

**RETURN TO CORPORATION
SECRETARY ARCHIVES FILE**

**LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS MEETING**

**WESTIN HOTEL - KENT ROOM
RENAISSANCE CENTER
DETROIT, MICHIGAN 48243**

**FRIDAY - JUNE 28, 1985
11:45 a.m.**

RELIANCE COURT REPORTING

1 THE FOLLOWING BOARD MEMBERS WERE PRESENT AT THE MEETING:

2 W. CLARK DURANT, III, Chairman

3 HORTENCIA BENAVIDEZ

4 LEA ANNE BERNSTEIN

5 PAUL B. EAGLIN

6 PEPE J. MENDEZ

7 LORAIN MILLER

8 THOMAS F. SMEGAL

9 CLAUDE G. SWAFFORD

10 BASILE J. UDDO

11 ROBERT A. VALOIS

12 MICHAEL B. WALLACE

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25 RELIANCE COURT REPORTING

1 Detroit, Michigan

2 Friday, June 28, 1985

3 11:45 a.m.

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5 MR. DURANT: The Legal Services
6 Corporation Board of Directors meeting, scheduled for
7 June 28 of 1985, is now in session.

8 Reverend Samonie.

9 FR. SAMONIE: Good morning.

10 MR. DURANT: Reverend Jay Samonie of
11 Most Holy Trinity Church here in Detroit, down in Cork-
12 town, is here today. I have asked him to give our invo-
13 cation before the Board.

14 PRAYER BY REVEREND JAY SAMONIE

15 FR. SAMONIE: Let us pray.

16 Oh Lord, in your loving providence and
17 constant care for us, you have sent your spirit of wisdom
18 to guide, direct and inspite us to reach out beyond
19 ourselves, to assist the less fortunate by the sharing of
20 our gifts with them.

21 Today, may your Holy Spirit be present
22 to bless the Legal Services Corporation, represented by
23 the Board of Directors and others here in attendance.

24 In prayerful attitude they have

1 convened for mutual support of updating and for whatever
2 else may be necessary to bring to all areas continued
3 effective non-criminal services to the poor.

4 Also today facing them is the important
5 task of a selection of a president of this national
6 program of legal services. This president, who will need
7 Your special guidance for his term of office so that he
8 may fulfill his obligation and also see to it always that
9 there is a proper dispensation of money, assistance and
10 talent where it is most needed.

11 Surround all who are here today,
12 gathered in this assembly, with a sense of mission, a
13 sense even of ministry to a cause that is admirable, a
14 service that is noble, a dedication that is sacred.

15 May the spirit of wisdom and right
16 decision enlighten all our brothers and sisters involved
17 in this program, especially Clark Durant, who arranged to
18 make this moment a reality.

19 Oh, Lord, You have shown through
20 history that you favor the pursuit of justice, peace,
21 individual rights and equality. May we also uphold those
22 causes and ideals advocated by Legal Services now and
23 forever; amen.

24 MR. DURANT: The first item on our
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1 agenda is the approval of the agenda. I'll so entertain
2 a motion.

3 MR. MENDEZ: So move.

4 MR. DURANT: Second.

5 MS. MILLER: Second.

6 MR. DURANT: Any discussion?

7 (No response.)

8 MR. DURANT: All those in favor
9 please say "Aye."

10 (Chorus of "Ayes")

11 MR. DURANT: Opposed?

12 (No response.)

13 MR. DURANT: Now, I think you have all
14 had a chance, but if you haven't, review the minutes.

15 MR. MENDEZ: Excuse me. Are we going
16 into executive session?

17 MR. DURANT: We aren't going to have an
18 executive session today.

19 MR. MENDEZ: You just approved it.

20 MR. DURANT: Well, when we get down
21 there we may ask for a motion --

22 MR. MENDEZ: A motion to adjourn takes
23 precedence.

24 MR. DURANT: Well, we will not be in
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1 executive session.

2 If you will take a look at the minutes,
3 please.

4 MR. MENDEZ: I would move that they be
5 adopted.

6 MR. DURANT: Second?

7 MS. SWAFFORD: I second.

8 MR. DURANT: Any discussion?

9 (No response.)

10 MR. DURANT: Hearing no discussion, all
11 those in favor of the minutes as written, signify by
12 saying "Aye."

13 (Chorus of "Ayes.")

14 MR. DURANT: Opposed?

15 (No response.)

16 MR. DURANT: So moved.

17 MS. BERNSTEIN: I would move that we
18 authorize this Board to closing of a portion of our
19 meeting in Utah for the Wednesday night, which would be
20 the 31st of July, to discuss personnel and personnel
21 litigation of investigatory values under Government Act 5
22 USC 553-32679B and (inaudible).

23 UNIDENTIFIED SPEAKER: That's the 31st.

24 MS. BERNSTEIN: That's the 21st of July

1 and I think we will (inaudible.)

2 MR. DURANT: Is there a second to that
3 motion?

4 UNIDENTIFIED SPEAKER: Second.

5 MR. DURANT: Any discussion?

6 We have to do a roll call.

7 Mrs. Swafford, if you are in favor, say "Aye."

8 MS. SWAFFORD: Aye.

9 MR. DURANT: Ms. Benavidez?

10 MS. BENAVIDEZ: Aye.

11 MR. DURANT: Ms. Miller?

12 MS. MILLER: Aye.

13 MR. DURANT: Ms. Bernstein?

14 MS. BERNSTEIN: Aye.

15 UNIDENTIFIED SPEAKER: Aye.

16 UNIDENTIFIED SPEAKER: Aye.

17 MR. DURANT: Mr. Smegal?

18 MR. SMEGAL: Aye.

19 MR. MENDEZ: Mendez, aye.

20 MR. DURANT: At this point we will
21 have a report from our Mr. Opsut, our New York Corporate
22 President.

23 MR. OPSUT: Thank you, Mr. Chairman.

24 Since our last meeting of May 24, 1985,

1 we completed the other law projects and grants for the
2 other law projects will be out by the Congressionally-
3 mandated time of July 1.

4 Since our last meeting the Board of
5 Directors of Legal Services Corporation was confirmed by
6 the United States Senate, and I am pleased to announce
7 that and happy for you all.

8 There was also a swearing-in ceremony
9 for all of you, with the exception of Paul Eaglin.

10 The move of the Legal Services Corpora-
11 tion headquarters is now scheduled for July 26, 1985.

12 Since the last meeting I have awarded a
13 private law firm contract in Ann Arbor, Michigan from
14 Texas and New Orleans parishes and the Jefferson parish
15 in Louisiana.

16 There was a law school conference held
17 in Washington of fourteen grantees to the law school
18 apprentice program and you've all received draft copies
19 of the 1985 fact book which has just been prepared.

20 The last item is, on Wednesday of this
21 week, the Corporation, internally was reorganized to
22 reduce the number of staff members who will be reporting
23 to the President of the Corporation and the current
24 configuration of nine senior staff members: four, they

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2 would be -- need to be in the Division of Field Services,
3 the Division of Monitoring, Auditing, Compliance; the
4 Division of Policy Development and Communications and
5 Office of Management and Services. And I have copies of
6 the reorganization.

7 There was an executive session held at
8 the last meeting. Discussion was had concerning
9 identification. No action was taken.

10 There was litigation updated. No
11 action taken.

12 And there was a discussion about a GAO
13 investigatory report. There was no action taken.

14 With that, that concludes my report,
15 Mr. Chairman.

16 MR. DURANT: Thank you, Mr. Opsut.

17 Mrs. Swafford, if you will give us a
18 report on the -- your search committee.

19 MS. SWAFFORD: Thank you, Mr. Chairman.

20 The Committee on Search for the
21 Selection of a President of Legal Services Corporation is
22 ready to report. And I assume that the matter --

23 The Committee is comprised of the
24 entire membership of the Board. The action of the
25 committee is that we wish to recommend the name of Mr.

1 James H. Wendzel as President of the Legal Services
2 Corporation.

3 MS. MILLER: I second that.

4 MR. DURANT: Any discussion?

5 (No response.)

6 MR. DURANT: Let me offer two things:
7 As Chairman of the Board, I am very pleased with this
8 selection. I think this Board, as almost a committee of
9 the whole, has gone through a very long process of going
10 through in excess of 250 resumes, a whole series of
11 interviews, talking to a number of different people.
12 What is important to me, as Chairman, is that we have a
13 corporation president who is a listener, who is a person
14 who understands the importance of working with Congress
15 and working with the field and working with the organized
16 bar in order to bring about a sense of positive direction
17 that this Board is setting as far as this corporation is
18 concerned. I am very satisfied that Jim Wendzel will
19 effectively and compassionately carry out the policies of
20 this Board and I look forward to working with him.

21 While it will certainly not change the,
22 if you will, activist nature of this Board, one does not
23 change this in nature and we will be very actively
24 involved in all that goes on. As I said, Jim is a person

1 who I have the utmost confidence in, in terms of working
2 with all people who are concerned about the success and
3 health and well-being of the Legal Services Program.

4 Let me add one other word. I speci-
5 fically made a request of President Reagan that if it
6 were possible to have a letter of support at our
7 swearing-in ceremony for the work that was transpiring
8 and that we were trying to do that, if there was some
9 mention that the President would, while some in Congress
10 would never indicate any support for the work of a Board
11 associated with the Legal Services Corporation.

12 And I am pleased to note, for those of
13 you who were there, that we did in fact, have a letter of
14 support from the President of the United States. And I
15 hope it is a reflection that if we can have a reauthori-
16 zation bill that will conquer the House and the Senate
17 and the Conference Committees, it would be a good re-
18 authorization bill; that it will be a bill that we can
19 go, as a Board, to the President and ask for his support
20 for the well-being of the poor people in this country who
21 are served well by lawyers in the Legal Services Program.

22 So, the other thing I would like to do
23 is to thank Claude Swafford and every member of this
24 Board for their untiring efforts in a very real pro bono
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1 sense, to try and work closely to bring about a good
2 selection. And, as I said, it is one that I personally
3 have confidence in and I personally want to thank each
4 and every one of you, and Claude, particularly you, for
5 your undying patience with a rather adverse and sometimes
6 incorrigible group of people. I thank you for your
7 leadership and your help and the great amount of time you
8 have spent.

