

LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

MEETING OF THE GOVERNANCE
AND PERFORMANCE REVIEW COMMITTEE

OPEN SESSION

Friday, January 28, 2011

2:58 p.m.

Legal Services Corporation
3333 K Street, N.W.
Washington, D.C.

COMMITTEE MEMBERS PRESENT:

Martha L. Minow, Chairperson
Sharon L. Browne
Charles N.W. Keckler
Julie A. Reiskin

BOARD MEMBERS PRESENT:

Harry J.F. Korrell, III
Victor Maddox
Father Pius Pietrzyk, O.P.
Robert J. Grey, Jr.
Gloria Valencia-Weber

STAFF AND PUBLIC PRESENT AT THE CORPORATION'S OFFICES:

Katherine Ward, Executive Assistant, Office of Legal
Affairs

Jeffrey E. Schanz, Inspector General

Ronald "Dutch" Merryman, Assistant Inspector General
for Audits

Laurie Tarantowicz, Assistant Inspector General and
Legal Counsel

Chuck Greenfield, Program Counsel III, OPP

Cynthia Schneider, Deputy Director, OPP

Janet LaBella, Director OPP

Ann Carmichael, American Bar Association

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

Dan Sheahan, Program Evaluation Analyst, Office of
Inspector General

Magali Khalkho, Resource Management Specialist, OIG

Matthew Glover, Associate Counsel, OIG

Lavon Smith, Network/Systems Engineer, OIT

Mattie Cohan, Senior Assistant General Counsel, Office
of Legal Affairs

Patricia D. Batie, Corporate Secretary, Office of
Legal Affairs (OLA)

C O N T E N T S

OPEN SESSION	PAGE
1. Approval of Agenda	4
2. Approval of the minutes of the Committee's meeting of October 18, 2010	4
3. Committee Chairman's report on	
a. Results of Board and Committee Self-evaluation process for 2010	4
b. Consider and act on report to full Board on Board and Committee Self-evaluation results	7
4. Staff report on progress on implementation of GAO recommendations	7
5. Consider and act on a proposal to amend the Governance and Performance Review Charter to include all officers of the corporation under the evaluation jurisdiction of the Committee	9
6. Consider and act on nature and timing of IG Evaluation	11
7. IG Evaluation discussion for 2010	14
8. Consider and act on other business	23
9. Public Comment	24
10. Consider and act on motion to adjourn meeting	24

Motions: 4, 4, 11, 19, 24

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

2 (2:58 p.m.)

3 CHAIRPERSON MINOW: Now if you don't mind,
4 we'll move directly into a meeting of the Governance
5 and Performance Review Committee.6 I would entertain a motion to approve the
7 agenda.

8 M O T I O N

9 MS. BROWNE: So moved.

10 CHAIRPERSON MINOW: Second?

11 MR. KECKLER: Second.

12 CHAIRPERSON MINOW: Thank you. Everyone in
13 favor.

14 (Chorus of ayes.)

15 CHAIRPERSON MINOW: Approval of the minutes of
16 the meeting of October 18, 2010.

17 M O T I O N

18 MR. KECKLER: So moved.

19 MS. BROWNE: Second.

20 CHAIRPERSON MINOW: All in favor?

21 (Chorus of ayes.)

22 CHAIRPERSON MINOW: Thank you. I will report,

1 then, on item three, the results of the Board and
2 Committee self-evaluation process for 2010. And let me
3 first say thank you all for participating in this
4 process. This process, as you know, followed on our
5 own discussions about good board practices. And we all
6 share with the Board, I just got it myself today, a
7 summary of what self-evaluation form as a group we
8 identify as our understandings of our job and ourselves
9 as our priorities for the future. And so you'll each
10 be getting a copy of that. Thank you, John Constance,
11 for this, as for so many other things.

12 I think I referred, in this earlier committee
13 meeting, that the strategic planning process appears on
14 item nine as something that's a matter of two people
15 and something that we maybe don't know enough about,
16 and so similarly, even more importantly, the lowest
17 score for anything was the Board had clear goals and
18 measurement resulting from realistic and realistic
19 strategic planning. I think that is a fair and
20 accurate statement. We aren't there yet. And so I
21 think that this is exactly the right push for the
22 Board's priorities for the coming year.

1 The feedback from the self-evaluation form
2 also ranks in order of individual suggestions. And the
3 single number one winner, vote getter, was working with
4 the fiscal oversight task force to review and improve
5 oversight. And after that is developing a new
6 strategic plan and appointing the president in
7 assisting the transitions. So again, I think we are
8 all on schedule.

