

LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

MEETING OF THE
INSTITUTIONAL ADVANCEMENT COMMITTEE
OPEN SESSION

Friday, July 17, 2015

4:32 p.m.

Radisson Blu Minneapolis Hotel
35 South 7th Street
Minneapolis, Minnesota 55402

COMMITTEE MEMBERS PRESENT:

John G. Levi, Chairperson
Robert J. Grey Jr.
Charles N.W. Keckler
Martha L. Minow
Father Pius Pietrzyk, O.P.
Herbert S. Garten (Non-Director Member)
Frank B. Strickland (Non-Director Member)

OTHER BOARD MEMBERS PRESENT:

Victor B. Maddox
Laurie Mikva
Julie A. Reiskin
Gloria Valencia-Weber

STAFF AND PUBLIC PRESENT:

James J. Sandman, President

Lynn Jennings, Vice President for Grants Management

Rebecca Fertig Cohen, Special Assistant to the
President

Wendy Rhein, Chief Development Officer

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

Stefanie Davis, Assistant General Counsel, Office
of Legal Affairs

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

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

Carl Rauscher, Director of Media Relations, Office of
Government Relations and Public Affairs

Marcos Navarro, Office of Government Relations and
Public Affairs

Jeffrey E. Schanz, Inspector General

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

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

Tom Hester, Associate Counsel, Office of the Inspector
General

Lora M. Rath, Director, Office of Compliance
and Enforcement

Sylvia Struss, Administrative Director, DNA People's
Legal Services

Don Saunders, National Legal Aid and Defenders
Association (NLADA)

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

Terry Brooks, American Bar Association Standing
Committee on Legal Aid and Indigent Defendants
(SCLAID)

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1. Consider and act on agenda	
2. Approval of minutes of the Committee's Closed Session meeting of April 14, 2015	
3. Development report	
4. Consider and act on prospective donors	
5. Adjourn closed session	

Motions: Pages 4, 4, 15, 17

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

2 (4:32 p.m.)

3 CHAIRMAN LEVI: Let me call the Institutional
4 Advancement Committee meeting to order and ask for a
5 motion to approve the agenda.

6 M O T I O N

7 FATHER PIUS: So moved.

8 CHAIRMAN LEVI: Second?

9 MR. KECKLER: Second.

10 CHAIRMAN LEVI: All in favor?

11 (A chorus of ayes.)

12 CHAIRMAN LEVI: And now we need to approve the
13 minutes from the open session of April 14.

14 M O T I O N

15 FATHER PIUS: I move to approve.

16 CHAIRMAN LEVI: Is there a second?

17 MR. KECKLER: Second.

18 CHAIRMAN LEVI: All in favor?

19 (A chorus of ayes.)

20 CHAIRMAN LEVI: Development activities update.

21 There was part of one yesterday; I think everybody may
22 have heard that piece that Jim gave. We can give the

1 rest of it.

2 MS. RHEIN: Sure. We're being cognizant of
3 the time; we still need to finish today at 5:15 to go
4 to the pro bono reception.

5 So the Institutional Advancement Committee had
6 an opportunity to meet telephonically in June, and so I
7 only have a couple of updates since that particular
8 meeting.

9 As Jim reported yesterday, there is a lot of
10 activity going on for foundation applications. All the
11 applications currently in process -- we have five that
12 are in the process of being either written or looked at
13 by the foundations right now. And we should have
14 answers back on all of those by September. So there
15 will be a lot of new activities and new projects
16 happening at LSC that will be funded by private
17 foundations.

18 As Jim mentioned, the Hewlett Foundation
19 approved a \$100,000 grant, not a planning grant, for
20 the justice gap study. So that was great news earlier
21 this week.

22 And just to update this group, we have decided

1 not to go to the Nixon Library for the October meeting.

2 It turns out the library will be going under some
3 significant construction starting in September, and our
4 ability to use the library would be significantly
5 limited at that time.

6 So we do intend to go back to the library at
7 another time once the construction is finished, but we
8 are going to still hold a 40th anniversary event in
9 conjunction with the October Board meeting in San
10 Francisco.

11 CHAIRMAN LEVI: I think we would also like to
12 get a Nixon-related exhibit put together, if we can.
13 We are trying to work on that. We feel bad about this.

14 We didn't know of their construction plan. But I
15 think we should try to make a separate trip to the
16 Nixon Library while we are still in office.

17 But I gather this construction is a year. Is
18 that correct? Something like that.

19 MS. RHEIN: They said between nine months and
20 a year.

21 CHAIRMAN LEVI: So we'll take a year.

22 MS. RHEIN: Those were the only updates that I

1 had. The rest would be in closed session.

2 CHAIRMAN LEVI: Now, any questions on that?

3 (No response.)