9 MS. SWAFFORD: Thank you, Mr. Durant.
10 That should be addressed to all the members of this
11 committee and this Board. It certainly is a reflection
12 of my sentiments, as well.

13 MR. DURANT: Mr. Smegal.

14 MR. SMEGAL: Thank you, Clark. I
15 appreciate you recognizing me before the Board. I am
16 going to abstain when we take a vote, not because of the
17 fact that I believe our selection of Jim Wendzel involves
18 one who is not qualified to serve as a staff president of
19 the LSC. Jim Wendzel is a fine lawyer with outstanding
20 credentials and references in the community. He has had
21 significant experience with Congress and he has developed
22 and demonstrated his concerns about the poor in his
23 service as Commissioner of Fairfax County Redevelopment
24 Housing Authority. I look forward to sharing my

1 experiences and views of this program with him through
2 the term of his presidency.

3 My abstention results from my views of
4 this corporation's mandate, from my two decades of
5 experience and involvemenmt in the delivery of legal
6 services.

7 As I stated on December 5, when we
8 first met as a recess board, it seemed to me that one of
9 the major responsibilities of this Board was to return
10 the credibility of this program to organized bar and the
11 legal services community and Congress to the
12 Administration.

13 That's been my mandate for six months
14 and that's the direction I think this Board is going in.
15 We have now been confirmed by the Senate. That certainly
16 indicates that credibility is gaining momentum. In my
17 opinion, though, the momentum of credibility would have
18 been further accelerated had we selected someone from
19 among the other qualified applicants who have
20 demonstrated a more visible commitment to the actual
21 delivery of civil legal services to the poor, applicants
22 whose resumes demonstrated direct appreciation to the
23 knowledge of the workings of this program.

24 While I am optimistic with my
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1 discussions with Jim that he will ultimately develop that
2 understanding and appreciation for what we are about in
3 this program, my personal concerns -- and they are my
4 personal concerns -- are that the credibility and the
5 momentum that we have going is going to be put on hold
6 for a period of time during which Jim is working up
7 speed. I talked to him about this and he understands
8 what I am saying.

9 I would hope that, while I've expressed
10 these personal concerns that our constituents at the
11 Congress and legal services community of the organized
12 bar, will join me in giving Jim an opportunity to get up
13 speed. My abstention from voting today is only because I
14 would feel more comfortable endorsing his presidency
15 after I have seen him in operation and he has had an
16 opportunity to understand what we are all about.

17 I am convinced this program is going in
18 the right direction and I am convinced our credibility
19 and momentum will continue. But I am looking forward to
20 that momentum moving on down the line and on hold for a
21 short period of time while Jim Wendzel gets up some
22 speed.

23 MR. DURANT: Thank you, Tom.

24 Mr. Uddo.

1 MR. UDDO: I just want to make a few
2 brief statements. One is that I, like Tom, had supported
3 another candidate for some of the reasons that Tom has
4 articulated. But I am going to vote fo the committee,
5 Resolution Committee, to make a motion today.

6 And primarily, for two reasons. One is
7 my support of another candidate was not because I didn't
8 think that Mr. Wendzel could serve well and admirably as
9 a president of this corporation. I think he can. I
10 think he is an excellent lawyer, an excellent man and I
11 think he has a good track record that will indicate that
12 he will do a good job with this corporation. So I want
13 that to be clear, that my support of another candidate
14 was not in any sense a feeling that he would not be able
15 to do the job.

16 The other thing that I want to say is
17 that the only reason that I am voting for a motion is
18 because I think it's an important time in the history of
19 the corporation. There have been very tough times in the
20 past several years and I genuinely and sincerely want to
21 get those times behind us.

22 And so my vote for a motion is also, I
23 hope, a symbol of unity and a symbol of support and a
24 call to the community, the legal services community
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1 particularly, to work with Mr. Wendzel. I think he
2 worked with us well over the past several months. I
3 think there is a tremendous amount of good faith in the
4 legal services community; I think we draw on that. I
5 think there is a tremendous amount of good faith on this
6 Board and I think we've been able to work through differ-
7 ences of opinion with great dignity and mutual respect.

8 So, my vote for the motion is largely
9 to continue that momentum, as Tom referred to it, that
10 sense of mutual respect and trust that I think is devel-
11 oping, and I think Mr. Wendzel will continue to generate.
12 And I would hope that everyone will take some time to
13 meet Mr. Wendzel, get to know him, work with him, help
14 him. There will continue to be differences of opinion,
15 no doubt, but I think they can all be resolved in a way
16 that is for the good of the corporation, which I hope is
17 ultimately for the good of the people to whom we deliver
18 legal services.

19 MR. DURANT: At this point we are
20 going to have to, and I invite everybody or anybody who
21 can fit it -- Paul Eaglin specifically asked that he --
22 Is the call being answered? Is he on the line?

23 UNIDENTIFIED SPEAKER: Yes.

24 MR. DURANT: -- that he be given an
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1 opportunity to vote in this particular decision and we
2 have set up a call in the other room, where he will be
3 able to cast his vote. He's in (inaudible) so all that I
4 would ask is that you would at least let ten members of
5 the Board get in first.

6 MR. DURANT: So that we can conduct
7 the vote, and then we will come back here --

8 MR. BRAUDE: Mr. Durant, can we get the
9 public comment on this committee's report prior to the
10 vote or --

11 MR. UDDO: Mr. Durant, I move the
12 question.

13 MR. DURANT: Jim, we've got him on the
14 phone and let me get Paul's comments, okay?

15 Let's adjourn to the Essex Room.

16 (Whereupon the meeting was adjourned
17 and all went to the Essex Room for a
18 telephone vote from Paul Eaglin.)

19 (Whereupon the Court Reporter was later
20 called to move to the Essex Room, where
21 the meeting was already in progress and
22 Mr. Eaglin was on the telephone.)

23 MR. DURANT: We are now on the record.
24 Mrs. Swafford, as Chairman of the Presidential Search

1 Committee, has just made her report to the Board, recom-
2 mending, in a formal motion, that we appoint James
3 Wendzel as the new President of Legal Services.

4 There was comment made by myself and
5 supported by Tom Smegal, complimentary of Mr. Wendzel as
6 a person and his abilities as a lawyer, but also stating
7 that he would prefer a choice of someone who had been
8 more immediately or directly involved in the delivery of
9 legal services; and indicating that he would not go
10 against the recommendation but would abstain from the
11 vote on the recommendation.

12 There was then the statement by Mr.
13 Basile Uddo, indicating that he had preferred a different
14 candidate but that he was going to support the recommen-
15 dation of the Presidential Search Committee.

16 At this point we adjourned into the
17 Essex Room --

18 MR. UDDO: The question has been
19 called.

20 MR. DURANT: The question has been
21 called and we've adjourned into the Essex Room. There
22 was one request for public comment from Mr. Jim Braude.
23 I had just talked to him prior to this and he will
24 reserve his public comment until later in the morning.

1 So we are going to call the question
2 for a vote in support of Mrs. Swafford's motion regarding
3 Mr. Wendzel as President of the Corporation.

4 I would let Mrs. Swafford go first and
5 we will call this individually.

6 MR. SMEGAL: Does Paul have a comment?

7 MR. DURANT: I'm sorry. I apologize.
8 Paul, I apologize. The whole purpose of this call was to
9 allow you, as you had asked me, to have a comment. So
10 please, any comment that you have, it is on the record
11 and you may say whatever you like.

12 MR. EAGLIN: I'm ready to vote.

13 MR. DURANT: Thank you.

14 Mrs. Swafford.

15 MRS. SWAFFORD: Mr. Chairman, I vote
16 "Aye" on the motion.

17 MR. DURANT: Mrs. Miller?

18 MRS. MILLER: Aye.

19 MR. DURANT: Mrs. Benavidez?

20 MRS. BENAVIDEZ: Aye.

21 MR. DURANT: Ms. Bernstein?

22 MS. BERNSTEIN: Aye.

23 MR. DURANT: Mr. Mendez?

24 MR. MENDEZ: Aye.

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MR. DURANT: Mr. Uddo?

MR. UDDO: Aye.

MR. DURANT: Mr. Wallace?

MR. WALLACE: Aye.

MR. DURANT: Mr. Smegal?

MR. SMEGAL: Abstain.

MR. DURANT: Mr. Valois?

MR. VALOIS: Aye.

MR. DURANT: And the Chairman, Mr.

Durant, votes "Aye."

Mr. Eaglin?

MR. EAGLIN: No.

MR. DURANT: Thanks very much. Do you have any other comments?

MR. EAGLIN: No.

MR. DURANT: Good luck on the soccer. And thank you for being available, Paul.

MR. EAGLIN: Right.

MR. DURANT: And thank you also for your participation throughout all of this.

MR. EAGLIN: Okay.

MR. DURANT: I appreciate it.

MR. EAGLIN: Thanks.

(Whereupon the group returned to the

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Kent Room and resumed the meeting.)

MR. DURANT: At this point what I would like to do is introduce Jim Wendzel and ask for a round of applause.

(Applause.)

MR. DURANT: At this point we are going to break for lunch because of the time frame in which the hotel has us. We will reconvene at ten after 1:00 back here in this room.

And Jim, I'll try to be here at about five minutes to 1:00.

(Luncheon recess.)

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1 CONTINUATION OF BOARD OF DIRECTORS MEETING

2 MR. DURANT: The meeting of the Board
3 of Directors, Legal Services Corporation for Friday, June
4 28, 1985, will now be reconvened. At this point on the
5 agenda we have "Report from the Committee on Provisions
6 for the Delivery of Legal Services". Before I ask Mr.
7 Valois to report to us, I would like a motion from the
8 Board of thanks to Tom Opsut for his work that he has
9 done for us as our interim president. May I pass such a
10 motion?

11 MR. WALLACE: So moved, Mr. Chairman.

12 MS. BERNSTEIN: I second that motion.

13 MR. DURANT: Any discussion?

14 MR. MENDEZ: Mr. Chairman, I don't think
15 Mr. Opsut is satisfactory, I think that Mr. Opsut was --

16 MR. DURANT: That's why I want to discuss
17 it.

18 MR. MENDEZ: Mr. Opsut heals a lot of
19 wounds between the corporation in the field and most
20 importantly, heals the wounds within the headquarters
21 itself. And the best way for me to express that is that
22 last year they had trouble fielding the softball team and
23 this year they had about fifty show up at the games;
24 that's a fair indication that we're getting some internal
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1 cooperation; that everybody is feeling better and every
2 time I call and check and pull somebody aside, it's very
3 obvious Mr. Opsut has really changed the belief and
4 cooperation of the corporation. I can't express my feel-
5 ings any higher than to say that he's just done a fabu-
6 lous job.

