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1 LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

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OPEN SESSION

April 29, 2006

11:53 a.m.

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13
14 The Chase Park Plaza Hotel
212-232 N. Kingshighway Boulevard
St. Louis, Missouri

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17 BOARD MEMBERS PRESENT:

18 Frank B. Strickland, Chairman
Helaine M. Barnett, ex officio
19 Lillian R. BeVier, Vice Chairman
Thomas A. Fuentes (by telephone)

20 Herbert S. Garten
David Hall

21 Michael McKay
Thomas Meites

22 Bernice Phillips
Sarah Singleton

23
24 STAFF AND PUBLIC PRESENT:

Patricia Batie, Manager of Board Operations, LSC

25 Edward Berg, Mid MO LSC

Terry Brooks, Dir., Legal Services, ABA

26 Mattie Cohan Condray, Sr. Asst. Gen. Counsel, LSC

27 STAFF AND PUBLIC PRESENT (con'd):

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- 6 Joseph Devereux, Jr., LSEM Board
- 7 Victor Fortuno, V.P. Legal Affairs, Gen. Counsel, LSC
- 8 Dan Glazier, Exec. Dir., Legal Services of Eastern MO
- 9 Joel S. Gallay, Special Asst. to the IG
- 10 Richard Halliburton, Exec. Dir., Legal Aid Western MO
- 11 Luis C. Jaramillo, Acting Special Counsel to
- 12 President
- 13 David Maddox, Asst. IG for Resource Management
- 14 Linda Perle, Center for Law & Social Policy
- 15 Tom Polgar, Dir., GRPA
- 16 David Richardson, Treasurer & Comptroller, LSC
- 17 Karen J. Sarjeant, V.P. Programs and Compliance, LSC
- 18 Betty Springfield, Legal Services of Eastern Missouri
- 19 Mickie Subia
- 20 Judge Richard Teitelman, Supreme Court of Missouri
- 21 Linda Zazore, Deputy Dir., Land of Lincoln Legal
- 22 Asst.

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PROCEEDINGS

1 CHAIRMAN STRICKLAND: Could everyone come
2 to order, please, so we could begin the Board
3 meeting. Tom Fuentes, are you there?

4 MR. FUENTES: I am, sir.

5 CHAIRMAN STRICKLAND: Okay. Good. Thank
6 you very much, Ladies and Gentlemen. Let me call to
7 order the meeting of the Board of Directors of the
8 Legal Services Corporation for April 29, 2006.

9 And before we move in to any item on the
10 Agenda, I would like to call for a moment of silence
11 in honor of Florentino "Lico" Subia, Ernestine
12 Watlington, and Lawrence M. Garten. May we have a
13 moment of silence, please.

14 (Moment of silence observed.)

15 CHAIRMAN STRICKLAND: Thank you.

16 CHAIRMAN STRICKLAND: The first order of
17 business is the approval of our agenda. Is there a
18 motion to approve the agenda?

MOTION

19 MS. BeVIER: So moved.

20 CHAIRMAN STRICKLAND: Second?

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1 MR. McKAY: Second.

2 CHAIRMAN STRICKLAND: Any discussion?

3 (No response.)

4 CHAIRMAN STRICKLAND: All those in favor,
5 please say aye.

6 (Chorus of ayes.)

7 CHAIRMAN STRICKLAND: Opposed, nay.

8 (No response.)

9 CHAIRMAN STRICKLAND: The agenda is
10 adopted.

11 M O T I O N

12 MR. FUENTES: Move the approval.

13 CHAIRMAN STRICKLAND: Is there a second?

14 MS. SINGLETON: Second.

15 CHAIRMAN STRICKLAND: Any discussion?

16 (No response.)

17 CHAIRMAN STRICKLAND: All those in favor
18 please say aye.

19 (Chorus of ayes.)

20 CHAIRMAN STRICKLAND: Opposed, nay.

21 (No response.)

22 CHAIRMAN STRICKLAND: The ayes have it.

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1 Those minutes are approved.

2

3 CHAIRMAN STRICKLAND: And now the approval
4 of minutes of the executive session of the Board's
5 meeting of January 28, 2006. Is there a motion to
6 approve those minutes?

7 M O T I O N

8 MR. FUENTES: Move approval.

9 CHAIRMAN STRICKLAND: Second?

10 MS. BeVIER: Second.

11 CHAIRMAN STRICKLAND: Any discussion?

12 (No response.)

13 CHAIRMAN STRICKLAND: Those in favor please
14 say aye.

15 (Chorus of ayes.)

16 CHAIRMAN STRICKLAND: Opposed, nay.

17 (No response.)

18 CHAIRMAN STRICKLAND: The ayes have it.

19 The minutes are approved.

20 As a part of the chairman's report, let me

21 just make a brief report -- I usually have to ask

22 Helaine to tell me what I have been doing recently,

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1 but in this instance, it is recent enough so that I
2 have recall about it.

3 So both Helaine and I attended the Access
4 to Justice Conference in Philadelphia at the -- I
5 believe it was on March 31st or April 1st, one or the
6 other. Both days. And that was a very good
7 conference and I am pleased to report, for the
8 record, that my law partner, Ann Lewis, is the vice
9 chair of the newly created Access to Justice
10 Commission in the State of Georgia and they are
11 beginning their work and adding other members to the
12 Committee. So it was a learning experience for her
13 to come to the conference and hear that discussion.

14 And most recently this week, as you heard
15 somebody say in a report, that we have made visits to
16 the Office of Senator Thad Cochran of Mississippi,
17 the chairman of the Senate Appropriations Committee,
18 and had a very favorable response from his office in
19 support of our budget request.

20 We next visited Senator Johnny Isaacson of
21 Georgia, a long-time friend of mine, and we took that
22 opportunity to give him a briefing on the Legal

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1 Services Corporation generally and then more
2 specifically on some other issues, but that was also
3 a very good visit.

4 And then Charles Jefferson and I visited
5 with Congressman Cannon and Watt and we had some
6 discussions about that already this morning so I will
7 not go into detail on that. So that concludes the
8 Chairman's report.

9 And I want to move now to begin the process
10 of recognizing the Board service of Lico Subia. And
11 I am told that one of the things we are going to have
12 here is a couple of video presentations; is that
13 right? Who is going to handle that. Who is our
14 videographer here? All right, sir, we are ready
15 for -- do you have two videos for us?

16 A PARTICIPANT: Yes, a VHS and a DVD.

17 CHAIRMAN STRICKLAND: Okay. Well, please
18 proceed. Tom Fuentes, we are sorry you won't be able
19 to see this video, but maybe you can hear -- or is
20 there any sound?

21 A PARTICIPANT: Yes.

22 CHAIRMAN STRICKLAND: Perhaps you can hear

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1 part of it, Tom.

2 MR. FUENTES: Thanks so very much.

3 CHAIRMAN STRICKLAND: And for your

4 information, Tom, Mickie Subia is in the audience.

5 MR. FUENTES: Hello, Mickie.

6 (Video presentation.)

7 NEWS REPORTER: Thousands of El Pasoans say

8 goodbye today to a Sun City native known for his

9 charity work.

10 NEWS REPORTER: Florentino Subia died

11 earlier this week. KDBC photojournalist Ray Azarte

12 brings us more from today's funeral and the man known

13 as Lico.

14 MS. AZARTE: Lico was a mentor to everybody

15 and all these people that you see here today, they

16 are not only here out of respect because they really

17 love him. He was really a friend to El Paso.

18 INTERVIEWEE: He knew everybody that showed

19 up here by name probably and it is just a testament

20 to what a great guy he is.

21 INTERVIEWEE: Yes, Lico was a one of a kind

22 guy, man. You know, just -- you know, you think of

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1 him as a biker and, you know, but he is just so

2 awesome and he loved everybody. You know, he -- I

3 never saw a bad bone in him.

4 INTERVIEWEE: If you were cold, he offered

5 you his home. If you were hungry, he offered you the

6 last bread that he had in the house. He really was a

7 great man.

8 INTERVIEWEE: The President of the United

9 States knows him, the governor. Everybody loved

10 Lico.

11 INTERVIEWEE: You know, I heard that he

12 called the President (in Spanish). You know, that is

13 Lico right there. You know, that is just outgoing he

14 was. You know, I mean, he will be missed

15 tremendously. You know, I know that I am going to

16 ask him.

17 MS. AZARTE: Lico was from the poorest

18 district in El Paso in Chihuahuita, but he was the
19 richest man in El Paso.

20 NEWS REPORTER: Friends and family of
21 Florentino "Lico" Subia say goodbye.

22 INTERVIEWEE: He was real special. He was
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1 like my grandpa. He felt like a role model. He was
2 a good person.

3 NEWS REPORTER: Lico Subia died Sunday on
4 his 75th birthday. He was best known as the founder
5 and president of the Iron Horses Motorcycle Club.
6 Thousands of people attended his funeral mass at St.
7 Patrick Cathedral this afternoon. So many, in fact,
8 it was standing room only.

9 Outside, parked motorcycles clogged
10 Arizona's street in front of the cathedral. Police
11 officers had to block off three nearby intersections
12 to accommodate those attending the funeral service.
13 The funeral procession stretched miles long and was
14 deafeningly loud with the rumble of motorcycle
15 engines. Those who knew Lico Subia say he will be
16 missed.

17 INTERVIEWEE: I consider Lico the godfather
18 of all the bikers in El Paso. I am very overwhelmed.
19 I hope Lico knew how much he was loved.

20 NEWS REPORTER: The Korean war veteran was
21 buried in his motorcycle attire at Fort Bliss
22 National Cemetery with military honors.

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1 (DVD Presentation with Tex Mex Music Slide
2 Show.)

3 CHAIRMAN STRICKLAND: I guess after seeing
4 those two video presentations, one of Lico's funeral
5 services and another one of the celebration of his
6 life, it is appropriate for us to move to an item on
7 the agenda to recognize Lico with the adoption of a
8 resolution in his honor, which I would like to read
9 and then present to the Board for adoption. And in
10 connection with that, I wonder if we could invite
11 Mickie Subia to come forward to our table here.

12 Would you like to do that, Mickie? We
13 would be very pleased to have you and we welcome you.

14 So let me read this resolution and then ask

15 the Board to proceed to adopt it. This is Resolution
16 2006-004 In Recognition and Profound Appreciation of
17 Distinguished Service by Florentino A. "Lico" Subia.
18 Whereas, Florentino A. "Lico" Subia of El
19 Paso, Texas, served with honor and distinction on the
20 Legal Services Corporation Board of Directors from
21 2003 to 2006 as a representative of the legal
22 services client community and advocated to advance
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1 the cause of equal access to justice for low-income
2 persons of America;

3 Whereas, in that capacity, Lico provided a
4 client perspective to the deliberations of the Board
5 and helped bring legal services to low-income people;

6 Whereas, Lico served his country in the
7 United States Army in Korea during the Korean War;

8 Whereas, Lico was a distinguished community
9 leader who raised substantial sums for numerous local
10 charities and good causes, including Reach for the
11 Stars;

12 Whereas, the Board is deeply saddened by
13 his recent passing;

14 Therefore, be it resolved, that the Board
15 of Directors of the Legal Services Corporation
16 formally expresses its gratitude for Lico's service
17 to the LSC Board and to the cause of equal justice
18 for all.

