, I believe, for the  
22 Board today. We are hopeful that a PAI rule will be

1 available for the Board's consideration at the next  
2 quarterly meeting, and received a report on that.

3 We also as a Committee considered a rulemaking  
4 agenda, to which I direct the Board's attention, which  
5 will guide the work of Management and the Committee in  
6 preparing rules for consideration for the Board over  
7 the course of the next year.

8 That concludes my report.

9 CHAIRMAN LEVI: Questions? Comments?

10 (No response.)

11 CHAIRMAN LEVI: Thank you.

12 The Institutional Advancement Committee met on  
13 Sunday.

14 DEAN MINOW: You skipped me.

15 CHAIRMAN LEVI: Oh, I'm sorry. I did, yes.  
16 And you have action items, so there you go.

17 DEAN MINOW: I know you're eager to go the  
18 next Committee.

19 The Governance and Performance Review  
20 Committee met on Sunday, and we had a really  
21 encouraging report from Carol Bergman about the GAO  
22 recommendations. We have only one outstanding, and I

1 do believe that between Sunday and today, there's even  
2 been an update of the website.

3           So our externally facing website indicates  
4 that we only have one remaining recommendation, and  
5 that is well in hand. And I think that the Committee,  
6 and I hope the Board as a whole, is just entirely  
7 encouraged by the implementation of really quite  
8 serious changes in the organization that represent  
9 improvements. So I commend Carol. I commend Jim and  
10 the entire staff on that.

11           We had a good report as well from Jim on the  
12 Public Welfare Foundation grant and the research  
13 agenda, and that's moving ahead very well.

14           We have two action items. We have a proposed  
15 LSC equal opportunity, non-discrimination, and  
16 anti-harassment policy that has been revised. Ron  
17 Flagg has been unflagging in his work on this, and I  
18 think we're also very grateful to Harry, who provided  
19 his expertise.

20           I wonder if we're ready to actually put it to  
21 a vote, or does anyone have further comment on it? May  
22 we put it to a vote? Oh, I'm sorry.

1           MR. MADDOX: A comment. I'm going to be  
2 voting against the policy, and I want to be on the  
3 record why. I certainly agree with the policy  
4 statement and the intent. I had a number of comments  
5 on the policy that I'd submitted, some of which were  
6 included in the redraft, not all of which were.

7           But my principal objection is to the  
8 protection as a characteristic of non-discrimination of  
9 personal appearance. And as an employer, I think that  
10 the employer has the right to set standards for  
11 personal appearance, and I think that so far as I'm  
12 aware, personal appearance is not an immutable  
13 characteristic. It is not a characteristic that is  
14 protected under state or federal law that I'm aware of.

15           So, for instance, it's certainly possible that  
16 you could have someone present for a hiring decision or  
17 make changes to one's personal appearance after an  
18 employment decision had been made that would be  
19 completely unacceptable with the organization. It  
20 wouldn't affect safety or health or anything else. But  
21 it would just be obnoxious to the organization's  
22 standards.

1           So I object to that. I think there are  
2 other --

3           CHAIRMAN LEVI: Well, can we stop on that and  
4 ask Ron about that?

5           MR. MADDOX: Yes.

6           MR. FLAGG: Yes. The reference to personal  
7 appearance comes out of the D.C. law that governs  
8 discrimination and harassment, and is verbatim from  
9 that law.

10          DEAN MINOW: And Ron, it's a binding  
11 requirement. We do not have a choice.

12          MR. FLAGG: Yes. We are a District of  
13 Columbia not-for-profit. We are subject to that law,  
14 and we've included that provision as it's provided in  
15 the law. We specifically asked Morgan Lewis, our  
16 outside counsel, to review the policy with respect to  
17 that issue, and what you see is the result of that law  
18 and the advice we received.

19          MR. MADDOX: I wish I had known that after I  
20 sent my comments objecting to that, Ron. I don't think  
21 you mentioned that in your response to me.

22          MR. FLAGG: I think we can -- if you look at

1 the memo, I think I did.

2 MR. MADDOX: All right. Well, nonetheless, I  
3 think it's inappropriate. I certainly disagree with  
4 the D.C. law to that extent.

5 (Laughter.)

6 MR. MADDOX: If it is the law, then I'm not  
7 going to vote against the policy on that basis. I  
8 think that the general approach toward the whole  
9 non-discrimination policy is one that I wouldn't  
10 accept.

11 I would go with the proposal or the approach  
12 that Harry Korrell had suggested. I think it makes  
13 much more sense. But obviously, there is a trend in  
14 these things that seems to be going in a way that is  
15 not going to be turned around.