9 These items historically have been made public
10 and will, again, be made public; that is, the summary
11 of these scores. What we will not distribute,
12 otherwise, is feedback from individual board members
13 your self-evaluation. That will, instead, inform us.

14 Similarly, committee self-evaluation forms I
15 have not yet seen. I will see, and what I will do is
16 share them with the committee chairs. So each
17 committee chair will see typically these are a small
18 number of people, three people, and that is not
19 something that we will make public. That's really just
20 to advise the committee chairs. Are there comments or
21 questions about this plan?

22 (No response.)

1 CHAIRPERSON MINOW: Item b., under 3., calls
2 for action on this report. I think the only action is
3 to nod and say what I'm doing is the right thing to do.
4 Does that sound fine to you?

5 (No audible response.)

6 CHAIRPERSON MINOW: Thank you.

7 Let's now go to item 4., which is a staff
8 report on progress on implementation of GAO
9 recommendations. And here, too, we welcome John
10 Constance.

11 MR. CONSTANCE: Thank you, Madam Chairman. We
12 have provided previously some documentation, and I will
13 get the formal chart out to everyone in its final form,
14 but let me just start with the news that the two GAO
15 studies from 2007 and the 17 recommendations from those
16 two studies, regarding governance and oversight, have
17 been -- all of those recommendations have been
18 implemented, and that implementation has been formally
19 accepted by the Government Accountability Office.

20 That has been formally reported. We have
21 reported that to our Oversight and Appropriations
22 Committees staffs, those that are the most interested

1 in this information. And we have just but a couple of
2 remaining details to complete regarding completion of
3 follow-up on a couple of the IG audit reports. Those
4 -- when those are done, we will be able to do what was
5 requested by the Senate Appropriations Committee last
6 year, and that was to provide a certification that all
7 of these matters have, in fact, been completed. We're
8 very, very close to having the IG portion of that done.

9 So with that good news, regarding the most
10 recent GAO study, progress is being made on all of
11 those recommendations, and we will include that for the
12 Committee in our follow-up chart. We are keeping
13 everyone informed.

14 I would say that one of the things that I
15 think is the best news, and we have pointed this out
16 repeatedly, and that is that it was in testimony before
17 our House Oversight Committee in October of 2009 GAO
18 reported that it takes organizations in the federal --
19 and federal entities about four years to get fully
20 implemented in terms of recommendations and, more
21 importantly, to get GAO to review and report that they,
22 in fact, have been accepted. And we did this in the

1 range of three years.

2 So I think, you know, again, after some
3 heartache, frankly, in the early stages of this and
4 some recognition that some things clearly had to be
5 done in terms of governance that hadn't been done
6 before, you know, I think we're seeing this, and our
7 programs on the Hill are seeing it, as a happy, happy
8 outcome.

9 CHAIRPERSON MINOW: Thank you. Does anyone
10 have questions or comments about the job? Well done.
11 Expeditiously done, particularly this last phase.

12 MR. CONSTANCE: Let me also recognize Treefa
13 Aziz from my staff who is -- does our GAO liaison work
14 and who was very, very important in seeing that we made
15 this in the kind of time frame that we did. Thank you,
16 Madam Chair.

17 CHAIRPERSON MINOW: Excellent. Excellent.
18 Great.

19 Our next item, item 5, is to consider and act
20 on a proposal to amend our Committee charter. And the
21 chief goal, I think most of you will recall this, is to
22 encompass within our evaluation jurisdiction officers

1 of the Corporation with language about how to work with
2 the president on that score. And you'll see the
3 language of the draft resolution to this effect on page
4 136. And I say thank you particularly to Charles
5 Keckler for his very good wordsmithing on this point.

6 Does anyone have any questions or comments?
7 Sharon?

8 MS. BROWNE: I think this was very well done.
9 I do want to point that on the third "Whereas," the
10 last line says, "Now therefore be it." It seems to me
11 that that's not necessary because it's --

12 CHAIRPERSON MINOW: You're right. It's
13 followed in the next.

14 MS. BROWNE: -- followed by the same language.

15 CHAIRPERSON MINOW: Sharon, you're fabulous.

16 Thank you. Let us strike those four words now,

17 "Therefore be it." Thank you.

18 Any other comments?

19 (No response.)