7 MR. DURANT: I would certainly like to
8 say he's been very, very helpful to me during a very
9 difficult time; that he is a reflection of the staff and
10 good work that they have done and I just want Tom to know
11 how deeply, in a personal way, that I am appreciative of
12 all of his good work. Is there any comment or discussion?

13 MR. UDDO: Yes, where is he?

14 MR. DURANT: He's working, as usual.
15 You want to bring him in for just a quick comment.
16 While we're waiting for him, I promised Jim Braude that
17 they would have an opportunity to address Legal Services.

18 MR. BRAUDE: I'm Jim Braude, B-r-a-u-d-e.
19 I think that, based on the response of the agenda, my
20 standing up to make comments before some of my fellow body
21 members, some of you thought I would make some powerful
22 comment about the new president of Legal Services Corpora-
23 tion. I don't know about the new president to make any
24 comment and that's why I am standing up.

1 I think that in light of the fact that
2 the Board decided the history, that process should be a
3 close one; that the members of the public and the members
4 of the legal services community would like to know a little
5 bit more about the president of the corporation, other
6 than just bar memberships and the fact that he's a compe-
7 tent lawyer, which I am sure he is, and what his qualifi-
8 cations are, what his background is, what Legal Services
9 background he has and also, I think, it would be helpful
10 as we're about to enter into this new era in Legal
11 Services, both of you confirmed that in the new president.
12 If we could hear something about the process that got us
13 there, since the decision of the Board pretty closely
14 unanimously was that the legal services community not be
15 active participants in the process. So, at minimum, we
16 would like to know something about Mr. Wendzel and, at
17 maximum, we would also like to know how we got Mr. Wendzel
18 to be president of Legal Services.

19 MR. DURANT: We have a minimum and a
20 maximum and right in the middle.

21 MR. BRAUDE: On things like this, we
22 like to know if we can hold all our comments in the
23 future.

24 MR. UDDO: If they're brief as Mr.

1 Ingram's, you could.

2 MR. MENDEZ: We encourage it, in fact.

3 MR. DURANT: In terms of the process,
4 the process by choice, involved every member of the Board,
5 except for Mr. Mendez, who was unable to participate
6 until the very end. The reason we wanted it to be the
7 entire Board participating, this is by statute. As you
8 know, the Board is made up of a number of different
9 people representing a number of different interests and
10 groups and the important thing was to have all those
11 interests and groups represented and I think that process
12 was accomplished. We have members of the Board that have
13 been active in Legal Services programs; we have members
14 of the Board who have been active in the organized Bar;
15 we have Republicans, Democrats, and Independents; we have
16 a wide variety of views and that was certainly evident
17 during the course of the discussion that we went through
18 a series, as I said, in excess of 250 resumes of people
19 who had responded to our ads that were placed in the New
20 York Times and Washington Post, Wall Street Journal, the
21 National Law Journal and other publications. We had
22 about, I think, nine or ten meetings in which we dis-
23 cussed the resumes in which we discussed the different
24 attributes and qualities and experience of each of the

1 people in them. It was a painstaking and time consuming
2 process, needless to say, because of the volume of paper-
3 work. We also made a point of going slowly in terms of
4 discussing different people and being reluctant to cut
5 out names as we were going through the process. In the
6 beginning, it was evident that some of the applicants
7 didn't read the advertisements, because of the require-
8 ment of a minimum of five years of practice in being a
9 member of the bar, the highest bar of the state in which
10 they reside, but it was a thorough processing in that
11 regard. We also took into account the questions that
12 were submitted by members of the public that wanted to be
13 a part of the discussions on the issues and questions.
14 Probably, the most extensive questions were submitted by
15 Gerald McIntyre of Upper New York State Legal Services
16 Program, a program and a number of programs in New York
17 State that I am going to be visiting in the middle part
18 of July and the end of July. I have had a number of good
19 correspondence with Mr. McIntyre and his questions were
20 the most detailed and the most thorough. We also had
21 questions from one of the programs in Texas, but it was
22 an attempt.

23 One thing that I have found particularly
24 good about this Board and its processes is that we were
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1 very candid with one another in terms of what we thought
2 were strengths and weaknesses. We are, however, united,
3 all of us, in the sense that we wanted to do the right
4 thing and good things for this program because there have
5 been people who have spent many hours to try and do the
6 right things and good things. I think, obviously, there
7 will always be decisions in which there are disagree-
8 ments. And as you know, I disagree with my wife fre-
9 quently, but I still have a very happy marriage, I think.

10 So that process was many meetings, many
11 resumes, much discussion by everyone. Mr. Mendez only
12 joined us at the very end for the last couple of meet-
13 ings; because of his schedule he wasn't able to, but
14 every other meeting I don't think we had one person that
15 was absent. In fact, a couple of cases when some members
16 of the Board were either going out of the country or
17 whatever, we rescheduled or scheduled them in such a way
18 to maximize the participation of everyone and not to
19 leave anyone out, so it would be a full and fair discus-
20 sion. As far as Jim himself is concerned, one of the
21 things that impressed us was that in the calls that we
22 made to different people in terms of reference packages,
23 whatever, his integrity, his loyalty, his hard willing-
24 ness to work more than a nine to five on any task, his

1 openness and, as I said earlier, his willingness to
2 listen. If his job requires anything, it requires that
3 ability, and I wish I had it better. I think Jim has it
4 and I think you could extensively agree and I think that
5 is very important.

6 In determining he had worked in the
7 Justice Department for six years in the '70's, he has
8 experience working with the hell in relations over at the Jus
9 tice Department or legislative affairs. He's been over
10 at the FTC or the Trade Commission for the last couple of
11 years and he was also a vice-chairman of the Fairfax
12 Housing Commission. And something, frankly, that I know
13 impressed a number of us on this Board was that he was
14 trying to bring about creative solutions involving both
15 public and private efforts involving housing for the poor
16 and its work that took a substantial part of time on his
17 part, but he did it willingly. So, I think that I am
18 very pleased with Jim. I think he has already -- We were
19 talking at lunch, started to list a number of things he
20 wants to be done with a number of people that are impor-
21 tant to talk to -- and yes, Jim, you are on that list,
22 and so, I think it will be a good choice for the Board.

23 MR. BRAUDE: I just want to know if Mr.
24 Durant could add to the description what Mr. Wendzel's
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1 connection with Legal Services has been over the years.

2 MR. DURANT: As Tom -- as Mr. Smegal
3 mentioned earlier, one concern is that he feels that the
4 candidate should have been a person with more direct
5 connection with Legal Services programs and whatever.
6 While Jim has been a private practitioner and has done
7 work for free on different kinds of work of that sort, he
8 has not been directly connected with a Legal Services
9 program. It came up sort of a little during the discus-
10 sion when I was reminded not too long ago in Chester's
11 book, *Never Lasting Man*, in which he points out that
12 sometimes the best person to bring in for a task is
13 someone that comes without pre-conceived notions, with a
14 sense of fairness and integrity to make honest judgments.
15 And he -- Jim went on to write a book about the subject
16 and I think that -- I don't know if Jim Wendzel would
17 write a book about the subject, but he does come to us
18 with those kinds of attributes, which I think are impor-
19 tant for doing this job.

20 Now, what I'd like to do -- Tom Opsut
21 has just come into the room during that short commentary.
22 Tom, if you would stand up, we just had a motion of
23 praise and thanksgiving for your good work and we were
24 about to vote on it. We won't make it a secret ballot.

1 All those in favor?

2 MR. MENDEZ: Mr. Chairman, I'd just
3 like to say I think we all thank him and encourage him
4 not to lose any more hair.

5 MR. DURANT: I was going to wait until
6 after the vote and, then, we'd see what the outcome of
7 that would be. All those in favor of the motion of Mr.
8 Mendez in praise and thanksgiving for Mr. Opsut, I want
9 you to signify by saying "Aye".

10 (Chorus of "Ayes".)

11 MR. DURANT: Opposed?

12 (No response.)

13 MR. DURANT: It was very nice of you to
14 bring your whole family here. And we do thank you, Tom,
15 very, very much. And I do have to schedule a softball
16 team and I will be at one of those games.

17 MR. OPSUT: Seven and out.

18 MR. DURANT: Seven and out.

19 Now, on to the business of the agenda,
20 the report from the committee on provisions for the
21 delivery of legal services by Peter Broccoletti.

22 MR. BROCCOLETTI: I'm going to give you
23 just a summary report because all of you were here this
24 morning; most of the public that was here this morning
25

1 are here now. We covered the items on the agenda, the
2 two principal items being the Corporation's idea and
3 program about the attorney recruitments and the second
4 one being a matter of determining whether or not to do a
5 count of migrants and some of the possibilities, methodo-
6 logies and so forth. All those witnesses and their
7 remarks are in the transcript. The committee took no
8 action requiring any action or recommendation by the
9 Board, so there's nothing for them until the receipt of
10 the report. I consider both of the subject matters to
11 have been somewhat inconclusive; with respect to the
12 migrant question which, apparently, has been with us for
13 awhile; as to the recruitment matter, we have offered Mr.
14 Cook an opportunity to give a written response, which I
15 assume he will take us up on. And so, I don't want to
16 make any judgments about that, although we don't know if
17 there's anything we're asking the Board to do either.

18 The next item on the agenda is, The
19 Reorganization of the Office of Field Services. And who
20 is going to speak about that?

21 MR. DURANT: Mr. Broccoletti, what I'd
22 like to do, if I could, Peter, is that if you would make
23 some preliminary comments, then, I'm going to ask Mr.
24 Braude and Mr. Steinbrook to come up, as I have received

1 some correspondence to make a particular presentation
2 and, then, you will stay here and be available for ques-
3 tions for any of your people. So if you can make just a
4 brief presentation.

5 MR. BROCCOLETTI: I will try to be as brief
6 as possible; I won't bog you down. I will try to give a
7 very brief review.