16 So with Ron's comments now, if that is the law  
17 in the District of Columbia and if the Corporation is  
18 required to include that, then I will simply abstain  
19 from the policy.

20 CHAIRMAN LEVI: Thank you.

21 DEAN MINOW: Vic, I do appreciate your  
22 comments. And I did read exactly your objection, and I

1 did also see Ron's response. And so we can take  
2 offline. I don't actually think you and I disagree on  
3 this particular one, but I think we are bound by the  
4 law here.

5 MR. FLAGG: Yes. If you look in the  
6 privileged memorandum that's in the Board book at page  
7 284, there's the reference to the appearance policy.

8 CHAIRMAN LEVI: Any other comments?  
9 Questions? Father Pius?

10 FATHER PIUS: I'll be voting for the policy,  
11 but I also have some of the same reservations. It's  
12 more nothing that -- Ron has done wonderful job at  
13 tracking the law on this and tracking what seems to be  
14 the best practice in the field.

15 But there are 22 protected categories in this  
16 paragraph, and we've got seven and a half pages telling  
17 people to act professionally. It's not Ron's fault,  
18 but I hope you will sympathize that I have some  
19 exasperation with the fact that our society has gotten  
20 to this point where we have to explain in seven and a  
21 half pages to be professional.

22 It's very unfortunate, and I think our staff

1 is better than that as well. I don't think they need  
2 something like this. But I do think society requires  
3 us, or at least the current state of the law, requires  
4 us to do, sadly, something like this. So I will  
5 reluctantly, most reluctantly, be voting in favor.

6 DEAN MINOW: Thank you. Are we ready to vote  
7 on this?

8 CHAIRMAN LEVI: Yes.

9 DEAN MINOW: So it comes from a committee, so  
10 we do not need a motion. Can we have how many are in  
11 favor?

12 (A chorus of ayes.)

13 DEAN MINOW: Any opposed?

14 MR. KORRELL: Aye.

15 DEAN MINOW: Any abstentions? Oh, is there  
16 someone on the phone who's opposed?

17 MR. KORRELL: No. It's Harry. I'd join in  
18 the earlier comments, but I'm voting for it.

19 DEAN MINOW: You're voting for it? Harry,  
20 would you like to make a comment?

21 MR. KORRELL: No. No need to comment.

22 DEAN MINOW: Thank you. All right, so -- oh,

1 Vic. I'm sorry.

2 MR. MADDUX: I'll abstain.

3 DEAN MINOW: You'll abstain. Excellent.

4 So we have next a proposed action item  
5 regarding member attendance on program visits, and  
6 again, Ron Flagg gave us a very good memo. While it  
7 may well be arguable that this is already covered by  
8 our existing policy, this makes clear a question that  
9 had come up.

10 So I think that we all have it before us.  
11 It's again a recommendation that comes from a committee  
12 so it does not need to be moved. Are there any  
13 comments? Yes, Julie?

14 MS. REISKIN: Just because I was mentioned and  
15 I'm going to be doing a visit, I'll abstain just for  
16 that reason. But I support. I think it's good policy.

17 DEAN MINOW: Very good. All right.

18 CHAIRMAN LEVI: All in favor?

19 (A chorus of ayes.)

20 CHAIRMAN LEVI: Opposed?

21 (No response.)

22 CHAIRMAN LEVI: Abstentions?

1 MS. REISKIN: Aye.

2 DEAN MINOW: One recorded abstention from  
3 Julie Reiskin.

4 So that concludes the business of the  
5 Governance and Performance Review Committee. Thank  
6 you.

7 CHAIRMAN LEVI: On the Institutional  
8 Advancement Committee, which I tried to advance ahead  
9 of the Governance Committee, we do not have an action  
10 item but we are acting like -- as you could tell from  
11 the meeting, the Committee has a very full plate.

12 It did, actually, through our meeting prompt  
13 an action item, which was to help in the communications  
14 front. And as I gave in my report, we took the step of  
15 appointing a communications committee.

16 Again, I will say we do have a motion that we  
17 will have to take up in the closed session to approve  
18 some additional potential donors. And that will be in  
19 the closed session.

20 Do I have to -- I think we do need to do the  
21 in-kind. Is that right?

22 MR. FLAGG: Yes.

1           CHAIRMAN LEVI: Okay. That was not  
2 actually -- it's now been in front of you. Yes. And  
3 that was actually discussed within the meeting and was  
4 actually fixed or changed a little bit since the  
5 meeting.