19 Adopted by the Board of Directors on
20 April 29, 2006.

21 I would move the adoption of that
22 resolution.

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1 M O T I O N

2 MR. McKAY: Second.

3 CHAIRMAN STRICKLAND: And is there any
4 discussion?

5 (No response.)

6 CHAIRMAN STRICKLAND: All those in favor,
7 please say aye.

8 (Chorus of ayes.)

9 CHAIRMAN STRICKLAND: Those opposed, nay.

10 (No response.)

11 CHAIRMAN STRICKLAND: And the resolution is

12 adopted.

13 And Mickie, we are going to present you
14 with a framed copy of this resolution. We don't have
15 it framed just now, but at an appropriate time, we
16 will present that to you. But we are so delighted
17 you are present today for the adoption of this
18 resolution and we very much appreciated the video
19 presentations. They were very moving. So we welcome
20 any comments from you or not as the case may be.
21 Whatever your pleasure is.

22 MS. SUBIA: I do want to thank Legal

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1 Services Corporation for the beautiful prayers and
2 support that I have gotten. It made me feel like as
3 if all of you were there showing your support for me
4 and your letter that Helaine read. Thank you.

5 I wish you all could have been there to see
6 Helaine on the motorcycle, too. She didn't have her
7 leathers, but that was beside the point. She got to
8 ride on the motorcycle. Lico would have loved it. I
9 can't seem to find a picture where somebody took a
10 picture of Helaine on Lico's motorcycle or riding
11 with the vice president of Iron Horses from the
12 funeral home to the church. Lico would have loved
13 that. Wanted to make sure she got a ride, because
14 Lico would have wanted to give you a ride.

15 So I just want to tell everybody thank you.
16 Thank you, Mr. Strickland, and everybody who sent
17 condolence. I really haven't been able to open them
18 yet. We are taking it one day at a time. So thank
19 you for having me here. I feel honored to get a
20 resolution for Lico.

21 CHAIRMAN STRICKLAND: Well, thank you for
22 being here, and we all applaud Lico's life and his

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1 service on this board.

2 MS. BARNETT: Mr. Chairman.

3 CHAIRMAN STRICKLAND: Yes.

4 MS. BARNETT: I was going to read this as
5 part of my president's report. Could I do it now?

6 CHAIRMAN STRICKLAND: Yes. I think it is
7 just right.

8 MS. BARNETT: As you know, I represented

9 LSC and the Board at the funeral services for our
10 dear former board member and friend, Lico Subia, in
11 El Paso, Texas.

12 During my two days in El Paso, I had the
13 opportunity to visit with Lico's wife at Lico's
14 childhood home, which had a room filled with
15 mementoes of Lico's accomplishments. I spoke at the
16 wake and attended the funeral services.

17 As I recall in my reflection, which I sent
18 to the Board and I sent to Mickie, it was an
19 extraordinary two days. I was overwhelmed by the
20 thousands of people who came to pay their respects
21 and who were friends of Lico, as you saw in the video
22 we just showed.

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1 To witness the outpouring of so many people
2 in El Paso, people who knew and loved Lico Subia and
3 mourned his passing, was a true indication of the
4 measure of a very special person. I will never
5 forget this experience, Mickie, and it will remain in
6 my mind as a living testimony to an extraordinary
7 individual.

8 CHAIRMAN STRICKLAND: Before we adjourn for
9 lunch, I would ask for a standing ovation. Then we
10 will have lunch.

11 (Applause.)

12 CHAIRMAN STRICKLAND: We are adjourned for
13 lunch.

14 MS. SUBIA: Thank you.

15 CHAIRMAN STRICKLAND: Thank you.

16 (Whereupon, at 12:15 p.m., a luncheon
17 recess was taken.)

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AFTERN OON SESSION

CHAIRMAN STRICKLAND: Ladies and gentlemen,
let me call to order the continuation of the meeting
of the Board of Directors of the Legal Services
Corporation for April 29, 2006.

The next item on our agenda is to Consider
and Act on the Resolution Recognizing the Board
Service of Ernestine Watlington. And what I would
like to do is follow the same practice we did with
respect to the resolution we adopted before lunch.
If you will bear with me just a moment, I will read
this resolution.

The resolution In Recognition and Profound
Appreciation of Distinguished Service by Ernestine P.
Watlington.

Whereas, Ernestine P. Watlington of
Harrisburg, Pennsylvania advocated on behalf of the
least advantaged in our society and worked tirelessly
and at great personal sacrifice to advance the cause
of equal access to justice for low-income persons of
America;

Whereas, Ernestine faithfully and with

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honor, integrity and great distinction served as a
Director of the Legal Services Corporation for twelve
years and six months, and for three years Chaired its
Committee on Provision for the Delivery of Legal
Services;

Whereas, Ernestine had the longest
continuous record of service on the LSC Board of
Directors; and

Whereas, the Board is deeply saddened by
her recent passing;

Therefore, be it resolved that the Board of
Directors of the Legal Services Corporation formally
acknowledges its profound appreciation for
Ernestine's many years of devoted service to LSC and

15 to the cause of civil legal assistance to the
16 disadvantaged in America.

17 M O T I O N

18 CHAIRMAN STRICKLAND: I would move the
19 adoption of that resolution.

20 MS. BeVIER: Second.

21 CHAIRMAN STRICKLAND: Any discussion?

22 (No response.)

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1 CHAIRMAN STRICKLAND: Those in favor,
2 please say aye.

3 (Chorus of ayes.)

4 CHAIRMAN STRICKLAND: Those opposed, nay.

5 (No response.)

6 CHAIRMAN STRICKLAND: And the resolution is
7 adopted unanimously.

8 MS. BeVIER: Mr. Chairman, is Tom Fuentes
9 on the line?

10 MR. FUENTES: I am, yes.

11 CHAIRMAN STRICKLAND: I'm sorry, Tom. I
12 forgot to ask if you were there. We will note your
13 presence.

14 MR. FUENTES: Yes, indeed.

15 CHAIRMAN STRICKLAND: And you did vote?

16 MR. FUENTES: Yes, sir.

17 CHAIRMAN STRICKLAND: Thank you. The
18 resolution is adopted by a unanimous vote. And
19 Helaine, did you have a point on that?

20 MS. BARNETT: If I might, Mr. Chairman --

21 CHAIRMAN STRICKLAND: Yes.

22 MS. BARNETT: -- take from my president's

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1 report and indicate that on April 18th, I attended
2 Ernestine Watlington's funeral in Harrisburg,
3 Pennsylvania. Ernestine, as you mentioned, was the
4 longest, continuous serving director of the Legal
5 Services Corporation.

6 I had the opportunity to make remarks
7 representing the Board and LSC and referred to the
8 Board's proposed resolution recognizing Ernestine's
9 12 1/2 years of dedicated service as a client
10 representative board member and indicated how she had
11 continued to participate in full board meetings by

12 telephone from her nursing home.

13 I also referred to the fact that the
14 chairman of the Board and I had planned to visit her
15 on May 18th and present this certificate to her as a
16 celebration at the nursing home. It gave us comfort
17 to know that Ernestine knew about that planned visit.

18 Ernestine was recognized as not only a
19 leader on the national level, but very much involved
20 in her local community and state as well and as a
21 remarkable woman who will be greatly missed. Thank
22 you.

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1 CHAIRMAN STRICKLAND: I guess we will work
2 out some details -- since we had planned to go to
3 Harrisburg, we will work out some details for
4 delivery of this resolution to her family.

5 MS. BARNETT: Yes.

6 CHAIRMAN STRICKLAND: All right. The next
7 item on the agenda is Members' Reports. And before
8 moving to other members, I have one or two other
9 items that I omitted from my report before lunch, so
10 let me cover those.

11 Helaine, Vic and I attended the memorial
12 service for John Erlenborn at the Fort Meyer Post
13 Chapel at Arlington National Cemetery on April 26th.
14 And John served in the Navy in World War II so it
15 was a Navy service officiated -- the officiant was a
16 Navy chaplain, a Navy captain in the chaplain corps,
17 and the ceremony surrounding the urn was with a rifle
18 volley and a bugle playing taps. So it was a very
19 moving ceremony for us at Arlington.

20 The other item that -- it is inappropriate,
21 I think, for our board members to tout themselves so
22 I am going to do this with respect to one of our

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1 board members.

2 This is a notation from the University of
3 Virginia announcing that Professor Lillian BeVier
4 received the University of Virginia Alumni
5 Association's distinguished professor award on
6 April 21st given annually to a faculty member who is
7 a superior instructor, shows unusual concern to
8 students and has made significant contributions to

9 the life of the university. And she joins a
10 distinguished list of faculty members who have
11 received this award over a period of years.

12 And here is, I think, a very compelling
13 quote from another law professor. "Other law
14 professors, including female faculty, have won other
15 university teaching awards, but this one recognizes
16 those who have reached the very pinnacle of teaching,
17 said Law Professor Ann Coughlin, further quoting
18 Lillian BeVier is in a league with the finest
19 professors who have ever set foot in a law school
20 classroom. She is the first woman to join the law
21 faculty many years ago and is also the first female
22 law professor to win the award."

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1 So please join me in a round of applause.
2 (Applause.)

3 CHAIRMAN STRICKLAND: Now with that,
4 Lillian, we will let you make your report if you want
5 to.

6 MS. BeVIER: Well, I will. I do have one
7 thing to report. First of all, I would like to thank
8 you for that. I will not pretend that this award
9 does not mean the world to me because it does so I
10 thank you for mentioning it.

11 I just have one item, and that has to do
12 with the fact that the black American law students at
13 Virginia put on a program about six weeks ago in
14 which they were discussing -- the theme of the
15 program was delivering legal services to the poor and
16 underserved. And they had made their plans for the
17 program when it came to their attention that I served
18 on the Legal Services Board.

19 And what was interesting -- so they asked
20 me, of course, to speak at the program and I was, of
21 course, delighted to do so. What was of concern to
22 me, and in particular in connection with our

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1 strategic plan, was when the president of BALS
2 invited me to join the panel, he said, "I didn't even
3 know about the Legal Services Corporation." And I
4 was unhappy with that lack of knowledge, delighted I
5 could be there to tell the people who were there and

6 interested in legal services that we did exist and we
7 did fund programs and what our mission was and so
8 forth.

9 Now one of the reasons why he might not
10 have known about the Legal Services Corporation is
11 that the most active provider of legal services in
12 Charlottesville, where the university is located, is
13 a program that pulled away from the Legal Services
14 funding program when the restrictions were enacted.
15 And it just turns out that the executive director of
16 that program is a very active and very
17 entrepreneurial fellow and so he has done some
18 wonderful initiatives with the University of Virginia
19 Law School.

20 So, you know, he can be forgiven, our BALSAs
21 president, for not recognizing that we existed, but I
22 was glad to be able to correct the record in that

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1 regard. That is my report.

2 CHAIRMAN STRICKLAND: Any other members
3 have reports for the Board? Yes?

4 MS. PHILLIPS: I would just like to report
5 on me starting a new job at a different agency. I
6 work at a nursing facility as a social worker, a
7 mission clerk, receptionist, unit clerk, basically
8 whatever they would have me do, but what they don't
9 know is that I have limits, but on that, as related
10 to the Board, I am honored to be a board member and
11 it is important for me to serve the client population
12 with all that I know how.