8 As I mentioned, we notarized the last
9 couple of Board meetings; I think that the two most
10 important things to keep in mind are, the regional offices
11 are part of Field Services, they're not a distinct part;
12 two, that this is not a new idea. Back in the '70's, the
13 Board considered reviewing the revision of a number of
14 offices and in 1981, considered closing the offices and
15 in March of 1983, when I was starting as a consultant to
16 the Office of Field Services, Greg Polley, the then-
17 director, was considering reorganizing and restructuring,
18 it's an idea that has been going on and on, it is some-
19 thing that is not new.

20 What we presently have, I think it's
21 especially appropriate to mention in Detroit, is a eight-
22 cylinder gas guzzling engine, a big old car trucking
23 along wasting gas. What we propose, if you accept our
24 proposal, is a sleek four-cylinder car that can go a lot
25

1 faster, hold the road a lot better and use a heck of a
2 lot less fuel. The rationale for the reorganization is
3 to make us a lot more sufficient. We think there should
4 be a lot more regional offices, a regional president
5 utilizing monitoring visits. The number of functions for
6 the regional offices are going to be significantly
7 reduced from seventeen to about three, mainly the purpose
8 of monitoring. Monitoring, we need to make it uniform,
9 so that the offices in Chicago monitor the same as
10 offices in Atlanta, the same as offices in San Francisco,
11 the same as offices in Denver. We want to streamline
12 this organization. Looking here at the chart, if I may
13 -- I'm not sure I can carry this with me. Looking here
14 -- excuse the difficulty here. This is the proposed
15 structure of a number of regions that we presently have
16 and a number of offices that they monitor. As you can
17 see, what we have now is a completely unequal structure,
18 a tremendous unequal workload. We had, when there was a
19 Boston office, permanently staffed, they had about fif-
20 teen to seventeen programs, the Atlanta had sixty-five
21 programs. We are trying to create a much more equal
22 distribution of the workload. There is a proposed head-
23 quarters in the regional office structure that we would
24 like to have. The reason headquarters has some more
25

1 appropriate responsibility for it. We propose two
2 northeast regional desks to be responsible for the moni-
3 toring of those programs. Basically, the rest will stay
4 the same. The reason that the Rocky Mountain Pacific
5 office is a little less is because of the businesses
6 there are so tremendous, they need to have less programs
7 in order to monitor them.

8 Next chart. Now, this is basically,
9 again, the breakdown on the monitoring on the number of
10 programs that each professional is responsible for. Con-
11 trary to some comments, you can see that the most a
12 professional will be responsible for in our proposed plan
13 is about 12.9 and again, they are fairly standard
14 throughout here, the breakdown of the program.

15 Next chart.

16 MR. DURANT: I am going to ask you to do
17 the same thing I asked Stan to do this morning. If you
18 can get those charts miniaturized and make copies for the
19 record, because it won't do us any good without it in the
20 transcript.

21 MR. BROCCOLETTI: This is the proposed
22 structure of the correct and proposed staffing. As you
23 can see, thirty-two people are straggled out at nine
24 offices, some of which have no current personnel. What

1 we plan to do is reduce the number of offices to twenty-
2 nine personnel keeping up those offices. There is only a
3 change here of three people.

4 Next chart. This is the breakdown of the
5 staff analysis, the total current staffing and proposed
6 staffing. I think it's important to note here, the
7 present staffing of field services is sixty-five and the
8 proposed is eighty-one. In fact, we have an increase of
9 sixteen permanent personnel offices, although there is
10 less staffing of the regional offices.

11 Next chart. This is simply the basic
12 breakdown of the budget projection, proposed funding of
13 the nine regional offices and headquarters. This is the
14 amended amount today, 5.910. This is the proposed budget
15 of four regional office headquarters.

16 Next chart. The last time we met, you
17 had questions about each line, so I will briefly address
18 the questions you had at that time. Basically, the
19 change here is personnel compensation and benefits. That
20 is the only line that has a slight increase; that's
21 because we were trying to staff up. The next line,
22 temporary personnel consultants. The reason for the
23 tremendous drop here is because a lot of the positions
24 that we presently have are being filled by temporary
25

1 personnel by consultants; that's why there is a tremen-
2 dous difference here. Also we had a few special tasks
3 and had to hire an extra consultant; that we won't need
4 next year. The monitoring consultant, the reason there
5 is a slight savings in here is because in averaging GSA
6 standards, interest procedures would save up to twenty to
7 thirty percent. The restructuring of monitoring teams,
8 so some cases where we might have eleven before, we only
9 will have about nine people or ten people, we will try to
10 make it less and more cost efficient.

11 On the travel and transportation, there
12 is a savings here. Basically, the savings comes from the
13 \$50,000 that we've got in the budget for temporary living
14 expenses for people that were going to be in the regional
15 office. We have full staffing at our current offices
16 that would go along with our plan; we won't need that
17 temporary living expense plan. Other travel expenseta-
18 tion comes from the regional office during the monitoring
19 evaluation; they will be attending a new project. Quite
20 frankly, we will be doing a little belt tightening.

21 Communication costs. Basically, the
22 reason for reducing communication costs is because we
23 will have less phone systems, from nine offices to four
24 offices.

1 Rent and occupancy costs. Again,
2 that's fairly obvious, because of the reduction of the
3 number of offices.

4 Printing and reproduction. Again, we
5 have less equipment that we're leasing in those offices.

6 Capital expenditures. Again, we had a
7 little less. We had a little more in the year 1985
8 because we had to purchase extra bookcases and supplies
9 for the new building, but there won't be any in the
10 future.

11 Basically, although there is a one
12 million dollar savings projected here, I may also stress
13 there's only \$400,000 that comes from the cutting back of
14 those offices, the rest is in savings and making our-
15 selves more efficient.

16 To summarize this, I think, in the end
17 it is very important to try to make our operations much
18 more streamlined, efficient, be able to carry out man-
19 dates, catching up with the monitoring business, doing
20 them once every eighteen months, avoiding tremendous
21 duplication of efforts between the regional offices and
22 headquarters, acting in unison. This is one field ser-
23 vice, it should not be nine or ten regional offices.
24 Thank you.

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MR. DURANT: Jim -- Mr. Braude?

MR. BRAUDE: There's a note up here that says please conclude. We have discussed the topic on a number of occasions here, so we are going to skip a number of things that the Board has heard before. I am sure you are happy to hear about that. I am going to spend a minute or two speaking about and complaining about the process that got us here and, then, Judy Steinbrook, who no longer works in Virginia and now works in one of the regional offices in Washington, will state the substance of the proposal for a couple of minutes.

A lot of the Board members have mentioned from time to time how terribly important this spirit of cooperation that we're hoping this forum is. And I think at one end of the spectrum in terms of the Board's process, we have something like the Regulations Committee, where there has been constant exchanges between the field and its representatives and the Board. And while I think that there have been some disagreements in substance, I don't think there will be an awful lot of disagreement about the process that got us understanding both positions. The other end of the spectrum is the Presidential Search Process, where a decision was made by the Board, as I said before, to exclude active one-on-one

1 space in the field. This situation sort of fell some-
2 where in between, where there was some question and
3 answer, some presentations of the Board and, then, what
4 at least I thought was going to be the beginning of a
5 meaningful process in a meeting that finally was arranged
6 after much back room -- I don't mean that in the majora-
7 tive, but literally, a back room discussion about the
8 conditions and terms of the meeting between some of the
9 regional office staff and a number of officers, who I
10 would say know more about the functions of the regional
11 office than anyone else, and the staff office of Field
12 Services in Washington. I am sorry to say that my
13 opinion, after hearing about that meeting and what's
14 happened since, is that that meeting, which was, I guess,
15 an attempt of clarification and hopefully some agreement
16 which was, I think, a sham and I'm not directing that
17 comment to anybody on the Board by the way, but I think
18 some of you in the Office of Field Services did a great
19 disservice to all of us. The feelings of the people at
20 that meeting -- a lot of the regional staff and myself is
21 that there is a minimal obligation to meet and hear what
22 the people have to say and, then, let's get the process
23 over with and move it on. We listened very carefully to
24 what the Office of Field Services staff had to say and,
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1 as a matter of fact, they moved on a number of issues and
2 in attending the second meeting to address some of those
3 concerns and movements, we were told we couldn't have a
4 second meeting for a couple of reasons; one, because
5 there may be a collective bargaining problem. Mr. Valois
6 and I had a lengthy discussion with the general counsel
7 and I think that issue was more than resolved with total
8 reason. Then we were later told that a memo from Mr.
9 Thimmel, one of the reasons why we couldn't have a second
10 meeting was because he had been advised from Mr. Mendez
11 -- I don't know if this came directly from Mr. Mendez and
12 I do extend my apologies if it is a misquote, the Board
13 does not desire a unified approach, but rather one that's
14 experimental. Before you, my clear understanding was
15 we're trying to narrow the differences without collective
16 bargaining. It's really inexcusable. My sense is that
17 the decision, at least by the staff, has long been made.
18 The regional office in New York have been told not to
19 renew their lease, even on a month-to-month basis. There
20 is a reorganization proposal that he spoke about today,
21 in terms of some senior staff at the organization which,
22 I believe, Mr. Opsut said took place last Wednesday.
23 There are -- pardon me?

24 MS. MILLER: I don't mean to interrupt,

1 but Mr. Opsut was talking internally, within the corpora-
2 tion.