6           Yes?

7           FATHER PIUS: Just a point of order. I think,  
8 under the bylaws, that the only person that can  
9 establish the committee is the Board itself, not simply  
10 the Chairman acting alone. So I think to create a  
11 committee, it would require at least the Board to  
12 approve that unless Ron --

13          CHAIRMAN LEVI: Well, no. It's a  
14 subcommittee.

15          FATHER PIUS: Oh, it's a subcommittee?

16          CHAIRMAN LEVI: Yes. It's a subcommittee.

17          FATHER PIUS: As long as Ron's comfortable  
18 that the Chairman can do that without the Board's  
19 approval, then I'm okay with that.

20          CHAIRMAN LEVI: Well, I'd rather have the  
21 approval if we're going to have it. But it is a  
22 subcommittee. But let's do this first and then come to

1 that. Is Stephanie on the phone if there are questions  
2 about it?

3 MS. DAVIS: Yes, John. I am.

4 CHAIRMAN LEVI: Any questions or comments? I  
5 guess it's a resolution. Does it need a second?

6 MR. FLAGG: Yes. It was forwarded by the  
7 Committee.

8 CHAIRMAN LEVI: Yes.

9 MR. FLAGG: And there were just two changes  
10 which Father Pius --

11 CHAIRMAN LEVI: Yes. Which were consistent  
12 with the discussion in the Committee.

13 MR. FLAGG: Correct.

14 CHAIRMAN LEVI: Okay. All in favor?

15 (A chorus of ayes.)

16 CHAIRMAN LEVI: Opposed?

17 (No response.)

18 CHAIRMAN LEVI: Now, Father Pius has made the  
19 suggestion that the Communications Subcommittee be  
20 approved by the Board. And so you want to move it?

21 M O T I O N

22 FATHER PIUS: I move that the Board create a

1 Subcommittee on Communications whose purpose would be  
2 to focus on coordinated communication for the 40th  
3 anniversary.

4 CHAIRMAN LEVI: A second?

5 MR. KECKLER: Well, let me ask a question.  
6 What committee is it a subcommittee of?

7 CHAIRMAN LEVI: Institutional Advancement.

8 MR. KECKLER: Oh, okay.

9 CHAIRMAN LEVI: It came up in the  
10 Institutional Advancement Committee meeting that there  
11 was a feeling that the Committee needed to have a  
12 little more work done on communications. And so that's  
13 how it came to be. So we thought it was a good  
14 suggestion, and I think you're right. It probably  
15 should come to the Board, and I don't want to get ahead  
16 of the Board.

17 So there was a motion. It needs a second.

18 PROFESSOR VALENCIA-WEBER: Second.

19 CHAIRMAN LEVI: Gloria seconded. Any more  
20 discussion?

21 (No response.)

22 CHAIRMAN LEVI: All in favor?

1 (A chorus of ayes.)

2 CHAIRMAN LEVI: Opposed?

3 (No response.)

4 CHAIRMAN LEVI: Okay. So now I'll appoint the  
5 committee. And that is the Institutional Advancement  
6 Committee report.

7 The next report is, and I see Lynn -- we're a  
8 little behind and that's why I'm moving quickly.

9 MS. JENNINGS: We'll go quick.

10 CHAIRMAN LEVI: -- is the report on the  
11 implementation of the Pro Bono Task Force and the  
12 Innovation Fund. And you have an update, I know, for  
13 the Board.

14 MS. JENNINGS: That's correct. Lynn Jennings  
15 for the record, Vice President for Grants Management.

16 Our efforts over the last six months have been  
17 focused on the rollout and implementation of the Pro  
18 Bono Innovation Fund. As you know, applications were  
19 due on June 30th.

20 We had received a total of 78 applications  
21 from 41 different states with 78 different grantees.  
22 We only have \$2.5 million to give out, but the total

1 requests at this point are \$15.3 million. So it shows  
2 that there is a lot of demand out there.

3           We are currently in the process of reviewing  
4 them. Each application is receiving a primary review  
5 and two secondary reviews. Ron Flagg is serving as a  
6 secondary reviewer because of his expertise in pro  
7 bono. And we are very fortunate that our partners at  
8 DLA Piper are also participating in that process as  
9 well.

10           Since we've gotten started, we have also hired  
11 internally a pro bono counsel to oversee this program.

12           Her name is Vi Trang Nguyen. She's done a fabulous  
13 job in setting everything up and we really appreciate  
14 her efforts on that.

15           We are also in the midst of preparing an  
16 evaluation RFP, request for proposal, to review and  
17 evaluate how this program is being implemented and set  
18 up. And that will hopefully kick off right after we  
19 make the announcement in September. And as you know,  
20 the PAI reg was part of this, and you've all been  
21 briefed on that.