13 I have expressed my desire to be on
14 different committees, such as the Finance and
15 Performance Review Committees, and I am still
16 interested. I believe that it is important for the
17 Board to make every effort to include a client member
18 in all of its work. So thank you.

19 CHAIRMAN STRICKLAND: Okay. Thank you for
20 that report.

21 Anybody else have a members' report?

22 MR. FUENTES: Mr. Chairman?

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1 CHAIRMAN STRICKLAND: Yes, sir.

2 MR. FUENTES: I would just like to request

3 this moment of opportunity for members to speak that
4 when we do come to the adjournment of our meeting
5 today, that formally, on the record, that we adjourn
6 in memory of our two colleagues who are unable to be
7 with us since our last meeting.

8 CHAIRMAN STRICKLAND: Thank you, sir. If I
9 don't remember to do that, would you please remind
10 me?

11 MR. FUENTES: Yes, sir.

12 MS. SINGLETON: Mr. Chairman.

13 CHAIRMAN STRICKLAND: Yes.

14 MS. SINGLETON: Could I give a member's
15 report?

16 CHAIRMAN STRICKLAND: Oh, absolutely. I am
17 sorry. I didn't recognize you.

18 MS. SINGLETON: From the time that I got
19 confirmed by the Senate, I had a fairly active
20 period, on behalf of legal aid, not only LSC, but in
21 general, the provision of services in Mexico. I
22 started out with a meeting with the directors of the
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1 LSC funded projects in New Mexico and Arizona who
2 wanted me to be sure to bring a voice to this board
3 that would reflect some of the realities in the west,
4 which may not be obvious to those of you who are from
5 more urban areas and in particular, you know,
6 problems with transportation, problems with telephone
7 access, those kinds of things. I wanted you to be
8 sure and be cognizant of those when you are making
9 policy decisions.

10 The legal aid -- the LSC funded providers
11 in New Mexico and the state bar provided me with a
12 very nice swearing in ceremony and the programs took
13 the opportunity to use that as an occasion to try to
14 get some publicity for the need for legal aid in our
15 system. And we were able to get an article and an
16 editorial in the state's largest paper very
17 supportive of legal aid and legal services. So I
18 think that was a nice opportunity.

19 And finally, I am the chair or co-chair of
20 the Access to Justice Commission in New Mexico and we
21 had the occasion to present our first report to the
22 Supreme Court of New Mexico last week and that report

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1 was -- talked about what we have tried to do in New
2 Mexico to meet the civil legal needs of low income
3 people and how we just -- we still have so many unmet
4 legal needs relying, in part, on your Justice Gap
5 report and as well as other studies.

6 And these -- I am pleased to say that the
7 Supreme Court received the report with enthusiasm for
8 the mission of trying to improve the delivery of
9 legal services to low income New Mexicans. That is
10 my report.

11 CHAIRMAN STRICKLAND: Thank you.

12 Mike McKay, we were just going through
13 members' reports, and you may be the last report to
14 perhaps make a report.

15 MR. McKAY: And I don't have a report.

16 Thank you.

17 CHAIRMAN STRICKLAND: All right. Thank
18 you.

19 Sorry. David?

20 MR. HALL: Yes, I do have a report. I,
21 along with Helaine, have been asked to serve on the
22 ABA task force for equal justice, appointed by Mike

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1 Greckel, the president of the ABA, and one of the
2 charters that we had was to explore the possibility
3 of developing a civil right to counsel, the
4 equivalent of Gideon vs. Wainwright on the criminal
5 side. And the task force -- there is some other work
6 of the task force in addition, but the subcommittee
7 that I have been on has been focused on that
8 particular issue.

9 The task force met for its last time on
10 March 27th and passed a resolution that will go to
11 the House of Delegates of the ABA asking that states
12 consider, with some flexibility, developing a civil
13 right to counsel based on certain -- in certain
14 particular situations.

15 I think the work of ABA president of
16 identifying the critical need in regards to trying to
17 make sure that poor people in certain specific
18 situations have, by law, not just based on resources,
19 the right to legal counsel is an important idea. And

20 the task force has worked very hard to bring that
21 about and we will see what happens in August when the
22 House of Delegates of the ABA come together, but we
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1 are hopeful that that resolution will be passed.

2 Terry Brooks, who I think is still here, is
3 a staff member to that task force and it may be that
4 at public comment, he may want to share even greater
5 detail than I have just shared, but it is, I think,
6 some important work that has a great impact on this
7 board.

8 CHAIRMAN STRICKLAND: Thank you, David.

9 Anybody else at the table? Tom Fuentes, do
10 you have a member's report?

11 MR. FUENTES: Nothing more. Thank you.

12 CHAIRMAN STRICKLAND: All right. Then the
13 next item on our agenda is the President's report.
14 We are ready for you, Helaine.

15 MS. BARNETT: Thank you. I am pleased to
16 have the opportunity to report to the Board on a
17 number of recent developments at LSC, update you on
18 several of our initiatives and my activities since
19 the last board meeting.

20 On February 7th, we had an all staff
21 meeting to provide an update on the Board's actions
22 at its annual board of directors meeting and on
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1 recent developments, as well as a report on my
2 activities, in order to keep the staff as fully
3 informed as possible.

4 I also announced the February 3, 2006,
5 management OIG understanding of how LSC management
6 and OIG staff are to work cooperatively in the
7 production of documents and follow-up interviews
8 related to OIG audits and investigations. Under the
9 theme, "Knowing our Past Seizing our Future," LSC
10 staff celebrated Black History Month during a program
11 followed by lunch on March 2. As part of this year's
12 service, we added an outreach component and chose to
13 celebrate by creating opportunities to encourage,
14 strengthen and inspire young people who may feel that
15 success is beyond their reach.

16 LSC staff visited two local schools to

17 explain to the students the work of the Legal
18 Services Corporation, as well as to share their own
19 personal experiences on the diverse road, which has
20 led them to their current work. Students reviewed
21 the life stories of prominent African-Americans who
22 have made significant accomplishments, despite having
0034

1 to overcome many of the same challenges that students
2 may face today.

3 After reviewing these inspiring stories,
4 the students were asked to write their own personal
5 essays describing how they envision applying the
6 lessons they have learned to the formulations of
7 plans for the future. The winner of the essay
8 contest, their parents and sponsors were invited to
9 join us at our celebration on March 2nd.

10 At our luncheon celebration, Congressman
11 Arthur Davis, from Alabama's seventh congressional
12 district, was our keynote speaker. Karen Sarjeant
13 and I had met Congressman Davis last year on
14 September 19 at a reception organized by the Legal
15 Services of Alabama and Birmingham in response to the
16 aftermath of Hurricane Katrina. We were so impressed
17 by his eloquence, compassion and concern for the most
18 vulnerable among us, that we invited him to be the
19 keynote speaker for LSC's Black History month.

20 He shared moving lessons he had learned
21 from his grandmother. The award winning students
22 from the two schools read their essays as part of the
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1 program. Also, as part of the program, LSC's
2 Thuragood Marshall award was awarded to Moe Wilson
3 who has been an LSC employee for more than 27 years
4 and is in charge of our reprographics unit.

5 At the Board's direction, LSC held a second
6 regulatory workshop on March 23rd on the client
7 grievance regulations. Mattie Condray gave a report
8 to the Ops and Reg Committee, which will make a
9 report to the full board on that. This was the third
10 use of a regulatory workshop to help identify needs
11 for regulatory changes and we believe the workshops
12 are working very well in serving the purposes
13 intended by the Board.

14 An update on performance criteria. LSC has
15 recently completed revised performance criteria,
16 which are the centerpiece of our quality initiatives,
17 and collectively reflect LSC's sense of current best
18 practices that promote the delivery of high quality
19 legal services, was launched at the ABA and NLADA
20 Equal Justice Conference in Philadelphia March 30th
21 during a well attended session, which drew from both
22 the legal services community and the private bar.

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1 The panel, facilitated by Karen Sarjeant,
2 included two programs, executive directors and one
3 litigation director, as well as senior staff from
4 LSC. All of the panelists have participated in the
5 drafting of performance criteria. As you know, the
6 performance criteria had not been updated since they
7 were written in 1993. During the year long drafting
8 process, we had the benefit of a broad-based advisory
9 group of LSC program representatives, IOLTA
10 representatives, volunteer consultants and others.

11 We are very pleased with the provision.
12 LSC intends to use them in the assessment of our
13 program performance and evaluation grant application
14 in the competitive grants process. Some state IOLTA
15 directors have informed us that they, as legal
16 services funders, intend to use them similarly.

17 We will also encourage our programs to use
18 the performance criteria as part of their own
19 self-evaluation and in their planning of program
20 development. Distribution of this version of
21 performance criteria has been made by posting on the
22 LSC website as well as e-mail distribution to all

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1 executive directors and IOLTA executives. Additional
2 panel presentations and several upcoming regional and
3 state meetings are planned.

4 As you know, our board member, Sarah
5 Singleton, chaired the ABA committee, that is
6 responsible for revising the ABA standards group
7 advisors to the legal services to the poor, reported
8 yesterday that the Provisions Committee would report
9 today to the full committee.

10 Once the ABA completed review is completed,

11 we will incorporate them, where appropriate, in
12 reference to the performance standards. We will then
13 intend to give a hard copy to every advocate in LSC
14 funded programs. We want to express our appreciation
15 to David Hall, as the Board liaison in this project,
16 for his thoughtful and helpful comments during the
17 process and to remind all board members that we have
18 mailed you a copy for your information and review.

19 Another important element of our quality
20 agenda is attracting and retaining high quality
21 lawyers for our programs, which is what our pilot
22 loan repayment assistance program is designed to do.

0038

1 LSC's LRAP program is now in full implementation
2 mode. Twenty-five participating attorneys have been
3 selected and checks ranging from \$1,500 to 5,000 have
4 been sent out. Payments are retroactive to
5 October 1, 2005.

6 The \$1 million pilot program runs from
7 October 2005 through September 2008. Under the
8 program, LSC expects to allocate its LRAP resources
9 to support 67 attorneys from 15 programs in 2
10 distinct categories, retention and recruitment, 25
11 newly recruited attorneys and 42 with up to two years
12 experience.

13 The 15 participating programs in the LRAP
14 pilot was selected on the basis of a number of
15 factors, including the level of the grantee programs,
16 recruitment and retention challenges related to loan
17 indebtedness, both generally and for desired program
18 diversity or language skills. A program's available
19 resources, particular characteristics of the program
20 service area and information in the program's
21 application that compellingly show how loan
22 indebtedness contribute to the program's recruitment

0039

1 and retention problem and how an LRAP could
2 significantly address those problems.

3 The leadership mentoring pilot project held
4 its second group training session in March in San
5 Antonio in connection with the management information
6 exchanges by NEL conference for legal services
7 managers. The first day, limited only to LSC mentors

8 and protégées, focused primarily on how to meet legal
9 service's program's fiscal responsibilities while
10 addressing the program's mission and goals. Both
11 mentors and proteges took part as trainers in the
12 rest of the program run by the MIE.

13 As part of our continuing one on one mentor
14 protégée work, the participants have been asked to
15 develop a viable PAI program based on a specific
16 hypothetical situation. Their assigned comprehensive
17 PAI project descriptions are due in December. They
18 will be further reviewed by the participants during
19 their regular one on one mentoring sessions and a
20 select number of them will be presented as part of a
21 panel on PAI plans at the NLADA conference scheduled
22 for November.