3 MR. BRAUDE: I understand this is
4 pretty internal within the corporation, too.

5 MS. MILLER: There was --

6 MR. BRAUDE: I understand it had a
7 serious impact on your overall structure. Finally, some
8 of the jobs that I believe will be created should you
9 adopt the staff recommendation in the monitoring of eval-
10 uation; for example, that are already being advertised
11 for and I believe being filled despite the fact that you
12 have not yet made a decision to move monitoring and eval-
13 uation into this kind of unit. It really does not leave
14 one the impression that the process was an open and
15 honest process and I am, again, addressing your OFS
16 senior staff. Every single person who I've heard you
17 address on this issue, whether it be in writing from
18 project directors -- or on other issues, whether it be
19 TAG representatives, whether it be aviator representa-
20 tives, written comments from a number of regional direc-
21 tors, I'm not aware of one single person who has spoken
22 to the Board -- I may be wrong, that endorsed the staff
23 proposal to this Board; that, considering the diversity
24 of who has commented, is some indication to me that there

1 must be some flaws in this program. We started with the
2 notion that there was a huge cross-savings from what we
3 see now, the cross-savings is secondary reorganization
4 and streamlining and whatever we said about cars and all
5 that sort of stuff, which I missed a little bit of. I
6 have not heard one single word come out of Mr.
7 Broccoletti's mouth about what happens to people who work
8 in the office whose jobs are about to be lost. I am
9 sure, you know, the average length of involvement in
10 legal services of the people whose jobs will be lost if
11 you vote for this proposal today is 9.75 years. I find
12 it incredible to believe that there's not been one
13 comment from Mr. Broccoletti about that, except the rhe-
14 torical doorway in an earlier document about how they are
15 free to apply or something like that, which I don't think
16 we need Mr. Broccoletti telling us that people are free
17 to apply for jobs. When -- I don't know, I guess -- when
18 does this proposal take place? When is the recommenda-
19 tion?

20 MR. BROCCOLETTI: If the Board approves
21 the plan, we recommend October.

22 MR. BRAUDE: My apologies for that, I
23 can't even get a Board meeting talk -- I should say it's
24 very difficult and when some question seems simpleminded,
25

1 my apologies, it's very hard to impart with.

2 In sum, I think what the position of
3 those of us who have spoken on this issue pretty
4 continuously is that the proposal that you have before
5 you is not a very serious one. If you want to keep the
6 regional offices open, why keep a mysterious presence in
7 the legal services framework and if you were concerned
8 about it -- as I'm sure you are, about monitoring, about
9 compliance and all those sorts of things, there's got to
10 be a serious presence in the regions near the programs.
11 Frankly, if anything, I would have thought if the
12 proposal came before you, it would increase the number of
13 offices rather than decrease the number of offices. I
14 would also suggest to you, finally, before Judy speaks on
15 the substance, that if it turns out today that you were
16 to take a vote to reduce the number of offices by more
17 than one or two, I would suggest you really do bite the
18 bullet, as someone said earlier this morning on another
19 topic, and closing and centralizing because, essentially,
20 in our judgment you're doing nothing more than central-
21 izing its function in a way that would be totally dys-
22 functional; will not achieve the objective that you --
23 many of you have voiced time and time again since you
24 became recent appointees. And rather than sort of

1 keeping the issue alive, I think we should do what the
2 staff -- in my judgment, is trying to do, which is cen-
3 tralize the functions that heretofore were performed by the
4 regional offices and at least for now keep four and then
5 be back and say well, four doesn't work either, let's do
6 them all out of Washington and increase the plan and save
7 on the telephones.

8 In sum, I think the process beyond the
9 Board or either below the Board level has been nothing
10 short of disgraceful. And as a matter of fact, I can't
11 do very much about that. We will speak now for a couple
12 of minutes about the substance and, then, we'll be
13 answering questions and we will go from there. Judy.

14 MS. STAINBROOK: Thank you. I,
15 originally, was going to speak more to the substance; I
16 think I will speak a little bit to the process.

17 MR. DURANT: Focus on the substance.

18 MS. STAINBROOK: Yes, I am going to
19 talk about the substance.

20 MR. DURANT: Yes, I am aware of that,
21 but I'd rather, if you could, focus on the substance.

22 MS. STAINBROOK: This is the fourth
23 formal memorandum we have presented to the Board on the
24 topic of regional office reorganization. Did everyone
25

1 get a copy of our last June 24 memorandum?

2 MR. WALLACE: I did not, I am still
3 looking at the May 15.

4 MS. STAINBROOK: Oh, okay, we have
5 some.

6 MR. DURANT: Is this the June 25th one?

7 MS. STAINBROOK: Yes.

8 MR. WALLACE: I think you did hand them
9 out yesterday, but I got so tied up with my committee, I
10 don't know where my copy went.

11 MR. BRAUDE: We'll get you one.

12 MR. WALLACE: I apologize, thank you.

13 MS. STAINBROOK: We raised several
14 issues in this memorandum that I will very briefly
15 summarize for you that I think we hadn't raised before,
16 although it's difficult when you're for it. In our
17 meeting that we had with the Offices of Field Services
18 representatives they steadfastly maintained that space
19 should not be considered an overhead cost in the central
20 office; we maintained that it should be. The position of
21 the OFS people was that it would not cost more to house
22 twenty more people in the central unit than it would cost
23 if you did not centralize. But yesterday, Mr.
24 Broccoletti had a meeting -- OFS staff meeting from which
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1 the Virginia regional office was specifically excluded,
2 in which it was my understanding that he said that more
3 space would be needed in the new building and therefore,
4 I think that argument fails, not only by accounting
5 standards, but by his own admission. If they're going to
6 centralize, they are going to need to rent more space, as
7 we have been saying for some time. And we are very glad
8 that Mr. Broccoletti now agrees with us. We also noted
9 that the Office of Field Services proposal makes a
10 statement that any office with less than five or six
11 people is too small to be effective. But two of the four
12 offices that they propose have only four professional
13 people in them and therefore, our concern is that they --
14 by their own admission, are setting up two offices that
15 are going to be ineffective. Six percent of the regional
16 offices will be ineffective. We also wanted to note it
17 was only on Wednesday that we heard a rumor on the
18 internal reorganization of the corporation. We have
19 never formally been notified of that.

20 MR. VALOIS: Why should we?

21 MS. STAINBROOK: I think it's because -- I
22 believe it affects -- I think if we are part of Field
23 Services and Field Services is being reorganized and Mr.
24 Broccoletti continuously says that Field Services is part
25

1 of the regional office, I think, I believe we should be
2 notified with the rest of the staff. I'm not asking for
3 advance notification, but I think at the same time with
4 the rest of the staff, when they are informed, we should
5 be also. However, I believe that the internal
6 reorganization plan affects the regional offices because
7 the central monitoring and evaluation movement is moved
8 out of Field Services into another division altogether,
9 whereas the four regional offices are left with the Field
10 Services, and yet, we are continuously being told that
11 all monitoring should be coordinated. I don't see how
12 that's possible if the central monitoring unit is in a
13 different division from the division in which the four
14 remaining offices are to be located. And that
15 immediately struck me that Mr. Jarvis was kind enough to
16 come over at the end of the day -- yesterday -- and
17 explain the plan. I asked him to clarify that and he
18 said that there had been apparently some discussion about
19 that issue and I think maybe the Board should discuss
20 that issue now if it's going to affect the functions of
21 the regional office. In closing, I think that there are
22 too many issues now that have been raised, but not
23 resolved by this plan for this Board to vote on that plan
24 today, although it's certainly not my intention -- If

1 there's one thing that all of the regional offices want,
2 it's closure on this issue. I'm not trying to debate you
3 unnecessarily. I wish for my sake and for the sake of
4 all the people who are working in regional offices who
5 for two years have been working with a very uncertain
6 situation that you would make a decision today. I think
7 that a bad decision would probably be better than no
8 decision at all. I feel with all these unanswered ques-
9 tions, I don't see how it could be anything but less than
10 informed.

11 MR. DURANT: Judy, I just have a couple
12 of things. I was trying to make notes as you were going
13 through. The three things that I sensed that you men-
14 tioned was, one, you said two of the four offices would
15 have less than or four less professional people, you said
16 there, the second issue was having to do with the -- with
17 only four, that we might as well have not because the
18 centralized functions could be best performed, even with
19 those four offices and the third had to do with more of a
20 question regarding the broader reorganization. Now, if
21 there's anything that I missed in terms of objections to
22 the proposal, Judy?

23 MS. STAINBROOK: If you pull out the
24 memorandum I am sure there are others that have been
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1 raised that, of course, we have in the proposal and if we
2 talk to every single regional person, each person would
3 have objections to it. In terms of what I want to say
4 today, that's true.

5 MR. BRAUDE: The position continues to
6 be that whatever savings are projected by the staff is
7 not, in fact, substantiated in that there would not be
8 any serious savings; secondly or thirdly, wherever we are
9 on the list, I think the geographical reality of the
10 effective monitoring or evaluation or whatever it is
11 these regional offices are going to do. I think just to
12 look at this map it's fairly hard to believe anybody on
13 this Board who believes that the program has to be
14 watched carefully and helped and any other verb you want
15 to use, thinks that this is even close to a serious
16 proposal. It is absolutely absurd to think that that
17 office in Chicago -- Well, one last comment, a lot of
18 issues have come before this Board; I think there's a
19 feeling that this sort of vested interest coming at you
20 and that people can really get above their own sort of
21 personal position, needs and jobs or the union-type thing
22 or whatever kind of thing. On this issue, please be
23 aware that the legal services community has been, I
24 think, one hundred percent uniform in response to that
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1 proposal. The vested interest in the legal services
2 community, until we see otherwise from the Board and
3 including from the new president, is move to Washington,
4 move everybody to Washington and close the regional
5 offices, keep everybody on the east coast -- those that's
6 on the east coast will suffer a little, but at least
7 everybody off the east coast isn't going to suffer; you
8 realistically will not be able to monitor everything,
9 except in isolated situations. So please keep in mind
10 when you're making your decision, this is not a situation
11 where anything, I think, that merits have been part of
12 this consideration. There are a large number of people
13 whom I represent, through other organizations I repre-
14 sent, who personally would very much like, not only to
15 support the plan to a zero number of offices, but I think
16 those of us who believe that Legal Services has got to
17 function with complete compliance, with a close eye from
18 the Corporation and the Corporation is close enough for
19 the people in the program and the clients to reach back
20 out to, need a serious regional presence. And that
21 really, in one sentence, is the common thread you should
22 read through, as Judy said, close to one hundred pages of
23 memoranda that have come from the regional office to you
24 in the last few months on this issue.

1 MR. DURANT: Joshua Brooks, if you
2 would, it's my understanding you want to address some of
3 the objections that have been raised. Gail Francis will
4 also be joining us today.