22           Our committee work has not -- at least since

1 I've been focusing on pro bono initiatives, haven't had  
2 as much time to focus on the rules change subcommittee,  
3 but I have an intern who will be doing some research  
4 for me related to -- there's a supposition out there  
5 that there are all of these rules and policies that  
6 support pro bono. Do they really have any impact?  
7 Because there is not a lot of data out there. So we're  
8 looking to see what data is out there to support the  
9 supposition.

10 I'll have Ron report on the culture change  
11 committee. But on the toolkit subcommittee, we do have  
12 some analytics related to how many people are looking  
13 at the PAI website. I'm sure that that will increase  
14 after we make the pro bono announcements and we start  
15 getting some best practices from that as well.

16 We will continue with the practice of having  
17 pro bono experts on some of our trips. We have a big  
18 one coming up in New York City where we think that that  
19 will be particularly helpful. And the fundraising  
20 efforts related to technology are being coordinated  
21 with Wendy Rhein. And I'll turn it over to Ron.

22 MR. FLAGG: The developments on the culture

1 change are reported at page 255 of the Board book. I  
2 do want to highlight one of the two developments  
3 because it dovetails with what we've talked about  
4 before.

5           One thing that, in the course of our work, we  
6 noticed is that the states in which the rules, at least  
7 on paper and in theory, appear to be most favorable to  
8 promoting pro bono work were states in which there were  
9 access to justice commissions.

10           Likewise, the states in which the rules seem  
11 to be least conducive to pro bono work were states that  
12 did not have access to justice commissions. So it  
13 seemed to us in terms of culture change a real key, at  
14 least potentially, was to advance access to justice  
15 commissions where they don't exist today.

16           So we've had discussions with Steve Grumm of  
17 the ABA and Esther Lardent and others about the states  
18 in which there are not access to justice commissions.  
19 There are, I believe, 17, if my memory serves.

20           There are various explanations in almost all  
21 those states as to why that is the case, but we have  
22 identified several states in which we think there is a

1 possibility of promoting an access to justice  
2 commission. And if LSC could play a constructive role  
3 as a convener or otherwise in that effort, we would  
4 like to do so, and we are looking into that.

5 CHAIRMAN LEVI: Martha?

6 DEAN MINOW: It's great to see this progress,  
7 and I think that the use of pro bono experts on the  
8 program visits is a terrific development. We have some  
9 great resources there.

10 I wonder, on the rule change implementation  
11 subcommittee, whether we or the ABA or somebody is  
12 keeping track of rule changes as they are enacted. I  
13 was interested to see some of the justices on our panel  
14 yesterday taking notes from each other's presentations  
15 about rule changes. They clearly did not know what was  
16 going on, and these are the justices of the Supreme  
17 Courts.

18 MS. JENNINGS: We are, as we hear about them,  
19 updating, as you know. I've sent around charts in the  
20 past. And so we are updating them, but it is very  
21 labor-intensive sometimes.

22 DEAN MINOW: I do know that.

1 MS. JENNINGS: So we do wait for when we have  
2 more resources available on it.

3 DEAN MINOW: Right.

4 MS. JENNINGS: But we try to as much as  
5 possible, and hopefully that's something, in a  
6 conversation with Steve Scudder from the ABA, we can  
7 work on maybe jointly updating them because we've had  
8 to update from their website as well.

9 DEAN MINOW: Exactly. And I'm just wondering,  
10 given our good relationship with the association of  
11 state supreme courts, if there could be just a much  
12 more direct communication to them saying, this is what  
13 we have as of now. If you know more, that would be  
14 wonderful, but meantime, please share it with your  
15 justices.

16 MS. JENNINGS: That's an excellent idea and  
17 we'll do that.

18 DEAN MINOW: That's great. And then I just  
19 had one other question, which is -- well, I guess two  
20 others.

21 The Innovation Fund, it's our first. And so  
22 it would be really great to have some way to broadcast

1 even the range of things that people have proposed, as  
2 well as the ultimate awardees, and use our website, and  
3 maybe the 40th, maybe a webinar, as a chance to connect  
4 and communicate about this.

5           The final comment is, again about the 40th, it  
6 would be wonderful to be able to integrate some of the  
7 work that we've done implementing the Pro Bono Task  
8 Force recommendations, maybe with a GC panel, maybe  
9 with some other panels, or maybe a separate panel, just  
10 to highlight this important work.

11           MS. JENNINGS: Yes. If I could comment with  
12 regard to the information-sharing, our hope, once we  
13 take our focus away from just making sure we meet our  
14 timeline for mid-September, is to really analyze what  
15 people submitted, what was a successful application,  
16 what made a non-successful application.