20 CHAIRPERSON MINOW: And may I have a motion to
21 recommend to the Board that we adopt this resolution.

22 //

1 M O T I O N

2 MS. BROWNE: I'll move.

3 MR. KECKLER: I'll second it.

4 CHAIRPERSON MINOW: Right. Committee? Yes?

5 (Chorus of ayes.)

6 CHAIRPERSON MINOW: So this will be presented
7 to the Board. And I think the Board has to approve an
8 amendment to the Charter --

9 MR. LEVI: Yes.

10 CHAIRPERSON MINOW: -- of a committee? So
11 that's right. Great.

12 All right. Now we turn to the item where I
13 think we'll take a little more time, which we do have.
14 Just so everyone is mindful of this, we have a panel
15 arriving here at --

16 MR. LEVI: We have an hour.

17 CHAIRPERSON MINOW: We have an hour. So we'll
18 have enough time. This is great. We might even have
19 time for a break. Not that I'm giving anyone an
20 incentive. But I welcome the Inspector General. Thank
21 you. And the topic is to consider and act on the
22 nature and timing of an IG evaluation.

1 And let me just frame this for a moment, and
2 then turn to the IG for comments, and then turn to the
3 Committee. So as our charter for the Committee
4 indicates, we are responsible for providing a
5 performance review of the president, the inspector
6 general and officers designated by the bylaws for this
7 kind of review. Thank you so much.

8 This is particularly important in an era when
9 I think in public and private organizations, we have
10 all become much more mindful about issues of
11 accountability. I do think that there is a question --
12 I think that we have a special question when it comes
13 to the inspector general.

14 (Interruption to proceedings.)

15 CHAIRPERSON MINOW: This is a special question
16 when it comes to inspector generals because the very
17 nature of the inspector general's office, requires
18 independence, must have independence, and at the same
19 time, not only our charter, but good governance calls
20 for some kind of performance review.

21 Now the inspector general is also, of course,
22 subject to oversight by the Senate Oversight Committee,

1 and also by a peer review by other inspector generals.
2 But proceeding with the idea that we do have a role to
3 play and at the same time want to be assiduous in
4 protecting the independence, I myself engaged in a
5 serious review. I was helped by Julie as well, as a
6 member of this committee, looking at how inspector
7 generals are treated in other organizations.

8 I talked with the inspector general about
9 this, I talked with our acting president about this, I
10 talked with the inspector general of two other agencies
11 about this, I read the literature on this subject. It
12 turns out it's a fascinating subject, and it led to the
13 proposal that you have before you, which is, to
14 characterize it, is to emphasize self assessment and a
15 process with a timely time frame to provide for
16 consultation and self reflection without actually
17 comporting with the way in which I'm sure we will
18 perform our review of the president. This is not a
19 direct review of performance.

20 So although we had talked in conversation
21 about issuing a requirement of a 360-degree review, we
22 are not doing that. We are including that as something

1 that the inspector general might choose to do himself
2 on his own. But we are suggesting that a conversation
3 is important, that the process of inviting the
4 inspector general to give us his work plan, his
5 analysis of how he has followed the work plan, his
6 identification of what he wants to identify as
7 strengths from the past year and in areas for working
8 out in the future. That's the nature of the kind of
9 review that we're calling for.

10 So with that, would you like to say something?

11 MR. SCHANZ: I would. Thank you, Madam
12 Chairman. I want to quote from -- I know you talked to
13 several of my colleagues, I don't know which ones, but
14 you better get to Glen Fine quickly because today is
15 his last day.

16 CHAIRPERSON MINOW: He was one.

17 MR. SCHANZ: Okay. I started with him.

18 MR. SCHANZ: Okay. Excellent. Let me just
19 quote from a newspaper article from a few years ago,
20 and when I'm finished, it will tie in, I think, the
21 relevancy.

22 "The notion that IGs would get performance

1 evaluations from their agency heads raised issues of
2 fairness and possible conflicts of interest because IGs
3 investigate their agencies for waste, fraud and abuse
4 and make recommendations to improve management
5 practices. Their jobs are supposed to be seen as
6 independent and able to withstand political pressure.”

7 The author of that article was none other than
8 our own Steve Barr. It was written and published in
9 the Washington Post on February 23, 2006. And Steve, I
10 thank you for your support and your prescient way of
11 thinking of things because this was several years ago.

12 But those standards still hold true today, and
13 I just wanted to bring to sort of a pun to Steve Barr
14 who was a, those of us in the federal sector, he and
15 Mike Causey, we read their articles pretty diligently.