5 Is there any other public comment to be
6 made on this issue?

7 MR. BRAUDE: It's very hard to say.

8 MR. DURANT: You said that there is
9 other issues and remarks -- Ms. Eisenberg? Eleanor, do
10 you have some comment?

11 MS. EISENBERG: My name is Eleanor
12 Eisenberg, Region Eight Project Director. I will be very
13 brief. I just want to remind the Board there was a time
14 when the function of the regional offices went beyond
15 monitoring. They were available to all technical assis-
16 tants and other kind of support, and that's a function we
17 think ought to be restored to regional offices, rather
18 than having the functions removed. And clearly those are
19 functions which are much better done by an entity which
20 is closer to the programs, which knows the program, which
21 knows the environment in which they function. There was
22 also a time when monitoring was a much-constructed
23 process as police actions. And where deficiencies are
24 noted in a regional office, we're immediately prepared to
25

1 offer the kind of assistance that the program needed to
2 comply or to make their services better. That is really
3 all I wanted to say.

4 MR. DURANT: Anyone else?

5 MS. JOHNSON: Yes.

6 MR. DURANT: Yes, ma'am.

7 MS. JOHNSON: My name is Lillian
8 Johnson, also project director from Phoenix, Arizona. I
9 would like to reconfirm some of the statements that have
10 just been made. Technical assistance is of the utmost
11 importance to the legal services programs. In addition,
12 with all the changes and all the regulations, if we
13 could have someone closer to us that is willing to work
14 with us on those regulations in attempts to comply with
15 them, we would really appreciate it. I hope the Board
16 will consider not reducing the number of people who will
17 be made available to the local programs but, in fact,
18 increasing. I strongly suggest that four professionals
19 are not enough; that you should consider no less than
20 ten, because the regions are larger and the programs have
21 a lot more regulations to comply with. I thank you.

22 MR. DURANT: Any other comments?

23 (No response.)

24 MR. DURANT: Mr. Brooks?

1 MR. BROOKS: You have indicated that
2 you would like the comments to remain brief at this
3 point; I indeed think they should. There's no question
4 that this matter has been not only pending before you
5 for quite some time, but indeed, this matter has been
6 pending at least in its current form or variation of it,
7 as it was originally presented, for well over two years
8 now. As one who has worked with, labored over the needs,
9 over the development of this plan, I resent -- I strongly
10 resent what I consider to be a cavalier characterization
11 of the plan as such things as window dressing or sham or
12 that sort of situation. The fact of the matter is, the
13 record clearly indicates when this current administration
14 came aboard, the plan before the Board was a one-office
15 plan. What we attempted to do because we agreed to the
16 regional directors and as one of the regional directors
17 commented to us and indicated that there is a need for a
18 regional presence, we would back the four-office plan.
19 This map, which has been, again, so cavalierly dismissed,
20 despite the fact that it takes the kind that has been
21 suggested. You will note, for example, the lady from
22 Phoenix, the distance of her office in Phoenix really
23 doesn't change, it's the same. The midwest office is
24 substantially the same. We see the inclusion --
25

1 admission of Ohio, but if we're talking travel and
2 accessibility, it's pretty much the same. Going back to
3 Denver, the inclusion of the three states that were
4 formally a part of the arrow, those programs, at least in
5 terms of distance are materially no further from Denver
6 than they were from Seattle. San Francisco remains sub-
7 stantially the same. Admittedly, the six programs that
8 remain in Washington will be further away than they
9 currently are from Seattle, but with regard to some other
10 places that are so far away, in terms of the least travel
11 costs of expenses are not going to make any difference.
12 So, the plan indeed has taken into account these regional
13 considerations and has taken into account accessibility
14 of regional office programs. There has not been a great
15 deal of changes. As a matter of fact, as I understand
16 it, it is exactly the same. If you look at the
17 northeast, anybody who lives in the northeast, these
18 people know that means transportation that is available
19 to get to and from the northeast, up and down the north-
20 east. Cars are indeed expensive and easily affordable by
21 our program. The difference between traveling to D.C. as
22 opposed to traveling to New York or Philadelphia -- that
23 has been suggested, is not that great, especially if you
24 considered, on the other side, to open an office, there

1 would be considerably more expenses and then the
2 increased travel costs that are incurred in terms of
3 accessibility of program personnel to the regional
4 office. As a matter of fact, the kind of travel that
5 goes on between its request for monitoring, which is a
6 different monitoring, different budget that goes on
7 between the regional office programs, pretty much consists
8 of a regional director meeting. Since I have been at the
9 corporation it hasn't been an unusual practice.

10 There has been talk about a process.
11 Well, the June 4th meeting was called a sham. Well, the
12 meeting wasn't a sham. A regional office representative
13 requested the meeting, the meeting was held. The meeting
14 was a three-hour meeting, an extensive discussion went
15 on. We received requests for information so that the
16 regional office could have access to the hard data that
17 we used to get our plan together and made that available.
18 As a matter of fact, this is a document that we made
19 available for their meeting. The meeting was anything but
20 a sham, as a matter of fact. The fact that no -- the
21 point that has been made here that no subsequent meetings
22 were held or things of that nature, at least from the
23 staff's perspective, we were advised that there were very
24 serious issues here regarding collective bargaining and
25

1 recognition and we're mindful of those and we did what we
2 thought we had to do. I'm not going to go over this
3 long, I think that pretty much concludes what I have to
4 say here. As I said, I feel very strongly about it as
5 one that has lived with this proposal, who worked on it.
6 I am just quite appalled at the way it's characterized.

7 MR. MENDEZ: As you recall, I passed
8 the buck to you on this. We had several meetings on this
9 issue before and I read all of the materials and I've
10 formed a conclusion and at this time I will move that we
11 accept the Field Office proposal. I ask my fellow Board
12 members, is there anybody that is going to second it?

13 MS. BERNSTEIN: I'll second it.

14 MR. BRAUDE: I just want to --

15 MR. DURANT: I don't want to discuss
16 it, but if there is something that must be discussed,
17 fine. I don't want to -- I just want to make sure we
18 have something on the record.

19 MR. BRAUDE: To what extent are the
20 location of the offices, office commensurate with the
21 level of field services delivered in each of the
22 different regions and it talks about that, how --

23 MR. DURANT: I will direct that to you,
24 Ms. Francis or Mr. Broccoletti, you may feel free to
25

1 answer that.

2 MR. BROCCOLETTI: Let the record show
3 that Mr. Braude is holding a chart. It's entitled Number
4 of Field Programs by Region. It's a bad practice when
5 you're holding up things and people are looking at them
6 because the transcript doesn't reflect what it is, and
7 you do want those in the record. However, the column on
8 the left is a bar chart; last tab is the number of
9 programs. These are the regions that exist today. An
10 increase in the number of programs handled by each
11 regional office; the same for the proposed plan.

12 MR. BROOKS: I have additional comment
13 to your question. There has been a number of issues
14 raised from a professional standpoint in regards to that
15 plan, as you know, if the location of the offices that
16 we're proposing to keep should you approve this proposal,
17 are located in areas commensurate to the level of legal
18 services activity currently being provided in those
19 areas. I think that that map clearly shows that the four
20 offices which you propose keeping are indeed so located.
21 As a matter of fact, every one of those offices are made
22 to travel in the midwest; with regard to Chicago, we even
23 see an improvement. In regards to Michigan and Ohio in
24 terms of travel and accessibility I wouldn't think it's

1 easier in Chicago than it would be to D.C., maybe it's a
2 minimum cause, but at least it's an improvement. I think
3 clearly that the location of offices are indeed commen-
4 surate with the level of legal services. There's no
5 change in Atlanta, as I indicated before. With regard to
6 Denver -- south of Denver, those are the programs that
7 always had -- Montana, Wyoming, I see four programs there
8 and again as I pointed out earlier in terms of travel
9 distance and travel cost, there is no substantial
10 material difference for those programs between accessing
11 Denver or accessing Seattle.

12 MR. DURANT: What about the standpoint
13 of a higher concentration of legal services programs?
14 For example, when I was up in Boston about a month ago--
15 when I was up in Boston to visit Greater Boston Legal
16 Services, the projects in some other states' sports
17 centers and other programs, I was impressed by two
18 things. One, the quality of the people in the programs
19 and also, frankly, the great number in the northeast
20 section. How is that area well-serviced by the location
21 of that headquarters office of that area?

22 MR. BROOKS: I think that area is well-
23 served in several respects; one, I think I mentioned
24 earlier with regard to the geographical accessibility

1 circle we're talking mostly transportation here, since I
2 don't think anyone would have mail-in calls or telephonic
3 communication to increase that given level of the
4 development of the transportation systems that currently
5 serve the northeast corridor of that geographic area.
6 With regard to servicing those numbers of programs, I
7 agree it's a larger program. I guess we're talking
8 approximately ninety programs that would remain in the
9 northeast corridor.

10 I have been corrected, ninety-six.
11 We are looking at twelve professionals servicing
12 throughout the eight proposals with direct hands-on
13 responsibility for servicing those programs and that
14 breaks down to a little less than thirteen programs per
15 professional, which we think will be -- certainly in
16 terms of the fact that we want the regional offices to be
17 concentrated on monitoring and indeed as we would expect
18 the same from the people demanding these just by looking
19 at the monitoring rate of less than one program per month
20 for the eight-month period.

21 MR. DURANT: How many senior staff
22 people do you have over the staff professionals in the
23 same unit that you proposed?

24 MR. BROOKS: The plan proposes five

1 professionals and two support persons.

2 MR. DURANT: How many programs?

3 MR. BROOKS: Over sixty, sixty-four,
4 sixty-five programs.

5 MR. MENDEZ: I think once again, the
6 record should reflect that this chart is not up, as far
7 as the proposed monitoring capability which indicates the
8 number of programs per professional monitoring cycle and
9 there are six bars ranging between thirteen plus or minus
10 one and with the exception of Rocky Mountain Native
11 American which is housed in the same facility to seven
12 point something or another and that is showing roughly
13 that approximate load, I suppose for the new regions it
14 would be the same, more or less.

15 MR. DURANT: Higher or lower than
16 before?

17 MR. BROOKS: With current staffing
18 levels, it's certainly higher in a couple of regions.

19 MR. VALOIS: That's because there are
20 vacancies.

21 MR. BROOKS: Historically they have been
22 understaffed for quite some time now.

23 MR. DURANT: Mr. Brooks, from a
24 historical standpoint, it is my understanding, although I
25

1 have not seen the letter or the memo, that the question
2 of the regional offices has been one that has been long
3 talked about, both strengths and weaknesses. Prior to
4 1980, what was the position regarding strengths and
5 weaknesses? What, if any, proposals were presented, do
6 you know? Prior to 1980 historically, what were the
7 strengths and weaknesses in terms of how many regional
8 offices there should be, whether it should be zero in
9 terms of one proposal or another?