17           It could just be need, just the amount that we  
18 received; but also hopefully to work constantly with  
19 the grantees to see what lessons learned, what  
20 challenges they're finding. And so that is something  
21 that -- to have this area of practice that we  
22 continually work with to find information and share it.

1           DEAN MINOW: That sounds excellent. And when  
2 you combine it with our work in the TIG grants, we  
3 really are one of the skunkworks, as it were, for the  
4 development of new ideas in the delivery of legal  
5 services.

6           We should highlight that because it actually  
7 inspires other people to do it, and even find a way to  
8 connect with the law schools and the new organizations  
9 that are really, again, trying to promote this kind of  
10 innovation. And Esther Lardent, of course, is directly  
11 involved with a lot of that work.

12           CHAIRMAN LEVI: Before I let there be more  
13 comments, I just want to thank Lynn personally. Lynn  
14 was not expecting a Pro Bono Innovation Fund to land on  
15 our doorstep. It's a wonderful development, but it's  
16 been a very busy one.

17           In addition, that wasn't exactly what we  
18 brought Lynn here to do, so she accepted that as an  
19 additional responsibility. And then, when Wendy Rhein  
20 had to go off on leave, I asked Lynn if she would help  
21 me keep the Institutional Advancement thing going for a  
22 while, and she stepped into that, too.

1           So we're just tremendously grateful to you,  
2 Lynn, for your work, and so appreciative. I hope you  
3 know that.

4           MS. JENNINGS: Thank you. It's my pleasure.

5           CHAIRMAN LEVI: Now, there were other comments  
6 from the Board. Julie, and then Gloria.

7           MS. REISKIN: Just a question, and if you  
8 already said this and I missed it, I apologize.

9           Is there a size grant that you're thinking of  
10 generally? And then how long is the grant period for?

11          Is it a year or 18 months to do their project?

12          MS. JENNINGS: The grant period is 18 to 24  
13 months. And again, the funding level is really going  
14 to be dictated by -- as is in the briefing, we've  
15 gotten a request for as small as 46,000 up to 459,000.

16          Now, if we only made 459,000, we could only  
17 give out three grants. So I think that what we will  
18 see is probably a couple of larger grants and a couple  
19 of smaller grants, and then something in the bell curve  
20 there. But I don't want to presuppose it since I  
21 haven't seen any grant yet.

22          CHAIRMAN LEVI: Gloria?

1           PROFESSOR VALENCIA-WEBER: My comment  
2 parallels what Ron just said, that you see the greater  
3 possible changes in states, cultural changes in states,  
4 with access to justice commissions.

5           We have a very good one in New Mexico, and the  
6 recent activities we've been doing with what we call  
7 the New Mexico Pro Bono Project, which is more than  
8 just the innovation grant, pointed out some things that  
9 we might want to think about.

10           For instance, in our state -- and I don't  
11 know, there may be other states -- where the  
12 recognition of pro bono work has been very low-key, we  
13 are projecting some rule changes in the next year or so  
14 in terms of CLE credit and other things.

15           But part of the culture change as well is that  
16 this particular bar association once a year selects the  
17 pro bono attorney of the year. Part of all we've been  
18 building and what Robert came to do was to encourage  
19 the building of a much more visible, prestigious event  
20 like the kind we had last night.

21           It's going to be a long time before we can do  
22 that kind of Board activity in New Mexico because I

1 don't know when you'll get there. So one of the things  
2 I'm anticipating is that in the next year, at least in  
3 that state, there's going to be a number of changes in  
4 rules, creating a more visible, prestigious recognition  
5 of pro bono.

6           If we can make those changes, bring them into  
7 effect, how perhaps Board members, Jim, or however,  
8 when we have those events, we can inject some LSC  
9 national presence there. Because we don't want to wait  
10 till

11           CHAIRMAN LEVI: New Mexico is on our list. So  
12 it's not 2015, but it may be 2016. So you'd better get  
13 ready. We're coming.

14           PROFESSOR VALENCIA-WEBER: Okay. But I'm  
15 thinking about what happens between a year from the  
16 kickoff we just had last week. Okay? Thanks.

17           CHAIRMAN LEVI: Laurie?

18           MS. MIKVA: I just wondered if there'd been  
19 any thought to having an analog to the TIG conference  
20 in this context, maybe not on an annual basis but on an  
21 occasional basis.

22           MS. JENNINGS: With the Equal Justice

1 Conference, I was thinking there might be a practice  
2 area where we could maybe have it a day before or a day  
3 after. They have the pre-conference events, and I  
4 think we would probably want to start out there since  
5 we're just learning how to crawl in this space here.  
6 So I think that that really is something that we want  
7 to consider for next spring.