16 And that was one that I had saved from years gone by.

17 I just did hand out hard copy to the Committee
18 members of materials that you don't need to transport
19 back with you because it is somewhat voluminous. And
20 when I sent out my standards with what I perceived to
21 be a very robust and lively and very, I think,
22 independent and objective and productive IG office, it

1 reflects on the office, not just me. I am the
2 conductor of the orchestra, but what I've provided to
3 you, electronically and now hard copy, gives you some
4 snapshot of what we've been able to accomplish in the
5 last fiscal year.

6 Now I'm coming up on my three-year
7 anniversary, and I haven't formally be reviewed. So as
8 you and I have talked, Dean, I think the way that it's
9 being approached is very adequate for both of our
10 purposes.

11 CHAIRPERSON MINOW: Wonderful. Thank you.

12 Are there comments from the Committee or
13 anyone else on the Board about this?

14 MS. BROWNE: I would just like to thank the
15 inspector general for the role that he plays at the
16 Legal Services Corporation. It's a very sensitive area
17 when you're dealing with maintaining your independence,
18 as well as doing the oversight that you perform. And
19 so I just, I feel that you have done a tremendous job
20 in providing a lot of good information and direction
21 that has helped us perform our duty.

22 MR. SCHANZ: I thank you very much for that.

1 We are all part of the team. And one of my statutory
2 responsibilities is to try to make the host agency more
3 efficient and effective. And that is the purpose
4 behind our independent, objective reports without any
5 partisanship whatsoever.

6 CHAIRPERSON MINOW: I would echo that and also
7 commend you for the transparency of your reports, and
8 it's critical to the integrity of the whole
9 organization. I think that the way I suggest that we
10 proceed at this time is that I entertain a motion for
11 the resolution to establish the plan for the annual
12 review. Yes?

13 MR. MADDOX: Just before you do that, it looks
14 like the second "Whereas" clause is missing a verb.

15 CHAIRPERSON MINOW: Another one?

16 MR. SCHANZ: Boy, this is a tough group.

17 MR. MADDOX: It seems like it ought to be an
18 independent clause, but I don't see that it is.

19 MR. LEVI: Where is this? Where are we
20 missing a word?

21 FATHER PIETRZYK: Yeah, there. I think it's a
22 continuation of the sentence before. I think it's --

1 no, it's not.

2 MR. MADDOX: There is no verb.

3 CHAIRPERSON MINOW: Okay. I welcome a
4 suggestion of a verb.

5 MR. MADDOX: To be amended ex post facto.

6 CHAIRPERSON MINOW: Ensure respect? Does that
7 -- ensure respect? No?

8 MS. REISKIN: The way "respect" and "promote"
9 is used, it is being used as a verb. I mean, maybe it
10 isn't technically, but that's how I read it, is that
11 "respect" and "promote" is an active thing that we're
12 doing, or that we're being asked to do.

13 FATHER PIETRZYK: Yeah, but it's part of the
14 clause of that clause. That's the problem. It's part
15 of the clause.

16 MR. MADDOX: It's part of the prepositional
17 clause.

18 MR. KORRELL: I mean, it could just say, "LSC
19 respects and promotes the independence of the IG" and
20 take out the "crucial environment" part.

21 FATHER PIETRZYK: Or, "Whereas, the LSC board
22 understands the crucial requirement to respect."

1 CHAIRPERSON MINOW: Yeah.

2 MR. KORRELL: That's right. Each of the other
3 "Whereas" is a full declaratory sentence.

4 MS. REISKIN: I like the way he said it.

5 CHAIRPERSON MINOW: "Understands the crucial
6 requirement."

7 MS. REISKIN: "To."

8 FATHER PIETRZYK: "To respect and promote."

9 CHAIRPERSON MINOW: "To respect and promote."

10 All right. So amended. Thank you. Thank you very
11 much. Thank you very much. Shall we -- someone --

12 M O T I O N

13 MS. REISKIN: So moved.

14 CHAIRPERSON MINOW: Second?

15 MR. KECKLER: I'll be glad to second it and
16 also thank you both you, Dean Minow, and Julie for
17 developing something I think balances a very sensitive
18 and important topic here successfully.