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1 Karen Sarjeant and I also had our second
2 meeting with representatives from the National
3 Association of IOLTA programs while we were at the
4 EJC conference in Philadelphia. As part of our joint
5 effort to the state IOLTA programs to explore ways in
6 which we can all be more effective in our working
7 programs that receive IOLTA and LSC funding, we
8 focused our discussion on the following issues.

9 Ways in which we can all promote awareness
10 in use of the revised LSC performance criteria, along
11 with IOLTA evaluation standards, and establishing a
12 permanent collaboration with infrastructure for the
13 delivery of legal services in response to sudden
14 disaster and finally, the possibility of a common
15 grant application for use by LSC and IOLTA programs.
16 We look forward to having another meeting with this
17 group later this year.

18 In response to the devastation caused by
19 Hurricane Katrina, Rita and Wilma, LSC continues to
20 work with our programs in the Gulf states and with
21 our partners at the ABA, NLADA and Pro Bono Net in
22 order to address the civil legal needs of low-income

0041

1 persons affected by the disaster. LSC continues to
2 hold bimonthly national conference goals with its
3 partners and programs in order to plan for the future
4 of disaster relief as applies to legal services

5 program and plan.

6 The Katrina legal aid dot org website,
7 created and maintained by LSC, by ABA, NLADA and Pro
8 Bono Net, continues to serve as a valuable
9 informational resource for people who need held,
10 legal aid independent programs and pro bono
11 volunteers. Since its launch, the end of September
12 through March 2006, there have been approximately
13 40,000 likely downloads and 44,000 page views. In
14 order to further publicize the website, LSC has
15 printed over 10,000 flyers in both English and
16 Spanish, which were distributed to the 23 funded
17 programs in the hurricane affected region.

18 In March, with funding of \$75,000 from the
19 ABA section of Business Law, a statewide disaster
20 legal assistance pro bono coordinator was hired from
21 Mississippi and financial assistance from a law firm,
22 Robins, Kaplan, Miller and Ciresi, and other

0042

1 resources funded the statewide disaster legal
2 assistance pro bono coordinator for Louisiana who
3 began her assignment earlier this month.

4 These positions will be funded for at least
5 one year, will help legal aid programs take advantage
6 of the Louisiana and Mississippi state Supreme Court
7 order that allows out of state attorneys to provide
8 pro bono civil legal assistance to hurricane victims.

9

10 LSC coordination with the Student Hurricane
11 Network, a group of hundreds of law student
12 volunteers from the around the country, led to around
13 seventy volunteer placements for students at six LSC
14 funded programs in Louisiana, Mississippi, Florida
15 and Texas during the month of March. Many of these
16 programs have also signed up to host law student
17 volunteers interested in summer internships.

18 LSC continues to work with law students to
19 increase interest in pro bono opportunities in the
20 fields of legal services. LSC will be hosting a
21 meeting on June 1 in New Orleans to discuss the
22 successes, challenges and future actions that can be

0043

1 taken by programs and by LSC in the realm of disaster

2 preparedness and the quality of delivery of legal
3 services during and after an emergency.

4 The TIG grant, the Technology Initiatives
5 Grant, process is in the midst of reviewing 65
6 letters of intent from our grantees totaling requests
7 of over \$3.3 million. In a process identical to last
8 year, LSC grantees have submitted a two-page letter
9 of intent containing a broad description of an
10 envisioned project and its associated cost.

11 During the last grant cycle, LSC determined
12 that the submission review of letters of intent
13 enabled TIG staff to identify those projects that
14 have a reasonable chance of success in the
15 competitive grants process. Providing the results of
16 this review to the second applicants will ensure that
17 those with little likelihood of success will not
18 unnecessarily expend their own and potential
19 partner's scarce resources, develop a proposal that
20 ultimately would not be successful.

21 Based on these letters of intent, LSC staff
22 will select a group to apply for TIG funding through
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1 a formal application. This recommended slate of
2 letters of intent will then be reviewed and approved
3 by Karen Sarjeant and by me. Once an approved slate
4 is communicated to the TIG staff, the formal
5 application cycle for 2006 will begin. It is
6 anticipated that invitations for applications will be
7 issued in early May; the deadline for grantees to
8 submit completed applications to LSC will be June 2.

9 As I reported to you in January, one of our
10 grantees, Wyoming Legal Services, was placed on
11 month-to-month funding beginning in January 2006
12 until they achieve full compliance with a corrective
13 action plan. This corrective action plan was
14 necessary to address areas of non-compliance with LSC
15 rules and regulations. Our staff has been closely
16 monitoring the program and the progress of this
17 grantee. To accomplish full compliance, the program
18 is on a specific time line with specific reporting
19 requirements each month which so far have led to the
20 next month's funding.

21 In March 2006, the directors of our Office

22 of Compliance and Enforcement and the Office of
0045

1 Program Performance traveled to Lander, Wyoming to
2 meet with the executive committee of the Wyoming
3 Legal Services board of directors and their executive
4 director to impress upon the board and the executive
5 direction the seriousness and urgency of monthly
6 compliance and full compliance by the final target
7 date of June 30th.

8 More recently, Karen Sarjeant held a
9 conference call with the board chairman and executive
10 director to make an additional assessment of their
11 progress and to ensure that they understood the
12 consequences of not reaching full compliance, which
13 would mean the withdrawal of funds. LSC staff are
14 planning for all foreseeable situations.

15 Because this fiscal year 2007 competitive
16 grant cycle is currently underway with a deadline for
17 notices of intent to compete being due to LSC on or
18 before May 22nd and grant applications being due on
19 June 15, we have placed the Wyoming service area on a
20 different competition schedule. The notice of intent
21 to compete for the Wyoming service areas will be due
22 to LSC on August 14 and the grant application will be

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1 due on September 15th.

2 The competition schedule for the Wyoming
3 service area allows LSC to do the following. To make
4 a determination at the end of June on the funding
5 status of Wyoming Legal Services based on assessment
6 of the compliance with a corrective action plan. If
7 a decision is made to not fund Wyoming Legal Services
8 for July and later months, then 45 CFR Part 1634 of
9 the competitive grants regulation allows LSC to fund
10 an interim provider while the competition for the
11 Wyoming service area is held.

12 For instance, LSC can engage a neighboring
13 recipient service area, enlarge it or enter into a
14 written contract with another qualified provider. If
15 a decision is made to not fund Wyoming Legal Services
16 for July and later months, LSC will do extensive
17 outreach to potential providers during the month of
18 July and August to encourage competitive grant

19 applications for those service areas, including a
20 Wyoming visit to meet with potential applicants.
21 Regardless of the funding decision made in
22 June, LSC plans to do an onsite capability assessment
0047

1 visit in December to any applicants, Wyoming Legal
2 Services or others, that submit an application for
3 funding by September 15th. Recently, the office team
4 and executive directors have invested time in
5 reviewing and improving the work plan and performance
6 appraisal process for LSC staff.

7 On April 13th, we held an open meeting for
8 all LSC staff to provide feedback on the elements of
9 our revised performance appraisal systems. Fourteen
10 people, representing every office, including the
11 Office of Inspector General, attended the meeting.
12 Consistent with the Board's adoption of our strategic
13 direction, each office has developed a work plan for
14 that office to assure we give top priority to the
15 Board adopted goals and objectives. While this is a
16 time-intensive effort, we firmly believe that this
17 long-term preplanning will enable us to use our staff
18 resources most efficiently and effectively.

19 Some of the events I attended since the
20 last meeting, the ABA midyear meeting in Chicago in
21 February and I participated in the SCLAID meeting and
22 the House of Delegates meeting. As part of the House
0048

1 of Delegates meeting, there was reports on the ABA
2 task force on Hurricane Katrina in which leaders from
3 the effective state of Louisiana, Mississippi,
4 Arkansas and Alabama reported on the impact and needs
5 and what the legal community is doing to help.

6 Melissa Kirchner, our executive director of
7 Legal Services of Alabama, made the report for the
8 State of Alabama. I attended the southeast project
9 director's association winter meeting in Little Rock,
10 Arkansas on February 28th. I was invited to give the
11 executive directors an update on LSC, as well as an
12 update on LSC's revised performance criteria. The
13 meeting was attended by 22 project directors
14 representing 14 legal services programs.

15 While in Little Rock, I also visited the

16 Center for Arkansas Legal Services to hear from staff
17 about the work of the program and innovative
18 projects, like a statewide legal assistance website,
19 toll free legal assistance telephone hotline, pro
20 bono program and involvement in the State Access to
21 Justice Commission.

22 I also had a dinner meeting with a group of
0049

1 project directors where we discussed plans for
2 rescheduling our deep south conversation on equality
3 and disaster response follow-up meeting. I gave
4 opening remarks at the LSC training session on
5 March 8th in San Antonio, Texas with the mentors and
6 proteges participating in our leadership mentoring
7 program.

8 While in El Paso, I visited the El Paso
9 office of the Texas Rio Grande legal aid program and
10 met with members of their staff. As board member
11 David Hall reported, I attended with him the ABA task
12 force access to civil justice at the Equal Justice
13 Conference. In addition, we had a number of staff
14 attend the conference and we gave updates on hot
15 topics and on various sessions on technology, world
16 delivery, LRAP leadership and as I earlier reported,
17 on our performance criteria.

18 In addition, as Chairman Strickland
19 reported, I attended the national meeting of the
20 State Access to Justice chair and had a wonderful
21 opportunity to meet with Ann Lewis, the new co-chair
22 of the newly established Georgia Access to Justice
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1 Commission who is our chairman partner.

2 I was invited to be the speaker at the
3 attorney admission ceremony at the United States
4 District court in the District of Columbia in March.
5 I spoke about the need for pro bono and the
6 importance of lawyers continuing to commit themselves
7 to pro bono work.

8 I was invited by Sheely Broderick, dean of
9 the University of the District of Columbia David A.
10 Clark School of Law, to participate in their
11 symposium on strategies to address poverty and
12 inequality. The event was a celebration of the law

13 school's recent achievement of full ABA
14 accreditation. I gave opening remarks at the
15 symposium on April 7th in which I discussed the
16 justice gap and the current need for civil legal
17 services for Americans and the ongoing goal of trying
18 to ensure access to justice for all.

19 On April 17th, I met with Nina Olson, the
20 national taxpayer advocate of the United States
21 Internal Revenue Service, to discuss the low-income
22 taxpayer clinic system funded by the Internal Revenue
0051

1 Service. Approximately 36 of our grantees receive
2 IRS low-income tax funding to operate low-income tax
3 clinics in their community. We discussed areas for
4 collaboration and future initiatives that we could
5 pursue.

6 Also in the beginning of April, I would
7 like to report that Karen Sarjeant and I attended the
8 funeral of Larry Garten, our board member Herb
9 Garten's beloved son, who was extraordinarily well
10 respected and who died untimely at the age of 53.
11 The funeral was overflowing with family, with friends
12 and with dignitaries, including the mayor of
13 Baltimore, and so was the home during the Shiva
14 period. And I know we all extend our deep
15 condolences to you on your loss, Herb.