8 CHAIRMAN LEVI: Well, next spring it may be  
9 good. We'd just better also make sure our staff  
10 doesn't get overly maxed in doing that. Yes, that's a  
11 nice idea.

12 Any other comments?

13 (No response.)

14 CHAIRMAN LEVI: Thank you very much.

15 DEAN MINOW: Thank you both for taking the  
16 leadership here. It's amazing, the different pieces of  
17 work that are involved.

18 CHAIRMAN LEVI: It's quite exciting. And it  
19 is possible that some of our donors may decide they  
20 wish also to contribute to that fund. So we'll have to  
21 see how that works out. I don't think you're going to  
22 have more money this year, but in future years, you

1 may.

2 MS. JENNINGS: It can always be spent.

3 CHAIRMAN LEVI: That's right.

4 Public comment? And I know I held Terry, so  
5 he's been bursting.

6 MR. BROOKS: Terry Brooks from the American  
7 Bar Association. I just had one rather modest  
8 suggestion that grew out of the presentation during the  
9 Audit Committee meeting yesterday about the competitive  
10 grants process.

11 One of the things that was mentioned was the  
12 use in some circumstances of review panels of lawyers,  
13 and I think Vic Maddox asked, who's on those panels?  
14 I'm not sure that the answer was provided. And I'm  
15 also curious about who's on them now.

16 I just wanted to suggest that there is a  
17 substantial opportunity there for engagement and  
18 education of the private bar, and to note that in past  
19 years, when there was more competition and more need  
20 for those outside review panels, our staff, the SCLAID  
21 staff, worked very closely with LSC staff to identify  
22 bar leaders who could participate in those panels.

1           If I recall correctly, one of the people that  
2 we helped recruit many years ago was a bar leader from  
3 New Mexico named Sarah Singleton, who subsequently  
4 served with some distinction on this Board. So that's  
5 just an example of the kind of engagement that can be  
6 nurtured through that mechanism, and I wanted to  
7 commend that to you.

8           I recognize that those panels are not required  
9 under the regulation except in situations where there  
10 is competition, and there's rarely competition. But I  
11 think they're optional in other cases as well. So you  
12 may want to consider that.

13           Having mentioned New Mexico, I should note  
14 that there has been a disproportionate number of  
15 wonderful leaders in this community that have come from  
16 that state. And I wanted to echo what Gloria had to  
17 say about John Robb, who served as the chair of the  
18 SCLAID Committee from 1966 to 1972, also served at some  
19 point as the chair of NLADA, and who is truly one of  
20 the unsung heroes of this movement.

21           During some of the difficult times in the  
22 mid-'90s, had John not enlisted the help of Pete

1 Domenici, I'm not sure we'd all be sitting here today.

2 So he was truly a hero and a very quiet and amazing  
3 behind-the-scenes force for good in this community.

4 CHAIRMAN LEVI: Thank you, Terry.

5 Any other public comment? Don Saunders?

6 MR. MADDOX: John, can I just follow up? I  
7 think I did ask who the outside reviewers were, and I  
8 think we didn't get an answer just because the meeting  
9 got somewhat chaotic. Lynn, do you know, or can you  
10 give us just a Cliff Notes version of that?

11 MS. JENNINGS: During the competitive grant  
12 process, when it is organizations that are up for  
13 competition, their three-year cycle, most of the  
14 outside reviewers are individuals who are temporary  
15 employees who go out on visits with us, understand how  
16 we do our work at LSC. So that's who participates in  
17 that. And they receive remuneration for their time for  
18 that.

19 Then when we are in competition and there's a  
20 capability assessment visit, that's engaged. And then  
21 we have an advisory panel that is set up, a review  
22 panel that's set up. It has to have two lawyers -- is

1 it two lawyers, Janet? -- and one client-eligible  
2 reviewer.

3 We have a competition this year where we're  
4 doing a CAV, and we will be putting together an outside  
5 reviewer panel as well.

6 MS. LABELLA: Yes. The review panel consists  
7 of two attorney members and one client-eligible member.  
8 And they are consultants; they are not temporary  
9 employees.

10 PRESIDENT SANDMAN: Janet, could you say  
11 something about the identities of the people who are  
12 temporary employees who participate in the review  
13 panels for folks who are applying for grants?

14 MS. LABELLA: Well, the review panels are not  
15 temporary employees. They are consultants.

16 PRESIDENT SANDMAN: No. I'm not talking about  
17 capability assessment visits when there's a true  
18 competition. But when a grantee is applying for a new  
19 three-year grant --

20 MS. LABELLA: Oh, I'm sorry. I'm sorry.

21 PRESIDENT SANDMAN: We use outside reviewers  
22 for -- yes.

1 MS. LABELLA: You're talking about the  
2 outside -- the outside reviewers that we use generally?

3 So far they've primarily been former OPP employees  
4 because they're familiar with the process. So this  
5 year there are four that we're using, and I think we  
6 had four last year as well. And those are the outside  
7 reviewers. Some of those also serve as temporary  
8 employees on visits.