19 CHAIRPERSON MINOW: Wonderful. Wonderful.
20 Thank you. Thank you very much.

21 Well, the question, then, is when and how do
22 we do this. We will take these materials that you have

1 shared with us and we'll read them. One thing that is,
2 appears on the second page of the resolution --

3 MR. LEVI: He seconded it.

4 CHAIRPERSON MINOW: Oh, sorry. Shall we vote
5 the resolution?

6 MR. LEVI: And does the resolution go to the
7 Board or is within a Committee?

8 CHAIRPERSON MINOW: Well, I think it's just
9 the Committee.

10 MR. LEVI: I think it may just be a Committee.
11 I don't think it had -- but it has me signing as the
12 chairman.

13 CHAIRPERSON MINOW: Oh, I see. "Adopted by
14 the Board." Well, I take your view because it is the
15 Board's -- it is the Committee's work, but it is --

16 MS. REISKIN: We're moving to recommend it to
17 the Board.

18 CHAIRPERSON MINOW: All right. All right.

19 MR. LEVI: Okay.

20 CHAIRPERSON MINOW: I just wanted to highlight
21 on the second page, on 139, four areas that did come up
22 in conversations with various people that would be

1 worth spending some time when we have our
2 conversations, and they include how to promote the
3 prevention as well as the discovery of defalcations
4 inefficiencies; the time frame for the completion of
5 reports and sharing them with staff and responses;
6 communication; and top priority for the coming year.
7 So those are four that seem to emerge in the
8 conversations with people.

9 MR. SCHANZ: I would like to add to that,
10 Madam Chairman, if I could, under item number 4, that's
11 ongoing and continuous, not at a point in time.

12 CHAIRPERSON MINOW: Right. Wonderful.

13 MR. SCHANZ: Okay. Thank you.

14 CHAIRPERSON MINOW: Well said. Well said.
15 Very good.

16 MR. KECKLER: You still need a vote.

17 CHAIRPERSON MINOW: I still need a vote. May
18 we have a vote on the --

19 MR. LEVI: Motion.

20 CHAIRPERSON MINOW: -- motion. It's been
21 seconded.

22 MR. LEVI: Yes.

1 CHAIRPERSON MINOW: Yes? All in favor?

2 (Chorus of ayes.)

3 CHAIRPERSON MINOW: Okay. Great.

4 MR. LEVI: And I, can I just add, I want to
5 thank Martha for doing the -- she did a lot of work
6 here too, understand the background, the appropriate
7 range. I hope you all understand, as a relatively new
8 board, we were in waters that we had to learn about
9 too. Some of you have worked in the federal government
10 and maybe in agencies that have inspectors general.
11 Most of us have not been in that world.

12 And that also, Jeff, is an interesting
13 difference from most of the agencies that probably
14 Steve Barr and his prescient piece was referring to
15 because they probably didn't have independent boards
16 that were also trying to fulfill their own
17 responsibilities.

18 So how we work together in both accomplishing
19 our respective roles is very important going forward.
20 And we appreciate your understanding of our own -- of
21 the maybe unusual nature of our own roles as it relates
22 to your relationship with us as opposed to that which

1 you might find in the typical federal agency.

2 CHAIRPERSON MINOW: Gloria, did you have
3 something you wanted to say?

4 MS. VALENCIA-WEBER: No.

5 CHAIRPERSON MINOW: No. Okay.

6 MS. VALENCIA-WEBER: I'm thinking about models
7 here.

8 CHAIRPERSON MINOW: So since we've only just
9 now received the material, we'll wait. We'll schedule
10 for our next committee meeting, assuming that the Board
11 approves the resolution and implementation.

12 And I just want to give my personal thanks to
13 Jeff who has been my tutor and advisor in this process
14 and also for your willingness to participate in this.
15 It's a hybrid, to be frank, because it's different. We
16 are a private entity, we have an inspector general,
17 we're inventing our own process here. So I thank you
18 very much.

19 MR. SCHANZ: Thank you.

20 CHAIRPERSON MINOW: Great. So now consider
21 and act on any other business. Anyone have other
22 business for this committee?

1 (No response.)

2 CHAIRPERSON MINOW: No? Public comment. Any
3 public comment?

4 (No response.)

5 CHAIRPERSON MINOW: No? Then I actually am
6 going to offer a break. If we -- if someone will move
7 to adjourn.

8 M O T I O N

9 MS. REISKIN: So moved.

10 CHAIRPERSON MINOW: Second?

11 MR. KECKLER: Second.

12 CHAIRPERSON MINOW: So we have a break.

13 (Whereupon, at 3:12 p.m., the committee was
14 adjourned.)

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