16 In recognition of Administrative
17 Professional's Day on April 26th, we held a breakfast
18 celebration appreciation and recognition of the
19 dedicated service and valued contribution of our
20 administrative professionals. We used this occasion
21 to thank all our administrative professionals for
22 their innovative and effective efforts to streamline
0052

1 office procedures and provide efficient and high
2 quality support to managers and supervisors to make
3 it possible for all of us to fulfill LSC's mission.

4 And finally, this past Thursday,
5 April 27th, LSC held its fourth annual Take a Child
6 to Work Day as part of the national program designed
7 to expose children to what their parents and other
8 relatives do during the workday and, in particular,
9 to tell them about the work of LSC.

10 LSC employees were invited to bring in
11 their children, grandchildren or godchildren, age
12 eight to twelve, to participate in a full educational
13 and fun day. As part of this year's activities, 17
14 children, along with LSC chaperones, went on a field
15 trip to the Superior Court of the District of
16 Columbia. They toured the courthouse for two hours,
17 had lunch and had the opportunity to meet and talk
18 with a judge and visit an actual courtroom in
19 session.

20 In addition to the visit to the courthouse,
21 when the children returned to our office, in
22 conjunction with our LSC Kids Program, they

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1 participated in activities to help provide backpacks
2 of school supplies to 17 children attending a public
3 elementary school in LaPlace, Louisiana who were
4 affected by Hurricane Katrina. The children wrote
5 notes of friendship and encouragement to the students
6 in Louisiana and helped pack the school supplies to
7 send to them.

8 And so Mr. Chairman, from this report, you
9 can see that we have had a very busy and productive
10 few months since the last board meeting.

11 CHAIRMAN STRICKLAND: Thank you very much,
12 Helaine. Does any board member have any questions
13 about her report? Tom Fuentes?

14 MR. FUENTES: No, thank you.

15 CHAIRMAN STRICKLAND: All right. Let's
16 move next to the Inspector General's report. Kirt
17 West.

18 MR. WEST: Good afternoon, Mr. Chairman,
19 and members of the Board and President Barnett.
20 First, I am pleased to introduce formally Joel
21 Gallay who joined my staff on February 15th to serve
22 as my special assistant.

0054

1 Joel served as the deputy inspector general
2 of the General Services Administration for the past
3 12 years and has more than 25 years of experience in
4 the OIG community, including sort of the rocky early
5 days of the IG concept. He is going to be a valuable
6 resource in helping my office carry out its mission,

7 which continues to be the long-term goal of figuring
8 out how to help add value to the Corporation and to
9 maximize the return on investment that we get for the
10 dollars that the Congress appropriates.

11 I have completed the semiannual report to
12 Congress. When you arrive home, it should be in your
13 mailbox. It was -- I was told it was mailed out
14 Friday. We have been extremely busy the last several
15 months as a result of some congressional requests
16 that you are all familiar with. You will be hearing
17 more about it in the finance committee report, but we
18 did recently issue the fiscal year 2005 financial
19 statement audit. In the bottom line, it was a clean
20 opinion and no problems. So it was very good news
21 for the Corporation.

22 We issued a final report on the Office of
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1 Compliance and Enforcement. We deferred making any
2 recommendations on the duplication that might be
3 existing within the Corporation, including
4 duplication that our office would be involved in,
5 until we have completed the audits of the Office of
6 Program Performance and the Office of Information
7 Management.

8 With respect to the other recommendations
9 in the report, although management did not agree with
10 our recommendation, its -- management's statement of
11 its commitment to the efficient and effective
12 operations of LSC, together with the work being done
13 to implement the strategic directions, addressed the
14 issues in our report and that is the reason we
15 finalized it.

16 It is one of the things that happens in an
17 audit report is we might have recommendations.
18 Management doesn't necessarily have to agree with it,
19 but they can take actions that satisfy the intent of
20 our recommendations and that is what we believe they
21 did in this instance. So that report is final.

22 We issued a new product, at least for LSC,
0056

1 called Management Advisory on Workplace Safety and
2 Security. It is something that was a long time -- we
3 started a long time ago. We had a little problem

4 just because of resources, but the advisory is a more
5 informal, informational product that, unlike an audit
6 report, it doesn't require a response or a formal
7 follow-up from management. And I would just like to
8 say that overall, we were extremely encouraged by the
9 many improvements that LSC has made in meeting its
10 ongoing responsibility to provide a safe and healthy
11 workplace.

12 We sent comments to the ABA SCLAID task
13 force on the revision of the standards for providers
14 of legal -- civil legal services to the poor. We
15 directed our comments to the issues of governance,
16 fiscal management, confidentiality, fraud prevention
17 and program effectiveness. One of the reasons we did
18 so is because of the fact that LSC, during the
19 competition process, takes into consideration the
20 civil standards.

21 Before submitting our comments, we
22 coordinated with LSC management and very much
0057

1 appreciated their advice in terms of how to frame
2 some of our responses. We found that a very useful
3 process. I am pleased to report that the task force
4 did express its thanks to the OIG for its comments on
5 the revisions and having talked to Terry Brooks, he
6 has indicated some of our comments were being
7 incorporated.

8 We have recently -- in the initial stage,
9 have commented on changes to the LSC grant assurances
10 recommending some changes that we believe that would
11 improve both LSC as well as OIG access to grantee
12 information. That, we believe, is important for
13 conducting our -- actually, is essential to conduct
14 our statutory and regulatory oversight
15 responsibilities.

16 Since the Board adoptions to LSC strategic
17 directions, we have made a lot of progress on our OIG
18 plan, but due to the congressional requests we have
19 had that require much of our attention, we have not
20 had time to meet collectively and finalize a draft
21 for comments. We will provide a draft for comment
22 both to the Board and to LSC management as soon as
0058

1 possible in order to receive input. We will also
2 post it on our website and note some of the -- what
3 the stakeholders know, that it is on there, and
4 solicit your comments as well.

5 Our goal would be to have this issued to
6 the Board, consider comments and provide a final plan
7 at the next board meeting. Our goal is to have our
8 plan aligned with the Board's approved strategic
9 direction, as well as to incorporate the Government's
10 Performance and Result Act and IG best practices. We
11 will be identifying major management challenges to
12 LSC as well as challenges to IG's success and to
13 improve our planning process.

14 As much of our work is tied to the current
15 issues, our program priorities as well as the
16 requests of Congress and the board of directors, our
17 plan has to be dynamic and needs to maintain
18 flexibility and discretion to be able to redirect
19 resources when and where needed. That is our
20 challenge. I know what a challenge it was to get the
21 strategic directions out on the part of the Board and
22 management and I think we will be facing the same
0059

1 sort of challenge and I only hope our product is as
2 good as the strategic directions product. That
3 concludes my report.

4 CHAIRMAN STRICKLAND: Okay. Thank you very
5 much.

6 And welcome, Joel, to LSC. Glad to have
7 you.

8 Any board members have questions of Kirt?
9 Sarah?

10 MS. SINGLETON: Well, it is more a comment.
11 I wanted to say that as the chair of the SCLAID task
12 force, I truly appreciated the comments that the
13 Inspector General and Mr. Coogan in his office made.
14 I found them useful and interesting and they were of
15 value to the ultimate work product.

16 CHAIRMAN STRICKLAND: Thank you.

17 MS. SINGLETON: Thank you.

18 MR. WEST: Thank you.

19 CHAIRMAN STRICKLAND: Any other questions
20 of Kirt?

21 (No response.)

22 CHAIRMAN STRICKLAND: Okay. Thank you very

0060

1 much. We will next move to item 10 on the agenda,
2 Consider and Act on the Report of the Committee on
3 Provision for the Delivery of Legal Services.
4 Chairman David Hall.

5 MR. HALL: Thank you, Chairman Strickland.
6 The Committee does not have any action to be brought
7 to the full board so I will just give a kind of
8 summary of the report that we received or the various
9 reports that we received.

10 First, we received a staff report on the
11 private attorney involvement strategy. As you know,
12 in our January meeting, we devoted pretty much the
13 entire provisions committee to looking at the ways in
14 which this board could increase the involvement of
15 private attorneys with our grantees, but also in
16 general, and we had asked staff to look at that and
17 to bring us back some preliminary thoughts and I will
18 share some of those.

19 We also, because we want to continue to
20 feed the issue of private attorney involvement and
21 pro bono in front of this -- of our committee and in
22 front of the entire board, we asked for another

0061

1 presentation on that particular topic. Since our
2 last meeting had a major focus, not entirely, on
3 large law firms, we wanted to have a presentation
4 that focused a lot on small and solo practitioners.

5 So we had a panel, in addition to Karen
6 Sarjeant, who gave us an overview of this whole area
7 in regards to how our grantees are utilizing private
8 attorneys. We had a presentation from a Daniel
9 Glazier, who we have heard on numerous occasions
10 since we have been here, who is the executive
11 director of legal services of Eastern Missouri.

12 We also heard from Adam Burtkemper. He is
13 a practicing attorney in a small firm in Troy,
14 Missouri. He, in essence, kind of brought the rural
15 perspective to this particular issue. And we heard
16 from Thomas Glick, who is from the firm Glick Finney,
17 which is located here in St. Louis and kind of

18 brought the urban perspective from a solo, small firm
19 practitioner.

20 I don't want to, and I will not be able to
21 do justice to all of the things that they shared, but
22 I do want to share just a few things. As I stated,
0062

1 Karen's report was preliminary, but she, in essence,
2 indicated to us that staff is still inventorying all
3 of the various things that our grantees are doing in
4 regards to promote private attorney involvement.
5 They are trying to assess what would be the best ways
6 to utilize the existing resources we have to promote
7 that.

8 They developed a very exhaustive summary of
9 the presentation that we had at the January meeting,
10 which was contained in our materials. This is still
11 a preliminary report and our expectation is that
12 based on suggestions and recommendations that we
13 heard yesterday, that we will get a final report from
14 the staff in regards to what should be our overall
15 strategy.

16 Some of the suggestions and recommendations
17 we received from the various presenters, and I won't
18 try to attribute the comments to any particular
19 individual, but just to indicate some of the things
20 that they have asked us to focus on.

21 One of the issues was that we still need to
22 do a better job of making it easier for attorneys to
0063

1 get involved with and devote their services or their
2 pro bono services to this cause and that we need to
3 emphasize some of the benefits that attorneys get
4 from being involved. And some of those certainly was
5 the training that they get in particular areas of law
6 that they would not necessarily receive, that it
7 certainly can provide more meaning and satisfaction
8 to the type of work that they are doing.

9 We were encouraged to look at ways in which
10 involvement by private attorneys could be increased.
11 One suggestion was that in certain states, CLE rules
12 permit pro bono work to count as CLE credit and that
13 that is something that needs to be looked as a
14 possibility for increasing more involvement.

15 Another suggestion was to better utilize
16 retired attorneys and judges and that one of the
17 things that has occurred again in some states is a
18 relaxing or the easing of licensing requirements if
19 people are going to be devoting their work to a legal
20 services organization. So waiving bar dues and
21 providing other types of support would be something
22 very important.

0064

1 One of the perspectives that was shared
2 from the attorney representing the kind of rural
3 perspective was despite the fact that handling pro
4 bono cases and the types of cases are that are
5 assigned to him are very difficult cases in the sense
6 that the individuals who are being served are in need
7 of a lot of assistance or "hand holding" and are
8 calling constantly.