9 MS. REISKIN: Is that because you don't have  
10 enough staff time to have people? Because that doesn't  
11 sound really like outside. When I hear of outside  
12 reviewer, I'm thinking almost of someone that doesn't  
13 have a staff perspective.

14 So are you using these people because you need  
15 more bodies and you need someone who knows what they're  
16 doing? Am I making sense?

17 MS. LABELLA: No, they are secondary  
18 reviewers. They are not the primary reviewer. So it's  
19 not as a substitute for the staff. They're bringing in  
20 an independent perspective.

21 PRESIDENT SANDMAN: I think Julie is raising  
22 the question, though, are they independent if they're

1 former LSC employees? What independence are they  
2 bringing to the table if the goal is to have an outside  
3 perspective? What are they adding that a current OPP  
4 staff reviewer doesn't add?

5 MR. MADDOX: I think Terry might have been  
6 suggesting that there is an opportunity to bring in a  
7 different perspective.

8 MS. LABELLA: And I think that that's  
9 definitely something to consider for next year. This  
10 is the second year that we've had the outside reviewers  
11 as part of the regular competition cycle. We've  
12 expanded our training for that.

13 So I think by next year we can bring in some  
14 other folks who have not had as much of a connection in  
15 the past, although when I say they've been past LSC  
16 employees, some of that has been quite a long time ago.

17 So there's a range there.

18 CHAIRMAN LEVI: Well, it sounds to me like  
19 this is a topic for a committee to be working with the  
20 staff and collecting some best practices here on  
21 outside reviewers. And the chair of the Governance  
22 Committee walked out of the room. I don't know whether

1 it's Delivery of Legal Services --

2 MR. MADDOX: Let's give to her. She's walked  
3 out.

4 (Laughter.)

5 CHAIRMAN LEVI: So we'll put it to her. But  
6 it might be Delivery of Legal Services. I think that's  
7 a good place for it if they're willing to have it.

8 PRESIDENT SANDMAN: It might be Audit as well.  
9 This came up in the Audit Committee. Vic is the one  
10 who raised the question.

11 CHAIRMAN LEVI: He might have raised the  
12 question, but --

13 PRESIDENT SANDMAN: But my recollection is  
14 that the origin of the recommendation here was the work  
15 of the Fiscal Oversight Task Force. I would interpret  
16 a recommendation from the Fiscal Oversight Task Force  
17 for independent reviewers to mean independent, outside  
18 of LSC, bringing a different perspective from that of  
19 our own employees.

20 MS. JENNINGS: I actually have some experience  
21 in this. When I was at the Department of Labor in the  
22 Employment and Training Administration, which gives out

1 billions of dollars a year in employment-related  
2 grants, they generally have outside review panels.

3           You have to have experience in -- so if you're  
4 giving Youth Build a grant, then you have to have youth  
5 experience in reviewing them. It's not unusual at all  
6 to have former DOL employees or stakeholders from  
7 related organizations participate as outside reviewers.

8           I have been an outside reviewer for DOL for a  
9 number of years. So it is very usual to have former  
10 employees of an organization serve as outside reviewers  
11 for grant applications. I don't know if that was your  
12 experience at HHS, Charles.

13           MR. KECKLER: Yes. That's certainly the case,  
14 that as you incorporate people in this process of  
15 hiring temporary employees, it's not uncommon. But I  
16 think Jim's point is still there, that if we can do it,  
17 then it's an opportunity. It's an opportunity to build  
18 networks and to fulfill the mission in a different way.

19           But yes. As a government agency, particularly  
20 when there's convoluted grant processes, it's very much  
21 easier to do it that way and it's very commonly done  
22 that way. But that doesn't mean we can't do something

1 else.

2 MS. JENNINGS: No. I'm not saying to preclude  
3 it, but just that it's a usual practice.

4 CHAIRMAN LEVI: I don't think that's what the  
5 Fiscal Oversight Task Force fully had in mind, either,  
6 just former employees. I think, with Terry's offer and  
7 Jim's observation, to me it sounds like an Audit  
8 Committee matter, sorry to say.

9 MR. MADDOX: We'll have to discuss that.

10 (Laughter.)

11 DEAN MINOW: We can arm wrestle for it.

12 MR. MADDOX: I volunteered you for it.

13 CHAIRMAN LEVI: Well, actually, Delivery of  
14 Legal Services volunteered.

15 (Laughter.)

