

**Legal Services Corporation
Meeting of the Finance Committee
Open Session
Wednesday, July 20, 2011**

Minutes

Chairman Robert J. Grey convened an *open session* meeting of the Legal Services Corporation's ("LSC") Finance Committee ("Committee") at 2:46 p.m. on Wednesday, July 20, 2011. The meeting was held at the offices of Davis Wright Tremaine, LLP, 1201 Third Avenue, Suite 2200, Seattle, Washington, 98101.

COMMITTEE MEMBERS 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:

Laurie I. Mikva

STAFF AND PUBLIC PRESENT:

James J. Sandman	President
Kathleen Connors	Executive Assistant to the President
Victor M. Fortuno	Vice President for Legal Affairs, General Counsel, and Corporate Secretary
Katherine Ward	Executive Assistant, Office of Legal Affairs
David L. Richardson	Treasurer and Comptroller
John Constance	Director, Office of Government Relations and Public Affairs
David Maddox	Assistant Inspector General for Management and Evaluation, Office of the Inspector General

Alison Paul	Executive Director, Montana Legal Services Association
Cesar Torres	Executive Director, Northwest Justice Project
Steve Pelletier	Director of Finance, Northwest Justice Project
Caitlin Carlson	Executive Director, Legal Foundation of Washington
Jim Bamberger	Washington State Office of Civil Legal Rights
Reginald Haley	Office of Program Performance
Terry Brooks	American Bar Association Standing Committee on Legal Aid and Indigent Defendants (SCLAID)
Don Saunders	National Legal Aid and Defenders Association (NLADA)

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

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

MOTION

Dean Minow moved to approve the agenda. Ms. Browne seconded the motion.

VOTE

The motion passed by voice vote.

MOTION

Dean Minow moved to approve the minutes of the April 15, 2011, and the telephonic meeting of June 16, 2011. Ms. Browne seconded the motion.

VOTE

The motion passed by voice vote.

David Richardson, Treasurer/Comptroller, presented LSC's financial reports for the first eight months of FY 2011 and noted that LSC is operating well within its budget. There was a long discussion about the territory of American Samoa and the lack of service provider on the island.

Mr. Richardson asked for a money transfer of \$105,000 to temporary employee pay to match the accounts that new hires' salaries were being paid from. He asked for additional transfers of \$10,000 into the consulting line \$5,000 to OPP. Mr. Richardson also said that the consolidated operating budget must be reduced by \$4,640.

MOTION

Dean Minow moved to recommend the revised consolidating operating budgets for FY 2011 to the Board. Father Pius seconded the motion.

VOTE

The motion passed by voice vote.

MOTION

Dean Minow moved to table discussion on the temporary operating budget for FY 2012. Ms. Browne seconded the motion.

VOTE

The motion passed by voice vote.

MOTION

Chairman Grey moved to table the Audit Committee report on technical amendments to the 403(b) until October. Ms. Browne seconded the motion.

VOTE

The motion passed by voice vote.

John Constance, Director of GRPA, summarized the FY 2012 budget status, stating a proposed cut down to \$300 million in the House that will most likely go through. He noted that there is large support for increasing funding to the President's number of \$450 million in the Senate, with some bipartisan support showing.

There was a lengthy discussion on the FY 2013 budget proposal. The general recommendation was to propose a number that is not unrealistic and will not be discarded at first glance on the Hill. It was decided that a number between \$420 million and \$516 million was the best option while still taking into account the President's budget number of \$450 million for FY 2012.

Chairman Grey solicited public comments. Don Saunders, NLADA, provided comment on the budget proposal to Congress.

MOTION

Dean Minow moved to adjourn the meeting. Fr. Pius seconded the motion.

VOTE

The motion passed by voice vote.

The Committee meeting was adjourned at 4:14 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 October 17, 2011.



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