9 And despite the fact that at least from his
10 perspective, those types of cases create high
11 malpractice risk though in the question and answer
12 period, that was a little disputed, but at least that
13 was this person's position, there still was the
14 bottom line that he felt that this was important work
15 and work that needed to be done and is a fundamental
16 part of a lawyer's responsibility.

17 There was some suggestion that we look at
18 malpractice insurance and to make sure, or at least
19 clarify, whether -- when an attorney is doing -- has
20 been given a case by one of our grantees, whether the
21 malpractice insurance of the grantee covers that
22 particular situation, either primarily or in a

0065

1 secondary standpoint.

2 Just a few other issues that were shared
3 with us. One of the other perspectives to this whole
4 issue is to begin to share with grantees or to share
5 with attorneys what are some of the benefits they can
6 get from being involved in this whole process and
7 thus, what should our grantees try to promote and
8 make sure they are providing for attorneys so they
9 can get involved.

10 One of them was the whole issue of time
11 management skills. And it was stated that the best

12 contribution that LSC grantees can provide for
13 attorneys is making sure that they have done the work
14 up-front so that when the case comes to the attorney,
15 that the amount of time that that attorney has to
16 devote to interviewing and getting a sense of that
17 case is limited.

18 If the intake work is done ahead of time,
19 that that provides a tremendous benefit, that
20 certainly the training that is provided for solo and
21 small practitioners is just essential, and that is
22 one of the selling points, and also recognition of

0066

1 attorneys who have received -- who have given of
2 their time becomes very important.

3 That is a suggestion that we try to already
4 move on and one of the reasons at the reception last
5 night that attorneys were recognized by the local
6 grantee was a way of trying to carry out that
7 particular idea, which we had thought about ahead of
8 time as ways of encouraging more involvement.

9 There was a lot more said by our presenters
10 on this particular topic. I think that captures that
11 there are still some specific challenges that small
12 and solo practitioners face that may be even more
13 cumbersome than the large firms, but it was clear
14 from our panelists that those hurdles are not
15 insurmountable and that we, as the Board and
16 certainly our grantees, just need to promote even
17 more the involvement of private attorneys.

18 We also had a brief presentation from one
19 of our own board members, Sarah Singleton, on the ABA
20 standards in her role as chairperson of the ABA task
21 force for revising the ABA standards. I will in no
22 way try to share with you all that the standards

0067

1 involve. She did share with us, though, that the
2 present status is that there are only some minor
3 edits that will be made to the ABA standards before
4 they are submitted to the SCLAID committee on Monday
5 and her anticipation is that they would be sent to
6 the House of Delegates to be approved in August in
7 Hawaii.

8 The major changes that she shared with us,

9 and again, she spared us all of the gritty details,
10 but from a very general perspective, there was a
11 change in the title of the entire -- of the standards
12 so that it is a more generic title that doesn't just
13 to LSC providers, but apply to all providers who are
14 trying to deal with issues of access to justice. And
15 therefore, not only in the title, but also throughout
16 the standards, there was a purposeful attempt to try
17 to use language that applies to LSC and non-LSC
18 grantees.

19 There was also a major change in trying to
20 reorganize the standards so that one could have a
21 section for standards applying particularly to
22 providers and also standards applying more to
0068

1 practitioners.

2 We were, in essence, given a general
3 overview and also reassured that there were no
4 conflicts between the ABA standards and the LSC
5 criteria, which we have more direct responsibility
6 for, and I think we are fortunate in that in the
7 drafting or the revisions of the standards, that both
8 Helaine and Sarah have been intimately involved in
9 that process and she also mentioned that there are
10 other members of that committee who were also
11 present -- who have been present here and who we have
12 an ongoing working relationship with.

13 Those were the only major issues that came
14 before the Provisions Committee. I think I can say
15 that the Committee is very committed to still
16 continuing to look at this issue of private attorney
17 involvement.

18 There are two other areas that we haven't
19 examined in detail yet. One is that of the role of
20 law schools, which came up in our question and answer
21 period, and also the role of corporate counsel's
22 involvement in this whole area. So I think the Board
0069

1 can anticipate that this is an issue that we will
2 probably still spend a little bit more time looking
3 at. So that concludes my report.

4 CHAIRMAN STRICKLAND: Thank you very much,
5 David.

6 Do any board members have questions of
7 David?

8 MS. BeVIER: I do.

9 CHAIRMAN STRICKLAND: Yes. Go ahead.

10 MS. BeVIER: This is not a question. It is
11 really a comment to congratulate staff and the
12 Provisions Committee. I think this private attorney
13 involvement initiative and the collection of
14 information about how various grantees are handling
15 it is absolutely so central to -- I mean, it is a key
16 initiative and the idea of partnering with the
17 private bar and increasing their involvement in
18 providing legal services to the low-income community
19 is just very important.

20 And I just think the number of ideas that
21 have come up in these two meetings that the
22 Provisions Committee has had have just been

0070

1 spectacularly wonderful. So there is a lot of good
2 thinking going on out there and I appreciate staff's
3 initiative and also the Provisions Committee, their
4 efforts, and I know they will continue and I know
5 that the Board will continue to be interested. So
6 thanks.

7 CHAIRMAN STRICKLAND: Was there another
8 comment on David's report?

9 (No response.)

10 CHAIRMAN STRICKLAND: I think this would be
11 an appropriate time, since Dan Glazier was one of the
12 presenters to your committee, David, we recognize Dan
13 Glazier, executive director of Legal Services of
14 Eastern Missouri, and thank you and your board chair,
15 Susan Nellroe, all the members of your board and your
16 staff for the warm welcome you have extended to us
17 during our visit.

18 You have got a great program and it is
19 evident, from being around you and around your board
20 and the local bar, that there is a lot of support for
21 your program, a lot of excitement associated with it.
22 So consistent with our visits to the programs, it

0071

1 has been an energizing experience for the Board and
2 we hope it has been a good experience for your

3 program as well. So we thank you again for having us
4 in your city and all the courtesies you have extended
5 to us.

6 (Applause.)

7 MR. GARTEN: Frank, if I may --

8 CHAIRMAN STRICKLAND: Yes.

9 MR. GARTEN: -- say this. As a bar junkie,
10 I want to express our thanks to the 12 different
11 organizations, or thereabouts, the state bar, the
12 city bar and other organizations who sponsored such a
13 wonderful event for us last night. And it was good
14 to see many friends that I have been associated with
15 other the years and this state has a great reputation
16 in the legal services area. And it was a pleasure to
17 be with you.

18 CHAIRMAN STRICKLAND: Speaking of
19 expressing appreciation, please also extend our
20 appreciation again to Chief Justice Wolff and I know
21 Judge Teitelman has been here. He may have left,
22 but -- okay. I think he is -- left the room, but he

0072

1 said this meeting was easy for him to attend because
2 it was local, but he attends our meetings wherever we
3 are. So he is a long-time and loyal supporter of
4 our -- of LSC.

5 And also I want to note for the record the
6 presence of Jonann Chiles from Little Rock, a nominee
7 to our board, who is in the audience today and has
8 been participating in our meetings and other events
9 during this weekend. So we welcome you too. Glad to
10 have you.

11 Next is Consider and Act on the Report of
12 the Finance Committee. Chairman Mike McKay.

13 MR. McKAY: Mr. Chairman, we had a brisk
14 and busy meeting this morning. Virtually everyone
15 was present, but I will hit the highlights this
16 afternoon.

17 We first received a report from the IG on
18 the fiscal year 2005 annual financial audit.

19 Mr. West reported that there were "no instances of
20 non-compliance," which means, for us laypersons,
21 there were no problems.

22 He did also report to us that bids will go

0073

1 out for a new contract to perform this function. It
2 is currently being performed by M.D. Oppenheim. They
3 may receive the new contract, they may not, but
4 appropriately, a bid has gone out for a review of the
5 contract.

6 The next report we received related to
7 revisions to the consolidated operating budget.
8 Prior to the meeting, we received a detailed memo and
9 then at the meeting, we received testimony from
10 Charles Jeffress and David Richardson. I invite the
11 Board's attention to the most important fact I think
12 we received and that is that there is an additional
13 \$12,600 in income that will increase our budget by
14 that amount and there was also internal budgetary
15 adjustments.

16 In connection with the memo that we
17 received, that is the Committee and I believe the
18 entire Board received it -- it was an April 25, 2006,
19 memo from the IG. That memo was withdrawn because
20 management had issued a revised memo to the Board,
21 that is a memo that we had received was revised and
22 issued to us again, that corrected an error that was

0074

1 contained in the previous memo.

2 And I would like to personally indicate
3 that I appreciate the spirit here. A mistake was
4 made by management. It was brought to their
5 attention in an informal way. It was promptly
6 corrected and then the IG's memo, which was issued on
7 Tuesday, was withdrawn.

8 So we got to the details of the discussion.
9 We went -- we did address with Mr. Jeffress and
10 Mr. Richardson several of these internal budgetary
11 adjustments. I did raise a question about spending
12 for an outside technology expert and Mr. Meites
13 joined in the question. And so I will work with
14 staff to share information between the experts
15 serving my law firm and staff and this outside expert
16 to try to figure out why this item is so expensive.

17 We then approved, for the Board's
18 consideration, a Resolution 2006-006, which
19 recommends to the Board the adoption of a budget

20 reflecting the additional \$12,600 and the internal
21 budgetary adjustments discussed.

22 MOTION

0075

1 MR. McKAY: So I move the adoption to this
2 Board Resolution 2006-006.

3 CHAIRMAN STRICKLAND: Which for the
4 information of the Board, is at page 63 in your board
5 book.

6 MR. McKAY: Thank you.

7 CHAIRMAN STRICKLAND: Is there a second to
8 that motion?

9 MR. MEITES: Second.

10 CHAIRMAN STRICKLAND: Any discussion of the
11 motion?

12 (No response.)

13 CHAIRMAN STRICKLAND: Hearing none, all
14 those in favor, please say aye.

15 (Chorus of ayes.)

16 CHAIRMAN STRICKLAND: Those opposed, nay.

17 (No response.)

18 CHAIRMAN STRICKLAND: The ayes have it, and
19 the resolution is adopted.

20 MR. McKAY: Thank you. Within the context
21 of this discussion, I personally this week, and then
22 the Committee today, had the opportunity to discuss,

0076

1 briefly, the subject of the guidelines for review and
2 adoption of a consolidated operating budget. These
3 guidelines were last reviewed by the Board in March
4 of 2000.

5 We, the Committee, discussed this and we
6 agreed to ask staff to review these guidelines and
7 propose changes to the Committee for our review at
8 our July meeting and after we do our work, I am
9 confident we will be making recommendations to the
10 Board. This does not require any action by the Board
11 now.

12 Mr. Fuentes suggested to Mr. Polgar that we
13 have a more active role in meeting with members of
14 Congress on the budget issues or appropriation
15 issues. It was agreed the staff will come back with
16 a plan at the next meeting to, as Mr. Fuentes

17 indicated, thinking outside the box. What other
18 things can we, as board members, do to assist staff
19 and our chair and vice-chair and president in
20 communications with the Hill. And in the meantime,
21 we will receive talking points, notices when it might
22 be appropriate for one or more of us to be contacting
0077

1 members on the Hill and so forth.

