

**Legal Services Corporation
Telephonic Meeting of the Finance Committee
Open Session
Thursday, June 16, 2011**

Minutes

Chairman Robert J. Grey convened a *telephonic open session* meeting of the Legal Services Corporation's ("LSC") Finance Committee ("the Committee") at 11:05 a.m. on Thursday, June 16, 2011. The meeting was held at the Legal Services Corporation, 3333 K Street, NW, Washington, DC 20007.

The following Committee members were present:

Robert J. Grey, Jr., Chairman
Sharon L. Browne
Martha L. Minow
Father Pius Pietrzyk, O.P.
Robert E. Henley, Jr. (Non-Director Member)
John G. Levi, *ex-officio*

Other Board Members Present:

Charles N.W. Keckler
Victor B. Maddox
Laurie I. Mikva
Gloria Valencia-Weber

Also attending were:

James J. Sandman	President
Kathleen Connors	Executive Assistant to the President
Victor M. Fortuno	Vice President for Legal Affairs, General Counsel, and Corporate Secretary

David L. Richardson	Treasurer and Comptroller
John Constance	Director, Office of Government Relations and
Public	Affairs
Stephen Barr	Communications Director, Office of Government
Relations	and Public Affairs
Treefa Aziz	Government Affairs Representative, Office of
Government	Relations and Public Affairs
Sean Driscoll	Special Assistant, Office of Government Relations
and	Public Affairs
Lora M. Rath	Deputy Director, Office of Compliance and
Enforcement	Inspector General
Jeffrey E. Schanz	Assistant Inspector General for Management and
David Maddox	Evaluation, Office of Inspector General
Charles Greenfield	Program Counsel III, Office of Program
	Performance
Holly Mowforth	Helaine M. Barnett Summer Fellow
Don Saunders	National Legal Aid and Defender Association
(NLADA)	
Robert Stein	American Bar Association Standing Committee on
Legal	Aid and Indigent Defendants (SCLAID)
Rebekah Diller	Brennan Center for Justice

The following summarizes actions taken by, and presentations made to, the Committee:

Chairman Grey called the telephonic *open session* meeting to order.

Chairman Grey asked for any corrections or additions to the minutes of the April 15, 2011 meeting prior to approval. Mr. Sandman suggested that approval of the minutes be postponed until the written resolutions referenced in the minutes could be appended to the minutes. Chairman

Grey agreed to table the approval of the minutes until the July Board meeting in Seattle. There were no objections.

Chairman Grey invited public comment by Ms. Diller of the Brennan Center for Justice. Ms. Diller presented a brief review of the written comments previously submitted, which included results of data gathered by the Brennan Center on the impact of recent cuts. Ms. Diller commented that the Brennan Center hopes LSC will not come in at a number lower than the FY 2012 budget request.

Chairman Grey invited public comment by Mr. Stein, chair of the ABA's SCLAID. Mr. Stein supplemented a memorandum that was submitted detailing SCLAID's views on LSC's budget request by emphasizing SCLAID's perspective on how LSC might calculate the amount that is required to fulfill its mission. Mr. Stein urged LSC to look at studies examining the legal needs of the poor and assessing the demand for services. Mr. Stein also announced that the ABA is convening a national summit next fall to examine how to make pro bono a more effective component. Mr. Stein, on behalf of ABA and SCLAID, recommended that LSC seek a minimum appropriation of \$450 million for FY 2013, and also supports the continuation of the LSC LRAP program.

Chairman Grey invited public comment by Mr. Saunders of NLADA. Mr. Saunders urged the Committee to seek an appropriation for FY 2013 of \$516.5 million, which NLADA believes is justified given the growing need to provide legal assistance to low-income persons and the number of problems that are going unserved. Mr. Saunders presented an overview of federal support for legal services over the years and the impact on the justice gap. Mr. Saunders commented that NLADA also supports the continuation of the LRAP program and the TIG program.

Mr. Grey invited other public comment and presented a letter from Lisa Rickard, President of the U.S. Chamber Institute for Legal Reform, which indicated that the U.S. Chamber and the Institute for Legal Reform recommended that the LSC request for FY 2013 appropriations be consistent with or below the 2010 funding levels, and that the limitation of class actions should not be removed. The Committee members discussed the content of the letter and budget recommendation from the U.S. Chamber and the Institute for Legal Reform, with comments provided by Mr. Constance.

Mr. Maddox commented on a complaint filed by the Louisville Legal Aid Society along with the Southern Poverty Law Center against the Jefferson County, Kentucky School District in relationship to the comments provided in the US. Chamber and institute for Legal Reform letter regarding class actions.

Dean Minnow commented on the need for developing research that indicates the effectiveness of legal representation in different domains and specific areas.

Father Pius inquired about the schedule for submitting the FY 2013 budget recommendation. Mr. Fortuno, Mr. Levi and Mr. Constance provided details on the process and the schedule for submitting the budget recommendation to the Board.

Mr. Levi requested that management contact David Stern regarding a Rural Legal Corps program, which LSC conducted in the mid-'90s. Mr. Levi recommended that this type of program be considered again as an LSC initiative, in conjunction with Equal Justice Works, to support legal needs in rural areas. Mr. Levi also presented to management the need to have a better understanding of what is happening with LSC grantees in terms of data on salaries, layoffs, caseloads, etc. President Sandman responded that management will follow up on both of these matters.

Dean Minnow commented on metrics the Board will use to assess management's budget recommendation, including the ability to discuss in detail the rural versus urban needs and the special difficulty in areas where pro bono services are not available, the idea of leveraging matching funds, recruitment and retention of younger staff, and a discussion of the undisputed areas of need.

Father Pius requested that the Board be provided information on the total funding picture, especially in terms of the impact of federal funding for LSC grantees and how it has changed over the last two to three years.

Chairman Grey requested that Mr. Constance, Mr. Richardson, Mr. Fortuno and President Sandman prepare information in response to the Committee member comments in preparation for the meeting suggested for June 27, 2011.

Mr. Levi suggested scheduling time during the strategic planning meeting in Cambridge on August 2, 2011 to respond to any additional budget recommendation questions that Board members may have following the meeting in Seattle.

Additional comments were received from Committee members regarding the budget recommendation.

Chairman Grey opened the floor for new business and there was none to be considered.

MOTION

Father Pius moved to adjourn the meeting. Ms. Browne seconded the motion.

VOTE

The motion passed by voice vote.

The telephonic *open session* meeting of the Committee adjourned at 12:00 p.m.

I hereby certify that this is a true and correct copy of the minutes adopted by the Legal Services Corporation Board of Directors Finance Committee on July 20, 1011.

A handwritten signature in black ink, appearing to read "Victor M. Fortuno", written over a horizontal line.

Victor M. Fortuno
*Vice President for Legal Affairs,
General Counsel & Corporate Secretary*