16 CHAIRMAN LEVI: We'll have a discussion  
17 offline and figure out. But I think this is a  
18 matter -- it's actually following through on one of the  
19 recommendations. It's bubbled up. It actually came up  
20 in the Audit Committee, and I think it's a  
21 healthy -- not to get in the way of the orderly  
22 functioning here, but a healthy discussion.

1           Anything else on this topic?

2           (No response.)

3           CHAIRMAN LEVI:  Other public comment?  Don?

4           MR. SAUNDERS:  Don Saunders, NLADA.

5           I would just be remiss to not join Terry's  
6 beautiful remarks about John Robb and Gloria's earlier.

7           He was such an extraordinary individual, both a leader  
8 of ours and the ABA's.

9           But particularly in the '90s, some very, very  
10 troubled times, John was the strongest, most effective  
11 advocate you could ever imagine for this Corporation.  
12 So as you build a record, I just wanted to associate  
13 our organization with those remarks.  He was a real  
14 champion of justice.

15           CHAIRMAN LEVI:  Mr. Grey?

16                           M O T I O N

17           MR. GREY:  But for the opportunity to speak in  
18 New Mexico, which was just a treat in and of itself to  
19 be with Gloria and others, this individual in fact was  
20 a huge proponent of what we do.

21           It might be appropriate, inasmuch as his  
22 passing has just occurred, that this Board might find

1 it a way of recognizing him to offer a resolution in  
2 support of acknowledging the support that he offered  
3 and sending that to New Mexico, to the state bar.  
4 Because I think it would be extremely well-received.

5 CHAIRMAN LEVI: We have two choices. I  
6 understand that. I think that's a nice suggestion.  
7 And the question is, can we do that now, or shall we  
8 adopt something in October? Because you may want to  
9 write a --

10 MR. GREY: Well, I think we do. I would --

11 CHAIRMAN LEVI: One thing we could do is to  
12 have a sense of the Board that we're going to do one,  
13 have you prepare one -- we could in a sense  
14 pre-authorize it -- but send it around.

15 MR. KECKLER: I think that's reasonable.  
16 We've done sorts of things like that. We're familiar  
17 with the basic message that's going to be offered, and  
18 I think it would be fine to do that, to offer.

19 CHAIRMAN LEVI: I do, too. Then we don't have  
20 to wait so long.

21 MR. KECKLER: Then just have it sent before  
22 transmission to us, perhaps.

1           CHAIRMAN LEVI: Yes. Well, the two of you  
2 have offered to write it, and so we're delighted. And  
3 you'll send it around and then we'll all say it looks  
4 good.

5           So with that, can we adopt that? You put it  
6 in the form of a motion.

7           PROFESSOR VALENCIA-WEBER: Second.

8           CHAIRMAN LEVI: All in favor?

9           (A chorus of ayes.)

10          CHAIRMAN LEVI: Opposed?

11          (No response.)

12          PROFESSOR VALENCIA-WEBER: And I'd like to add  
13 that this does not displace what I had earlier  
14 communicated in regard to our 40th; when we have some  
15 sort of recognition of the early pioneers, early  
16 advocates, that John Robb will be included.

17          CHAIRMAN LEVI: Thank you.

18          Any other public comment? Dennis?

19          MR. GROENENBOOM: Thank you. Very  
20 briefly -- Dennis Groenenboom, Iowa Legal Aid -- I hope  
21 you all had a good time in Des Moines. If you come  
22 back in 20 years, I hope to participate totally as an

1 observer in the back. And I appreciate the opportunity  
2 to showcase the work of Iowa Legal Aid. So welcome to  
3 Des Moines, and have a safe trip home.

4 CHAIRMAN LEVI: Thank you very much.

5 Any other public comment?

6 (No response.)

7 CHAIRMAN LEVI: Any other business?

8 FATHER PIUS: It's not other business, but  
9 just I note that on the web page that the 2015 meeting  
10 dates are now up, so in case people were interested in  
11 that. And I assume they're up means they're relatively  
12 firmly set. So people for planning purposes can now  
13 look at the website for those meetings.

14 CHAIRMAN LEVI: Good. Thank you.

15 Any other business?

16 (No response.)

17 CHAIRMAN LEVI: Can we then have a motion to  
18 go into closed session?

19 M O T I O N

20 FATHER PIUS: So moved.

21 DEAN MINOW: Second.

22

1                   CHAIRMAN LEVI:  And with that, we will take a  
2 five-minute break.

3                   (Whereupon, at 11:30 a.m., the Board was  
4 adjourned to Closed Session.)

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