4 CHAIRMAN LEVI: The protocol?

5 MS. RHEIN: Earlier, when you all hired me and
6 we decided to start doing private fundraising, we had a
7 series of policies that were developed and protocols
8 around how we would accept private funding, what kind
9 of funding we would accept. And now that we're in the
10 position of allocating some of the grants and the funds
11 that have come in, we wanted to present you with a
12 protocol for the allocation of private funding.

13 As you know, a lot of the funds that have come
14 in from law firms and from individual contributions are
15 unrestricted gifts, to be used for projects that we
16 created in the case statement for the 40th anniversary.

17 And we have opportunities now to start looking at how
18 that money would be spent.

19 As John has spoken earlier about the Rural
20 Summer Legal Corps, one of the projects that is in the
21 case statement that we will use some of the privately
22 raised funds for that. But we wanted to present you

1 this protocol and get some of your thoughts and
2 reactions on it.

3 PRESIDENT SANDMAN: Could I add something?
4 We're a grantmaking organization. This is our
5 business. And I think that our grantmaking with
6 privately raised money should be as rigorous as our
7 grantmaking with public appropriations are.

8 So we really think that it's very important,
9 as a matter of our fiduciary obligation to those who
10 invest money in us, private sources, to have a rigorous
11 protocol governing how we're going to spend their
12 money.

13 CHAIRMAN LEVI: I agree with that.

14 FATHER PIUS: Oh, I agree. Just a couple
15 things that I would just make suggestions about. The
16 first is just to put a date on the document just so we
17 know -- it's allegedly important for archival work.

18 The second one, in the term "the initiator,"
19 you include in there a member of a Board Committee.
20 You might have a member of the Institutional
21 Advancement Committee. But I'm not sure why
22 non-director members of the Audit Committee needs to be

1 ones that suggest projects.

2 So I do agree that there needs to be a
3 distinction between Board members and non-Board members
4 because you already have a director. Why do you have a
5 member of a Board Committee? So I would --

6 CHAIRMAN LEVI: Well, because there are some
7 members of this Committee that are non-director
8 members.

9 FATHER PIUS: Well, then, I would limit it to
10 this Committee. I would limit it to the members --

11 CHAIRMAN LEVI: And they might have raised the
12 fund.

13 FATHER PIUS: Yes. I would limit it to this
14 committee but not -- like I said, do non-director Audit
15 Committee members need to be ones that -- they can do
16 it through someone else. So I do think keeping the
17 distinction between Board members and non-Board members
18 is important.

19 I've got a tiny grammatical error I'll send to
20 you. And I would just encourage, when you're doing
21 definitions, to just write them as complete sentences
22 rather than the column. But that's just a pick. But I

1 will send you the grammatical error later.

2 CHAIRMAN LEVI: As the grammarian for the
3 Board, we'll accept all of your suggestions, I'm sure.

4 I do think that in the world over development
5 particularly, and particularly as we manage and report
6 on the uses of privately funded monies, there needs to
7 be -- and we may not be used to this as a grantmaking
8 organization. So we have oversight in OCE.

9 But in fact, you may not leave us out of that
10 update because we are the ones that say thank you, and
11 we're the ones that say to people how it's going. We
12 need to know.

13 So if there's a discussion going on in the OCE
14 world about how a grant's going or whatever and there's
15 information that's helpful to us to know, we need to
16 know, how's that thing doing? How's the money being
17 spent? Is it doing well? Is there something we need
18 to know? The worst thing you want to hear is about
19 that from the funder and be embarrassed that you didn't
20 know.

21 So this is all part of our own understanding
22 and keeping each other informed. We have a number of

1 wonderful opportunities here. So I'll rely on all of
2 you to help us so that we leave as a legacy -- because
3 actually, it's very exciting, as you heard from Jim,
4 the number of proposals that we have been fortunate to
5 -- grants that we're getting. I think the law firm
6 community is waking up more, too. Maybe there'll be
7 some momentum to this.

8 So how we go about capturing the information
9 and making sure we're all appropriately informed
10 without drowning each other also is quite important.
11 And I will leave it to you all to put your heads
12 together and figure that out. But thank you.

13 Other questions about the -- because the
14 protocol doesn't go to that. Lynn made a comment over
15 there about that. The protocol doesn't go to that.
16 But any other questions on this protocol? Charles?

17 MR. KECKLER: I just have a quick thought.
18 It's set up to definitely encourage programmatic
19 development out of the case statements. Right? That's
20 fine for now. Eventually, that sort of list or the
21 kinds of projects and priorities that we've set is
22 going to change. So you've tied it to that document.

1 If we approve it, we'll have to be revised at some
2 point as we revise that.

3 CHAIRMAN LEVI: I agree. And that will also
4 be part of the strategic planning.

5 MS. RHEIN: Yes.

6 CHAIRMAN LEVI: Frankly, I heard of a grant
7 opportunity here this afternoon. But I'm sure others
8 of you may have heard that, too. Not part of our
9 original case statement.

10 MS. RHEIN: And there are foundation
11 opportunities in particular that come up that are not
12 often part of the original case statement. We just
13 want to make sure that this Committee is informed of
14 that, of those opportunities.