2 We then addressed the LSC's financial
3 reports for the first six months, the fiscal year
4 2006. Again, we heard from Mr. Jeffress and
5 Mr. Richardson. Mr. Richardson took the lead and
6 reported that we are well within budget. He invited
7 to our attention six items, which I will briefly
8 highlight.

9 The first highlight relates to the U.S.
10 Court of Veteran Appeal Funds. Little or none of
11 that money has been expended and that is simply
12 because the application -- the grant application has
13 not been completed and once that is, it is
14 anticipated that it will be approved and funded by
15 the end of this fiscal year.

16 We were also observed that there were no
17 emergency grant awards made so far and that is --
18 happily, we have not had to address any emergencies,
19 but the money is there for whatever would occur and
20 it is there for the need when it presents itself.

21 The next item related to technology
22 initiative grants and the budget item there
0078

1 indicating that approximately half of the funds have
2 been expended. We were told that they are still
3 working on additional grants and it is anticipated
4 that these funds will be spent by the end of the
5 fiscal year.

6 The fourth item relates to the loan
7 repayment assistance program, which showed that no
8 money had been spent. We were told in writing and
9 orally that checks totaling nearly a hundred and four
10 thousand had been written, but since the debt had not
11 yet been excused, it is not expensed on our report.

12 Mr. Meites asked, and we embraced that
13 request, that the financial report somehow reflect

14 the amount that is actually -- the amount of checks
15 that have been written, even though it might not be
16 expensed, and Mr. Richardson indicated that a
17 footnote on those statements would be appropriate and
18 we all thought that was a pretty good idea.

19 We were informed that the management
20 administration line item is 19 -- nearly 20 percent
21 under budget and that management is looking at an
22 internal budgetary adjustment, which would take some
0079

1 of the money directly from management into programs
2 and into compliance. Again, that sounded like a good
3 idea and we appreciated the heads up on that.

4 And finally we were -- received a report on
5 the IG's budget. Mr. Richardson indicated that while
6 there are one or two line items where they are over
7 budget right now, because of the adjustments that are
8 being made by the IG's office, by the end of the
9 year, they will be well within the budget. So that
10 was a good report. We had questions and answers and
11 no action was required. It was just a good report we
12 received from staff and particularly Mr. Richardson.

13 We then heard from Mr. Polgar about the
14 fiscal year 2007 appropriations process. He
15 indicated that rounds are being made by our president
16 and chairman and vice-chair of the board, that the
17 budget request is being -- is receiving a fairly warm
18 reception, but of course, as we know, it is hard to
19 predict what will eventually happen.

20 We were also reminded or informed that
21 there is a serious question as to whether or not we
22 will have a new budget by October 1 and to be
0080

1 prepared for a temporary budget come October 1 until
2 Congress can come up with the final budget.

3 Finally, we heard from Mr. Jeffress who
4 said that in spite of the fact we have been
5 informally working with LSC's 403(b) thrift plan,
6 they know what our new address is. They have asked
7 that we formally notify them of our change of
8 address. You will find that at Resolution 2006-007,
9 which does so.

10 MOTION

11 MR. McKAY: And I move the adoption of that
12 resolution.

13 MS. BeVIER: Second.

14 CHAIRMAN STRICKLAND: Thank you for the
15 motion and the second. That is at page 67 in your
16 board books. Is there any discussion on that motion?

17 (No response.)

18 CHAIRMAN STRICKLAND: Hearing none, all
19 those in favor of the motion, please say aye.

20 (Chorus of ayes.)

21 CHAIRMAN STRICKLAND: Those opposed nay.

22 (No response.)

0081

1 CHAIRMAN STRICKLAND: The ayes have it and
2 the resolution is adopted.

3 MR. McKAY: We had no other business, no
4 public comment and no more -- that is the end of my
5 report.

6 CHAIRMAN STRICKLAND: All right, sir.
7 Thank you.

8 The next item is to Consider and Act on the
9 Report of the Operations and Regulations Committee.
10 Chairman Tom Meites.

11 MR. MEITES: Thank you, Mr. Chairman. Our
12 committee met yesterday and we had four items of
13 substance that we considered. The first was to
14 consider and act on the draft notice of proposed
15 rulemaking to revise our Regulation 1624, which is
16 the prohibition against discrimination on the basis
17 of handicap.

18 As you may recall, the Board, at its
19 January 28th meeting, directed staff to prepare a
20 draft notice of proposed rulemaking and that is what
21 we reviewed yesterday. In fact, the proposed draft
22 only makes minor changes in our existing regulations,

0082

1 the most notable of which is to substitute for the
2 term "handicap" with the term "disability," which is
3 in keeping with modern terminology.

4 The staff recommended that the regulation
5 recognize that LSC's policy has been in receipt of a
6 complaint of discrimination on the basis of
7 disability, that in general, the complaint will be

8 referred to the appropriate federal, state and/or
9 local agency. After consideration of the draft
10 notice, our committee voted unanimously to recommend
11 to this board that the staff be directed to publish
12 the regulation for comment with the 45-day comment
13 period.

14 M O T I O N

15 MR. MEITES: I so move.

16 CHAIRMAN STRICKLAND: Is there a second?

17 MR. GARTEN: Second.

18 CHAIRMAN STRICKLAND: Moved and seconded.

19 Any discussion on the motion?

20 (No response.)

21 CHAIRMAN STRICKLAND: All right. Let's

22 proceed to a vote. All those in favor of the motion,

0083

1 please say aye.

2 (Chorus of ayes.)

3 CHAIRMAN STRICKLAND: Those opposed, nay.

4 (No response.)

5 CHAIRMAN STRICKLAND: The ayes have it, and

6 the motion is adopted.

7 MR. MEITES: Mr. Chairman, the second

8 substantive matter that our committee discussed
9 yesterday was further action on undertaking to
10 consider revisions of our Regulation 1621, which is
11 the client grievance procedure. The staff reported,
12 on March 23rd of this year, the management convened a
13 workshop on our existing grievance procedure
14 regulation, which was very well attended.

15 The staff further reported that although
16 there were a number of issues raised at the workshop,
17 they really could be classified into two camps. One
18 is -- which were intentional. One is the desire to
19 treat our clients with dignity and make sure that
20 they understand if they believe they have been
21 deserved or not served wrongly, that there are
22 procedures in our regulations that assure them a

0084

1 hearing, while at the same time our -- the
2 participants in the workshop were concerned that the
3 grievance procedure and notice to the grievance
4 procedure not overwhelm our services because after

5 all, when someone is seeking services, the first
6 thing they want is service and that is known as a
7 grievance procedure.

8 In light of the comments, the staff said
9 that it believes it is in a position to draft a
10 proposed notice -- to prepare a draft notice of
11 proposed rulemaking. They told us that they
12 anticipate that they would not propose major changes
13 in the present grievance procedure, although there is
14 this tension, and much has changed since we adopted
15 the present rule, our predecessors adopted the
16 present rule. In particular, that the mode of client
17 contact has changed from a direct face-to-face
18 contact to a wide variety of electronic contacts.
19 Nonetheless, that the consensus seemed to be at the
20 client workshop, that generally the present procedure
21 is working.

22 I think our sense of our committee was that
0085

1 it would be helpful for us to see exactly what the
2 staff has in mind and our committee unanimously
3 recommends that the staff be directed to prepare a
4 draft notice of proposed rulemaking for submission to
5 our committee at its next meeting.

6 M O T I O N

7 MR. MEITES: And I so move.

8 CHAIRMAN STRICKLAND: Is there a second?

9 MS. BeVIER: Second.

10 CHAIRMAN STRICKLAND: Any discussion on the
11 motion?

12 (No response.)

13 CHAIRMAN STRICKLAND: All those in favor of
14 the motion, please say aye.

15 (Chorus of ayes.)

16 CHAIRMAN STRICKLAND: Those opposed, nay.

17 (No response.)

18 CHAIRMAN STRICKLAND: The ayes have it and
19 the motion is adopted.

20 MR. MEITES: The next substantive matter we
21 considered was the question of are there other
22 regulations that our committee should review. We

0086

1 were reminded in our strategic plan the

2 preparations -- the Board has undertaken at least
3 once a year to review its regulations with regard we
4 were reminded that we have already completed our
5 review for 2006 and the staff recommended, and our
6 committee agreed, that at our October meeting, the
7 staff should present to our committee or begin the
8 process with our committee of our annual review of
9 regulations and no action is required by the board on
10 that point.

11 And the last substantive matter we
12 considered was a further report on dormant class
13 actions. As the Board will recall, in October of
14 2005, at our request, the staff gave us an update on
15 dormant class actions in which our grantees still are
16 of record. At that meeting, in October, we were told
17 that two of our grantees still remain of record in
18 eight dormant class actions.

19 Our committee dialogued with the staff, the
20 result of which the staff went back to these two
21 grantees and again asked them to review their
22 responsibilities with regard to these eight cases.

0087

1 At our meeting yesterday, the staff gave us an
2 update.

3 They reported that one of the grantees,
4 which had eight dormant class actions, had found
5 substitute counsel on three, that one of them had
6 been closed and was actively seeking substitute
7 counsel on the other four. Another grantee was
8 active -- was still of record only in one dormant
9 class action.

10 The staff reported that there -- that it
11 was extremely complicated to create, that it would
12 take hundreds of hours for a firm to take over on a
13 pro bono basis. And what the grantee proposed was
14 that a firm be brought up to speed on a standby basis
15 and if the case became active, the grantee then could
16 withdraw and be replaced by a non-grantee firm.

17 In the meantime, the grantee, as is
18 appropriate under regulations, remained of record to
19 monitor the decree -- to oversee its client's
20 interest and relief under the decree. We asked the
21 staff to continue to monitor these two grantees and

22 report to us on it again in October or earlier if

0088

1 anything had occurred. That completes our report.

2 CHAIRMAN STRICKLAND: Thank you.

3 Any questions of Chairman Meites?

4 (No response.)

5 CHAIRMAN STRICKLAND: Okay. Helaine, I

6 think you can help us with the next item, which is

7 Consider and Act on the Board's Meeting Schedule for

8 Calendar 2007.

9 MS. BARNETT: Perhaps we will just remind

10 the Board, if you look on page 82, they will see --

11 CHAIRMAN STRICKLAND: All right.

12 MS. BARNETT: -- the schedule for this

13 year. We have a teleconference scheduled for May 22,

14 a July board meeting in Providence, Rhode Island and

15 the October board meeting in Charleston, West

16 Virginia. And with the Chairman's approval, we are

17 suggesting, for 2007, that the April board meeting be

18 in Little Rock, Arkansas, that the July board meeting

19 be in Nashville, Tennessee and that the October board

20 meeting in Portland, Maine. We are suggesting the

21 same dates that we have been having for the last two

22 years, but we will poll the Board members for

0089

1 direction.

2 CHAIRMAN STRICKLAND: All right. That is

3 really an information item or does -- do we

4 customarily vote on that? Do we take a vote or do we

5 just receive the report? Does anyone remember?

6 MS. BARNETT: I think we just --

7 CHAIRMAN STRICKLAND: We just receive the

8 report? Okay. We will consider the report received.

9 Now we next will consider and act on other

10 business. Is there any other business?

11 (No response.)

12 CHAIRMAN STRICKLAND: Is there any public

13 comments? Yes, sir. Terry Brooks.