10 MR. BROCCOLETTI: Back in the late
11 '70's there were a significant number of programs, parti-
12 cularly in the southeast and west. With an expansion,
13 regional offices requirements of job needs to perform
14 increased significantly. At that point, it was discussed
15 that once the corporation has been solidified, as far as
16 the number of programs, there would be a review; that
17 review did not occur until 1981 and, again, that is a
18 good point to mention. Was the expansion, the need for
19 those number of offices significantly decreased?

20 MR. DURANT: From that standpoint, I
21 think the question was raised by the woman from Phoenix
22 -- are you from Phoenix?

23 MS. JOHNSON: Yes.

24 MR. DURANT: Is it important, one, in
25

1 terms as I have mentioned at Board meetings, of the
2 importance of trying to develop training programs, either
3 by doing in-house or done to help, as far as increase
4 skills, but also to help in terms of working with a
5 variety of regulations in what is to be developed. How
6 is that going to be achieved if it is by either that
7 proposal or other plans that you have?

8 MR. BROOKS: Well, as I am sure you are
9 aware, at this point in the corporation's existence,
10 provision of training has been decentralized. The way
11 it currently works is we find several tiers of entities
12 that have direct responsibility for providing the kinds
13 of training that you described. Those include, at this
14 point, the five regional training centers, the state
15 support center with regard to that and that's a decision
16 that was placed in the year 1980, '81. Because the
17 attempt by the corporation until that day to sponsor a
18 single large training event was centralized field
19 programs and they were unresponsive to the needs. There
20 was a serious question as to whether central entities
21 could present the kinds of training that was needed out
22 there in the localities. Also with regard to the current
23 budget available with regard to training at the
24 corporation as of this date and this year is at a level
25

1 of approximately \$170,000. I believe clearly that amount
2 of money would enable us to do no more than perform
3 accordingly.

4 MR. DURANT: Are there any other
5 questions from any members of the Board?

6 MR. WALLACE: I've got a question and
7 maybe my apology for the work I have done on regulations,
8 I may not be as clear on this as I should be. What,
9 precisely, is it that the Board is being asked to approve
10 here? Are we being asked to approve the new offices
11 only; the new office configurations only, are we approv-
12 ing all of the personnel data, the staffing numbers, the
13 functions there contained in the various memoranda that
14 we've seen with all due respect to everything you all
15 have said? I don't know a lot about management, but I do
16 know a gerrymander when I see one and what we've got now
17 is a gerrymander. I don't know why, but that's obviously
18 what that is. And that makes good sense to me from where
19 the offices are going to be, but personnel such as the
20 staffing levels is something that I'm not all that sure
21 about. Are you committing yourselves to particular
22 staffing levels with the resolution that's before the
23 Board or are we just deciding where the offices are going
24 to be?

1 MR. MENDEZ: Mr. Chairman, the
2 tentative motion was not to commit to specific staffing
3 levels. The tentative motion was to commit to the
4 various offices in the reorganization into four offices.

5 MR. WALLACE: This is a geographical
6 motion?

7 MR. MENDEZ: That's correct. With all
8 offices --

9 MR. WALLACE: OFS doesn't need organi-
10 zation from us to decide where to put staff members in
11 the regions that we approve.

12 MR. MENDEZ: It's my understanding that
13 they do not need the staff to do that for reorganization
14 of this type.

15 MR. WALLACE: I assume they're going to
16 do what they say they're going to do. I am just worried
17 about the contract if it doesn't work out. The geography
18 makes good sense to me and the rest of it I'm not enough
19 manager to have a firm opinion on, but I don't think I
20 want to lock us into what may have problems and something
21 that could be resolved later.

22 MR. DURANT: I just want to say, I
23 can't believe you would close four regional offices which
24 is not just management positions in terms of where you're

1 going to sit the people, but rather how you're going to
2 run the regional service corporation that you are
3 responsible for and not demand part of that decision
4 which would be how they're going to function. I mean the
5 purpose of this Board is not to run the day-to-day
6 affairs of field services or affect the officers on
7 this sort of thing. We make policy decisions to reduce
8 the number of offices and, then, the question of staffing
9 numbers over whatever are constant with the proposal
10 designed with as much information as possible. I think
11 Mr. Wallace is correct in the program decisions regarding
12 the number of staffing and wanting it to be done in the
13 usual way.

14 MR. WALLACE: I presume what is going
15 to happen is what we've been told. If something else
16 happens, we are going to be upset about it.

17 MR. MENDEZ: If something else happens,
18 we want to know about it.

19 MR. WALLACE: If what does happen
20 doesn't work, it would be corrected. I think it would be
21 corrected. I hope it would be corrected.

22 MR. SMEGAL: Mr. Wallace, I think
23 there's another aspect before us. I think the staff is
24 going from sixty-five to eighty-one, an increase of
25

1 \$32,000. I don't know where you're going to hire sixteen
2 people for \$32,000.

3 MS. FRANCIS: What happens is the
4 original proposal, which you were looking at, is a
5 comparison between the 1985 budget and the 1986 budget.
6 There are twelve salaries to the '86 budget for eighty-
7 one persons. The 1985 budget had some twelve-month
8 salaries for, I believe, ninety-six persons, some of
9 which were budgeted for less than twelve months. The
10 difference falls in that second category of consultants
11 and temporary persons. Frankly, the two lines should be
12 considered together in terms of if you wanted to make a
13 comparison between the total cost for the personnel
14 between 1985 and 1986; there is a drop-off of around a
15 half a million dollars.

16 MR. BRAUDE: The sense of this is only
17 denotive of geography, we understand that the Corpora-
18 tion's staff will do what it has proposed getting back to
19 the notion of what happens to all these people who work
20 in these places about to be closed down, would they
21 propose that these people be free to apply for jobs and
22 not only would I assume, but I hope that is unacceptable
23 to you, but it becomes almost absurd in the Washington
24 situation with the people who are going to work in the
25

1 exact same place where the people in the regional office
2 who are now free to apply for jobs when the new offices
3 open? Okay, one, I'm afraid to hear what the answer is.
4 I think the people that work in these places would prefer
5 no. What's going to happen October 1, rather than to be
6 left in sort of a limbo. So if, in fact, the sense of
7 that is a voting to endorse that part of the proposal as
8 well.

9 MR. DURANT: Jim, I don't want us to
10 establish a precedent that this Board is going to have a
11 hearing decision. I think that is bad policy for us to
12 do that. And it just goes beyond really what our func-
13 tion should be.

14 MR. BRAUDE: I think I said we're
15 quarreling about the firing, not about the hiring.

16 MR. DURANT: I think that this Board --
17 and Jim, you may disagree, and you're certainly welcome
18 to if you like, but this Board has been very sensitive to
19 those matters. I really don't want to get involved in
20 the personnel record, I think we have a track record that
21 I'm proud of.

22 MR. BRAUDE: I think in all fairness,
23 if you're endorsing a basic proposal that goes within the
24 average ten year's experience in legal services movement

1 and some --

2 MR. DURANT: We are aware of the
3 tentative facts of the reorganization, if that's the
4 question you're asking, but what we're saying is we
5 operate within certain policy lines and organizational
6 lines within the corporation and we don't, frankly, at
7 this point, see that the duty of the Board is to discuss
8 that publicly.

9 Mr. Gary, do you have a question?

10 MR. GARY: I am the director over
11 the Michigan corporation, I have been a director only
12 since October, but I've been with Legal Services for
13 eleven years. The geographical implications of those
14 proposals may not have been considered. Once I learned
15 how to litigate cases -- the training functions which you
16 referred to are a major concern. Now, the staff, we have
17 been prepared for that. I am on -- among other things,
18 the Committee for Regional Transportation for -- which in
19 four states I have functioned pretty efficiently. We put
20 on a large number of trainings pretty efficiently. We
21 learned how to do it, I think, very well. I don't know
22 how we're going to do it now; it is really unimaginable.
23 When we talk about that kind of geographical parameter,
24 those number of programs and those numbers of persons,

1 cost implications of putting together training for that
2 region is something I never even thought about. These
3 are the kinds of things that need to be considered in
4 terms of the implications of training.

5 MR. DURANT: Thank you, Mr. Gary, I
6 appreciate your comments.

7 When Greg DePlair proposed his
8 testimony before the House, which I propose to get an
9 advance copy of his various comments regarding training
10 and whatever --Ms. Swafford has picked it up and I think
11 that I asked both the interim president and the staff to
12 begin to develop and address those things. So, I am
13 sensitive to that. With all due respect, I don't think
14 it is a decision that has any impact. I think the
15 training is important. I say how it's done may be
16 different than how it was in the past. Because I know,
17 as a young trial lawyer, how important that was, and we
18 have already started to open up some discussions about
19 that. I would share that and I would invite you as a
20 friend to be a part of this and share with this Board and
21 the Corporation because I do know you do the training and
22 you do it well.

23 MS. SWAFFORD: Thank you, it's appre-
24 ciated.

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MR. DURANT: Any other questions?

MR. SMEGAL: You referred to a half million dollar savings, I don't see a chart here. My question is, were these consultants employees?

MS. FRANCIS: No, sir. What happens is there are a significant number of consultants already on staff; they are reflected in that group of sixty-five -- I'm sorry, permanent staff positions. In addition, approximately thirty to thirty-five additional temporary consultant persons which work both regional and headquarters.

MR. DURANT: Doing what?

MS. FRANCIS: Some of these are temporary persons filling in for permanent staff, others are working on special projects for the director.

MR. SMEGAL: Is that what you're calling on, consultants?

MS. FRANCIS: Okay. That total -- that number of sixty-five are individual persons, the total allocation of positions to the Office of Field Services is a hundred and four presently.

MR. SMEGAL: So, you have a hundred and four spots filled by sixty-five people?

MS. FRANCIS: We have a hundred and

1 four spots filled by sixty-five permanent people and
2 possibly thirty consultants in temporary services.

3 MR. DURANT: Any other discussion?

4 (No response.)