15 CHAIRMAN LEVI: Martha? Oh, Charles?

16 MR. KECKLER: Just a quick followup. Again,
17 this is a little bit beyond it, although I think it
18 reveals the point that as we just talked about in Ops
19 and Regs, we have a rulemaking agenda every year that
20 we try to work through.

21 You can think of what we did with the case
22 statement as something like that for this Committee.

1 That's fine for now, but we might want to think about
2 having a process whereby we keep -- and that doesn't
3 mean you change it over if we haven't done that. But
4 it says, this is the agenda for our spending of the
5 private money and our priorities. It might be useful
6 to set up that to revisit on a regular basis.

7 CHAIRMAN LEVI: But it has to be flexible
8 enough that if a private funder comes to you and says,
9 would you be interested in, and we say, well, gosh, we
10 hadn't thought of that, that there's a process for then
11 being able to -- yes?

12 DEAN MINOW: Well, in the same spirit, as was
13 indicated in the Governance and Performance Committee,
14 there's the research fundraising and there's other
15 fundraising. And it wouldn't be bad to have the kind
16 of sketch that Charles is calling for on the research
17 front so that we're clear about what the top priorities
18 are, which ones are being done, which pieces are being
19 done by different kinds of grants.

20 I think at the moment I'm having trouble
21 holding it all in my head on the research side. As to
22 other areas, it would be nice to have a chart. Just

1 these are the priorities. Here's the live
2 possibilities. I think that would be helpful.

3 MS. RHEIN: Certainly. We could absolutely do
4 that.

5 CHAIRMAN LEVI: Do we need to vote this today?
6 We were just presenting it today, weren't we? We'll
7 get Charles' grammatical --

8 DEAN MINOW: Father Pius.

9 CHAIRMAN LEVI: Oh, yes, Father Pius's, I'm
10 sorry -- grammatical changes and Charles' suggestions,
11 if there are, and then have a new draft and send it
12 around.

13 MR. FLAGG: My suggestion is that you
14 actually, subject to the grammatical corrections, adopt
15 -- you recommend to the Board adoption of a protocol
16 and the Board adopt it at this meeting because money is
17 going to be shortly going out the door, and I think it
18 ought to be going out the door consistent with a
19 protocol along these lines.

20 CHAIRMAN LEVI: Well, we can prospectively, as
21 we have in the past -- yes, Herb?

22 MR. GARTEN: I think that it would be helpful

1 if we would receive a financial statement with respect
2 to the project; at the same time, a status report. And
3 that way we would know where the funds came in, where
4 they went out, and what the status of the particular
5 project is as of a particular date. And it might be
6 something you'd want to have at every Board meeting.

7 CHAIRMAN LEVI: But that's not part of the
8 protocol.

9 MR. GARTEN: No. Not part of the protocol.

10 CHAIRMAN LEVI: Yes. I agree with that. So
11 Father Pius, are you okay if we --

12 DEAN MINOW: Contingent on --

13 CHAIRMAN LEVI: Contingent on your -- yes.

14 FATHER PIUS: I just sent the correction.

15 CHAIRMAN LEVI: All right. So will you move
16 it, then?

17 M O T I O N

18 FATHER PIUS: So moved.

19 CHAIRMAN LEVI: Second?

20 DEAN MINOW: Second.

21 CHAIRMAN LEVI: All in favor?

22 (A chorus of ayes.)

1 CHAIRMAN LEVI: So we've taken the advice of
2 our General Counsel.

3 MR. FLAGG: Thank you.

4 CHAIRMAN LEVI: Thank you.

5 Wendy, anything else, then, on that front?

6 MS. RHEIN: No.

7 CHAIRMAN LEVI: So now, let's see, where are
8 we?

9 MR. STRICKLAND: John, one point of
10 clarification. I want to make sure I heard it
11 correctly. All funds that have come in to date have
12 been unrestricted. Is that correct?

13 CHAIRMAN LEVI: No. That's not --

14 MR. STRICKLAND: Or is there some that's
15 restricted?

16 CHAIRMAN LEVI: No. Some are restricted to
17 certain research projects.

18 MR. STRICKLAND: Got it. Thank you.

19 CHAIRMAN LEVI: But a lot of them are
20 unrestricted, yes.

21 Public comment?

22 (No response.)

1 CHAIRMAN LEVI: Act on other business? Any
2 other business?

3 (No response.)

4 CHAIRMAN LEVI: We can adjourn the open
5 session.

6 M O T I O N

7 DEAN MINOW: Propose to adjourn.

8 CHAIRMAN LEVI: Second?

9 FATHER PIUS: Second.

10 CHAIRMAN LEVI: All in favor?

11 (A chorus of ayes.)

12 CHAIRMAN LEVI: Now we go into the closed
13 session.

14 (Whereupon, at 4:47 p.m., the Committee was
15 adjourned to Closed Session.)

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