14 MS. BROOKS: Thank you, and thank you once

15 again for your hospitality in receiving a

16 representative of the ABA at this meeting. I had not

17 intended to speak, but at the invitation of Professor

18 Hall, I feel it would be remiss for me not to mention

19 some of the other activities of the ABA.

20 We are very grateful for the contributions
21 made by many members of this board and of the legal
22 services community to the work of SCLAID and the ABA.

0090

1 In particular, the project to revise the standards
2 for providers of civil legal aid.

3 As Mr. Garten mentioned, the ABA will be
4 convening three hundred and some bar leaders in
5 Washington, D.C. this coming week for lobbying on key
6 issues of interest to the bar and at the very top of
7 that list is the Legal Services Corporation and ABA
8 staff and members are working diligently to develop
9 talking points and contacts to promote the adequate
10 budget and continued kindness of Congress towards the
11 Legal Services Corporation.

12 There are three resolutions that the ABA
13 will be considering at the next meeting of its House
14 of Delegates that are relevant to the Legal Services
15 Corporation. Closely relevant. There are several
16 others that you may be interested in.

17 The three that are of key relevance are the
18 resolution that will put forward the standards for
19 the providers of civil legal aid and two others that
20 are coming from the task force that David Hall sits
21 on. One he has already described the resolution that
22 will urge development of a civil rights council.

0091

1 The other resolution may also be of
2 interest to the LSC because what it attempts to do is
3 to articulate 10 key principles for the operation of
4 an effective civil legal services program within a
5 state. The model for that is a set of 10 principles
6 that was developed for indigent defense systems by
7 the ABA that has proven to be a very effective
8 document for those advocates in the indigent defense
9 community when attempting to approach policymakers
10 and others who are not insiders to these systems and
11 explain to them what it is all about.

12 The alternative is usually to point them to
13 a stack of documents about this high, which is very
14 difficult for a policymaker or a funder to digest.
15 So it is hoped that this development of 10 principles

16 for civil programs will be similarly helpful in state
17 and other forums where advocacy around civil legal
18 services occurs.

19 There are also several resolutions that are
20 coming forward from another ABA entity established by
21 President Mike Grecko on the renaissance of idealism.

22 Those resolutions will urge lawyers to engage in pro

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1 bono public service and community service, which was
2 the focus of that commission's activities.

3 I should also note some of the other
4 activities of the standing committee on legal aid and
5 of the department that I direct at the ABA, which has
6 responsibility for IOLTA and pro bono activities at
7 the ABA as well. One of those activities of SCLAID
8 is in the loan repayment assistance program area. We
9 are very grateful that LSC has established a pilot
10 program and is moving forward with that.

11 I wanted to convey to you, though, the
12 sense that we have that the problem in that area is
13 growing rather than shrinking despite the best
14 efforts of LSC, ABA and others. SCLAID attempts to
15 convene, from time to time, various actors who are
16 working in that area, both in the legal services
17 community in the law schools and in legislative
18 forums to try to effect change in that area.

19 All signs are that the problem is growing
20 and I think the most telling indication of that
21 occurred at the Equal Justice Conference, where there
22 was a session on loan repayment assistance, which was

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1 in a room, a fairly sizeable room, but it was
2 absolutely overflowing with people, young people.
3 And when the moderator asked people to stand up to
4 indicate the level and the length of their debt, more
5 people were standing than have ever stood in the
6 past.

7 So I think that in our community, as well
8 as in other public service endeavors -- and I do not
9 mean to suggest that anyone on the Board should take
10 a cut in pay as a result of that, people in the law
11 school community, but I think as a community, this is
12 a topic that bears continuing focus and attention

13 because it is a growing problem in attracting and
14 retaining talented people in this line of work.

15 On the other hand, a positive sign of
16 developments out there in the world that we are
17 observing at the ABA is in the IOLTA field. Rising
18 interest rates have led to increased revenue coming
19 from that source.

20 Also, many of the IOLTA programs are very
21 diligent in attempting to achieve revenue enhancement
22 and I have been working very effectively with local
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1 and regional banks to try to obtain more favorable
2 interest rates for IOLTA accounts. So I think we are
3 seeing nationwide a larger funding stream coming from
4 IOLTA and that is a good thing.

5 One or two other things to mention. I want
6 to thank Chairman Strickland for attending the
7 meeting of the Access to Justice Chairs, which SCLAID
8 hosted in Philadelphia in conjunction with the Equal
9 Justice Conference. That was an extremely well-
10 attended event and we are seeing an expansion of the
11 network of state access to justice commissions and
12 enhancement of the level of sophistication of those
13 entities in trying to improve local state justice
14 systems and in trying to achieve greater funding
15 levels for those systems.

16 Finally, I would invite the attention of
17 the Provisions Committee and the LSC staff to some of
18 the resources that the ABA has to offer in the pro
19 bono arena. Our Center for Pro Bono has
20 considerable -- a number of resources that you may
21 find relevant and if you go to the ABA pro bono dot
22 org website, which is a sort of backdoor into the
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1 ABA's larger website, you will find materials that
2 deal with issues such as using CLE hours as an
3 inducement to performing pro bono and some of the
4 other issues, senior attorney issues, licensing
5 issues.

6 And I believe that the ABA's Commission on
7 Law and Aging, which I do not directly work, will be
8 bringing forward a resolution to the House of
9 Delegates in August on that topic as well. I seem to

10 recall SCLAID looking at such a resolution at one of
11 its more recent meetings. And I think you will find
12 other resources that will be of assistance to you as
13 you continue that work.

14 Thank you for your attention. Despite the
15 late hour, ABA continues to look forward to working
16 in parallel on this important task of achieving equal
17 justice with the LSC.

18 CHAIRMAN STRICKLAND: Thank you, Terry.

19 Anybody have questions for Terry? Tom?

20 MR. MEITES: I am sitting here and I am
21 saying we have a hundred and forty-three grantees.
22 What do you think the total debt, loans, law school

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1 loan debt, is of the lawyers employed by them. So I
2 said to myself let's assume there is 10 people each
3 whom owe over \$80,000. So, say, make it a million.
4 So the total debt is a hundred and forty-three
5 million dollars.

6 And if you are talking about -- and assume
7 they are all federal loans to make this real simple.
8 And let's assume there is a 10-year loan
9 forgiveness. You get a year off for every year you
10 work, up to 10 years, forgiveness. It would only
11 cost about \$15 million a year in loan forgiveness for
12 the federal government to walk away from that. That
13 is not a lot of money. So why is -- if I am not a
14 hundred percent wrong in my numbers, we are talking
15 small dollars here. Am I wrong?

16 MS. BROOKS: Well, you know, I would have
17 to look to our friend David Richardson or someone
18 else who is more facile with numbers than I am to
19 respond to that because I --

20 MR. MEITES: Well, let me ask does anyone
21 know how much the lawyers who work for our grantees
22 actually owe the federal government?

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1 MS. BROOKS: Well, certainly the ABA has
2 not compiled that information, but I will tell you
3 that indications are that \$80,000 in total debt would
4 be low.

5 MR. MEITES: For law students.

6 MS. BROOKS: Today that would be true.

7 When the ABA did its report on this two or three
8 years ago, that was an accurate number, but that
9 number has climbed considerably.

10 MR. MEITES: Well, but I would like to know
11 how large the universe of debt is that needs to be
12 forgiven. Is that something the ABA knows or we
13 know?

14 MS. SARJEANT: We don't know right now, but
15 we could probably --

16 MR. MEITES: Well, it is not a huge
17 imposition on someone. If someone actually could
18 generate the numbers, then I could divide it by 10.

19 (Laughter.)

20 MS. BROOKS: We will work with LSC staff.

21 MR. GARTEN: I think it is a hundred twenty
22 million dollars.

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1 MR. MEITES: I still can divide that by 10.
2 It is \$12 million a year. All right. If someone
3 could give us that number, I would have some idea
4 what we are talking about.

5 MS. BROOKS: We will work on it.

6 MR. GARTEN: I think his point is that
7 relative to the federal budget and our budget, this
8 is minuscule, but convincing Congress at this
9 juncture --

10 MR. MEITES: But the nice thing about loan
11 forgiveness is it is not an appropriation. That much
12 I know. I don't know what that -- I don't know what
13 I said means, but I know it is not an appropriation.

14 (Laughter.)

15 MS. BeVIER: This may not be the
16 appropriate time to offer this idea or suggestion.
17 To the extent that law schools are a part of this
18 solution or a part of the problem, I think that what
19 is happening in law schools is the tuitions are
20 rising. What is also happening is a number of major
21 law schools are embarking on major capital campaigns
22 and it seems to me that this is an excellent

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1 opportunity to get -- and for a lot of them, they are
2 not building buildings, all right? These are for
3 other stuff.

4 And among the other stuff is scholarships
5 and loan forgiveness. And if you could begin working
6 on getting a message to the various law school
7 development officers about that as an opportunity for
8 a gift from the loans, I think that would be a
9 potential source of funding. In particular, law
10 schools of course.

11 MS. BROOKS: Right.

12 MS. BeVIER: Obviously, it is not system
13 wide, but if you -- you could probably get that
14 going. I mean, because law school tuitions just tend
15 to go up --

16 MS. BROOKS: Right.

17 MS. BeVIER: -- because they have to fund
18 faculty salaries. That is why.

19 MS. BROOKS: No, I don't want to prolong
20 this, nor do I pretend to know very much about the
21 aspects of funding a law school, but I have been told
22 by some in the law school community that many law
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1 schools are a profit center for their university
2 whereas other departments tend to not be moneymakers.
3 So, you know, I don't suspect that the money is
4 flowing into law school professors' salaries so much
5 as to other things.

6 CHAIRMAN STRICKLAND: Okay.

7 MS. BROOKS: Thank you again.

8 CHAIRMAN STRICKLAND: Terry, thank you very
9 much. I appreciate you being here.

10 We are now at that part -- point in the
11 agenda where we Consider and Act on Whether to
12 Authorize an Executive Session of the Board to
13 Address Items Listed Under Closed Session. Is there
14 a motion to that effect?
15

16 M O T I O N

17 MS. BeVIER: So moved.

18 MR. McKAY: Second.

19 CHAIRMAN STRICKLAND: Any discussion?

20 (No response.)

21 CHAIRMAN STRICKLAND: Let's proceed to vote
22 on that motion. All in favor say aye.

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1 (Chorus of ayes.)

2 CHAIRMAN STRICKLAND: Opposed, nay.

3 (No response.)

4 CHAIRMAN STRICKLAND: The ayes have it, and
5 the motion is adopted. So we are now going to closed
6 session and we have several items to discuss under
7 the closed session, but I think they will be
8 relatively short. That is sort of a hint to the
9 presenters of the closed session items.

10 (Laughter.)

11 CHAIRMAN STRICKLAND: Let's take about five
12 minutes before we shift to the closed session.

13 MS. SINGLETON: Is there anything else that
14 is going to happen in open session?

15 CHAIRMAN STRICKLAND: No.

16 MS. SINGLETON: Okay.

17 CHAIRMAN STRICKLAND: We will adjourn from
18 the closed session. So we will take about five
19 minutes and then reconvene for the closed session.

20 (Whereupon at 2:50 p.m., the open session
21 of the LSC Board of Directors was concluded.)

22 * * * * *