5 MR. DURANT: All those in favor of Mr.
6 Mendez' motion, please signify by saying "Aye."

7 (Chorus of "Ayes.")

8 MR. DURANT: Opposed?

9 (No response.)

10 MR. DURANT: The ayes have it.

11 Mr. Broccoletti, two things, I am going
12 to prepare a memo for precisely the questions that I
13 asked Mr. Brooks; I would appreciate an answer to that
14 within a very expedited time frame; number two, I would
15 like to see from you your proposal discussed and I also
16 want to -- without getting into individual hiring
17 decisions, I want to know what your plans are
18 specifically regarding that process and as Mr. Braude
19 said, or firing, or whatever, I just want to know exactly
20 how it is.

21 The next item on the agenda, is the
22 Discussion and Action on the Recommendations of the
23 Committee on Audit and Appropriations.

24 MR. MENDEZ: Mr. Chairman, the House

1 Appropriations Sub-Committee reviewed selection of an
2 auditor and the House Appropriations Sub-Committee took a
3 vote and are recommending to this committee that Peat
4 Marwick be the officer for the ensuing year and based on
5 the action of the committee, I move that we approve Peat
6 Marwick for the ensuing year.

7 MR. DURANT: Does anyone second?

8 MR. SMEGAL: I second.

9 MR. DURANT: All in favor say "Aye."

10 (Chorus of "Ayes.")

11 MR. DURANT: Opposed?

12 (No response.)

13 MR. MENDEZ: Mr. Chairman, the House
14 Appropriations Committee approved of the allocation for
15 the fiscal year 1986 and I would move that we adopt the
16 following allocation formula for FY'84 for the basic
17 field grant, the excess is approximately 11.3 that we
18 granted to them as follows: Fifty percent of the
19 increase to the floor, the bottom face programs, one-
20 third to the cost of living increase with the cap on that
21 one on the cost of living increase of 1357, approximately
22 sixteen percent or thereabouts to be allocated to perfor-
23 mance determination and that will be, further, the defi-
24 nition of what we'll include in performance to be defined
25

1 by the office corporate staff in the future.

2 MR. UDDO: I don't think that was the
3 motion. Not the staff, the staff to make recommendation,
4 but the committee --

5 MR. MENDEZ: I'm sorry, yes, the staff
6 makes recommendations to us, but we will make a further
7 determination in the future.

8 MR. DURANT: Is there a second?

9 MR. MENDEZ: I don't think it needs a
10 second, it does come in the form of a motion -- well, I
11 second.

12 MR. SMEGAL: I'm not sure on the fifty
13 percent used to bring up the base of all those, so we
14 will fill up those programs to where they're up to a
15 certain level.

16 MR. MENDEZ: Right, it's approximately
17 \$7.80 and it goes to \$8.13.

18 MR. SMEGAL: Is that thirty-three or
19 the fifty?

20 MR. MENDEZ: It's the fifty. The
21 thirty-three is a COLA to all programs under the 1357.

22 MR. DURANT: Do you and your committee
23 separate out the performance item from the formula now --
24 you kept a percentage?

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MR. MENDEZ: Yes, that's right.

MR. WALLACE: We do not have a different criteria that is recommended at this time.

MR. DURANT: And who will put together that criteria?

MR. MENDEZ: Mr. Fanale is working with the field and since Mr. Broccoletti is sitting there with a smiling face, I think we'll ask him to assist Mr. Fanale in doing that.

MR. DURANT: As I understand it, there's to be a meeting that is to take place on Monday or whenever?

MR. OSTERHAGE: That's correct.

MR. DURANT: Before you leave Detroit, you were going to give me the list of people to attend that meeting.

MR. OSTERHAGE: Bob Cohen from Orange County Legal Aid; Victor Geminiani, Executive Director of Northern California Legal Aid; Neal Haght, Montana Legal Services; Stan Foster, Oklahoma Legal Services; Lynn Gibson, Monroe County; Kent Spuhler, Executive Director, Jacksonville; Keith Osterhage, Program Development; Neal McBride, Tennessee West Legal Services; Jackie Mitchell; Jack Fitzgerald, Chicago; Bernie Fry; Malcolm Salvin;

1 Tony Gomez.

2 MR. DURANT: I'd also like to -- Gerry
3 wrote a letter regarding some of the issue performance
4 criteria, call him and talk to him as well because he
5 made some interesting points in that letter and I want it
6 to be taken into account.

7 MR. OSTERHAGE: Yes, sir.

8 MR. DURANT: Are there any further
9 questions? I guess not. All those in favor say "Aye."

10 (Chorus of "Ayes.")

11 MR. DURANT: All those opposed?

12 (No response.)

13 MR. DURANT: Any other items?

14 MR. MENDEZ: Mr. Chairman, we have
15 discussed the budget and there has been a reaction on it
16 and we believe that we'll take some action on the alloca-
17 tion of any potential carryover from the August meeting
18 in Salt Lake City.

19 MR. DURANT: Thank you, Mr. Mendez.
20 Mr. Wallace, your report on Committee on Operations and
21 Regulations?

22 MR. WALLACE: I am prepared to report.
23 We did, in our committee meeting yesterday, adopt a
24 proposal to recommend to this Board that the Board adopt

1 a resolution on private attorneys involved. We would
2 actually amend regulations that are already in force. We
3 made reasonably substantial changes over what was in the
4 Board book. We are in Detroit, we're not in Washington
5 and in talking to General Counsel last night, he told me
6 he didn't feel that there was any way in the world that
7 we could get a clean copy before us so we can vote on it
8 today. If it is the Chairman's pleasure, I would try to
9 go through my notes and tell you what it is we voted on.
10 But in essence, what the committee decided to do was to
11 leave the regulation the way it is, requiring twelve and
12 a half of your basic annual grant to go into your private
13 attorney involvement. We think that we have
14 substantially eased some of the recordkeeping burdens.
15 We have asked our auditors to come up with their minimum
16 of what they need to know in order to understand what is
17 going on in the field. We had that on the table for a
18 month or six weeks now. We really haven't had any
19 serious complaints about the new audit language. We
20 think that there's more flexibility in the program. We
21 have put in some waiver language. While there has been a
22 very limited waiver section in the existing regulation,
23 there is a much broader division in the waiver and
24 recommendation which we approved yesterday. Those are
25

1 the highlights of what we have done. If the Chairman
2 prefers, I will try to work through those notes and let
3 the Board know what we did yesterday, but I don't think,
4 given the difficulty we've had in Detroit, we don't have
5 a text before us.

6 MR. DURANT: I would rather have a text
7 and I assume you won't ask for any action.

8 MR. WALLACE: As I said, I am yielding
9 to the Chairman in that my committee is ready to act, but
10 I don't think the Board is because there is nothing
11 before it to read.

12 MR. VALOIS: Are you able to tell us
13 what your committee wants us to act on?

14 MR. UDDO: I don't think we can vote on
15 something we haven't seen the exact language of.

16 MR. VALOIS: The Chairman of the com-
17 mittee has it, if I understand correctly.

18 MR. UDDO: Why take twenty minutes or
19 thirty minutes having to piece through his notes? Let's
20 have a hard copy; read it and vote on it.

21 MR. VALOIS: Well, I don't know how
22 long --

23 MR. MENDEZ: Mr. Chairman, I feel much
24 the same, I think we should wait for the hard copy.

1 MR. DURANT: I do, too. I would ask
2 Mr. Wallace if he would direct authority to prepare the
3 Board the typed-up version.

4 MR. WALLACE: I will get this out to
5 the Board and to anybody else who wants to see it some-
6 time next week before the next meeting.

7 MR. DURANT: Is there any item of
8 importance?

9 MR. WALLACE: No, sir. This is the
10 only action in Salt Lake City; we hope to get the last of
11 the five re-examined sets of regulations, which is the
12 regulation on lobbying.

13 MR. DURANT: I'd like to mention one
14 other thing that isn't on the agenda. I want to thank
15 all of the members, not only in Wayne County Neighborhood
16 Legal Services Programs, but all those programs in Michi-
17 gan who, number one, I want to thank for the reception
18 last night and the breakfast we had this morning. I had
19 good comments from all the members of the Board and staff
20 who attended; secondly, and just as importantly, I want
21 also to thank the rest and other members of Legal Ser-
22 vices of Michigan who have had both the patience and
23 willingness to call me up and talk to me and argue with
24 me, debate with me on different issues, because
25

1 ultimately, I think this is the only way good answers
2 would come about. I don't see any of them in the room --
3 Gary is here, I just want to say I appreciate it.

4 MS. BERNSTEIN: And thanks from all of
5 us for the nice hospitality. I just want to say that
6 Clark has been telling us for a long, long time how
7 wonderful Detroit is.

8 MR. DURANT: The Wayne County program
9 has had a long history of problems and I think Linda
10 Bernard is trying to straighten those out. Linda, are
11 you in the room -- oh, there you are. I know Linda has
12 been trying to straighten them out and knows that the
13 Corporation and myself is available at any time to try
14 and help you work through some of these problems.

15 MS. BERNARD: Thank you.

16 MR. MENDEZ: Mr. Chairman, I wish to
17 say that we very much enjoyed our stay here and I thank
18 you very much for your breakfast this morning and it was
19 indeed enjoyable and that is one of the reasons we are
20 attempting to go out in the field and I hope the rest of
21 the areas that we visit will treat us as well. Thank you
22 very much.

23 MR. DURANT: I want to entertain a
24 motion to adjourn the two other items for the Executive
25

1 Session, because there is no Executive Session. So can
2 we move the motion to adjourn now?

3 MR. MENDEZ: So moved.

4 MR. DURANT: All those in favor, please
5 stand.

6 (Audience stands.)

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CERTIFICATE OF COURT REPORTER

1
2 STATE OF MICHIGAN)
3 COUNTY OF WAYNE) ss.
4)

5 I, Bambia G. Benham, do hereby
6 certify that I am a Certified Electronic Recorder and that
7 I so recorded the above proceedings of the Board of Directors
8 of the Legal Services Corporation held at the time and place
9 hereinbefore set forth; I do further certify that the
10 foregoing pages constitute a true and accurate recording of
11 the proceedings so held.
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17 BAMBIA G. BENHAM, CER #1364
18 Court Reporter
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