

LEGAL SERVICES CORPORATION  
BOARD OF DIRECTORS

TELEPHONIC MEETING OF THE  
INSTITUTIONAL ADVANCEMENT COMMITTEE

OPEN SESSION

Tuesday, June 11, 2013

4:06 p.m.

Legal Services Corporation  
John N. Erlenborn Conference Room  
3333 K Street, N.W.  
Washington, D.C. 20007

COMMITTEE MEMBERS PRESENT:

John G. Levi, Chairperson  
Charles N.W. Keckler  
Father Pius Pietrzyk, O.P.  
Herbert S. Garten (Non-Director Member)

OTHER BOARD MEMBERS PRESENT:

Julie A. Reiskin

## STAFF AND PUBLIC PRESENT:

James J. Sandman, President  
Wendy Rhein, Chief Development Officer  
Ronald S. Flagg, Vice President for Legal Affairs,  
General Counsel, and Corporate Secretary  
Atitaya Rok, Staff Attorney, Office of Legal Affairs  
Carol A. Bergman, Director, Office of Government  
Relations and Public Affairs  
Jeffrey E. Schanz, Inspector General

Don Saunders, National Legal Aid and Defenders  
Association (NLADA)  
Terry Brooks, American Bar Association Standing  
Committee on Legal Aid and Indigent Defendants  
(SCLAID)

## C O N T E N T S

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## CLOSED SESSION (Not held)

5. Discussion of prospective members for a 40th anniversary honorary committee
6. Consider and act on adjournment of meeting

Motions: 4, 57

## 1 PROCEEDINGS

2 (4:06 p.m.)

3 CHAIRMAN LEVI: Let's call the meeting to  
4 order. I think we've got a quorum. Could I have a  
5 motion to approve the agenda of the Institutional  
6 Advancement Committee? It was publicly noticed in the  
7 Federal Register a week ago. Is there a motion?

8 MOTION

9 MR. GARTEN: I move.

10 CHAIRMAN LEVI: Second?

11 FATHER PIUS: Second.

12 CHAIRMAN LEVI: All in favor?

13 (A chorus of ayes.)

14 CHAIRMAN LEVI: Okay. Now, Wendy, would you  
15 like to -- you want to talk about a present the Board  
16 policies?

17 MS. RHEIN: Sure.

18 CHAIRMAN LEVI: The Committee policies, I  
19 should say, or talk us through them and what the  
20 changes might be.

21 MS. RHEIN: Sure. I will be happy to. Thank  
22 you all for taking the time this afternoon.

1           I wanted to just preface this discussion by  
2 mentioning a couple of things. These are all fairly  
3 standard boilerplate policies for fundraising. The  
4 templates for all of these were taken from the National  
5 Association of Fundraising Professionals and then  
6 customized for LSC. So I look forward to your comments  
7 on them.

8           The goal here is to be as transparent as we  
9 can with both our funders, but also so that these  
10 policies and the Donor Bill of Rights are available to  
11 any constituent that might be interested to know what  
12 and how LSC is going to be doing fundraising. So  
13 they're written in a way that we wanted to be able to  
14 make them available as we see fit, whether that be the  
15 website or in another avenue.

16           Also, these policies are key elements of  
17 building a fundraising programs for foundations in  
18 particular, but also that position us with watchdog  
19 groups like the Better Business Bureau, Wise Giving  
20 Alliance, GuideStar, and others that individual donors  
21 go to to see how an organization is rated. So these  
22 are all part of the building blocks of developing an

1 individual and foundation giving program.

2 I'd like to start with the Donor Bill of  
3 Rights, just one of the documents that was sent to you.

4 Incidentally, there is another policy that didn't make  
5 it on the email attachments that's a donor privacy  
6 policy that we'll discuss at the next meeting. We'll  
7 be able to get it to you far enough in advance.

8 So we'll start with the Donor Bill of Rights.

9 Any thoughts or comments? This would be something  
10 that would be available on the website.

11 MS. REISKIN: This is Julie. I had a couple  
12 questions.

13 MS. RHEIN: Yes?

14 MS. REISKIN: On number III, it says to access  
15 the most recent financial statements. Do we need to  
16 say audited or not? Are they approved or audited or  
17 just whatever is the most recent that they have on  
18 staff? I just don't know. So that was one of my  
19 questions.

20 MS. RHEIN: That's a good point.

21 MS. REISKIN: Should I just go through? I  
22 have just a few more.

1 MS. RHEIN: Sure. Go ahead.

2 MS. REISKIN: On 4, it says, "To be assured  
3 the gifts will be used for the purposes for which they  
4 were given." I would suggest adding "or returned"  
5 because of our restrictions. People might give for  
6 something we can't do. Because we can't assure that,  
7 but we can assure that we won't use it for something  
8 else.

9 MS. RHEIN: I want to address that one, Julie.  
10 I think that goes to the Board giving policy, where we  
11 approved, in the Board giving policy, saying we will  
12 not even accept it if it is contrary to the programs or  
13 the goals. So it doesn't even become a gift until  
14 LSC's Board approves it.

15 MS. REISKIN: Okay.

16 MS. RHEIN: But we would return it.

17 MS. REISKIN: And I know it's -- go ahead.  
18 Sorry. In terms of the acknowledgment, I know we  
19 talked about it. I can't remember. Are we going to  
20 allow anonymous gifts?

21 MS. RHEIN: We've been talking about --

22 MS. REISKIN: Or would appropriate

1 acknowledgment include anonymity upon request?

2 MS. RHEIN: I don't think we're going to  
3 accept anonymous gifts.

4 MS. REISKIN: Okay. And I guess I'm  
5 interested in number 8. Have we decided that we're  
6 going to share lists? Or can we at least discuss the  
7 policy of not sharing lists?

8 MS. RHEIN: We haven't discussed whether or  
9 not we would. We haven't discussed that. So that  
10 certainly is something that can be changed to just say,  
11 they have their opportunity to have their names deleted  
12 from any or all LSC mailing lists.

13 MS. REISKIN: Okay.

14 MR. KECKLER: Yes. This is Charles. My  
15 instinct is along the lines with that because I'm not  
16 sure that we want to get into the business of sharing  
17 mailing lists. Then we have to decide who to share it  
18 with and all that. I think we should not do that.

19 MS. RHEIN: Okay. Is there agreement?

20 MS. REISKIN: This is Julie. I certainly  
21 agree.

22 PRESIDENT SANDMAN: What would be the change,

1 then?

2 MS. RHEIN: Number 8 would instead say, to  
3 have the opportunity for their names to be deleted from  
4 any or all LSC mailing lists.

5 MS. REISKIN: And also to say that we will not  
6 give away their names. That might be in the privacy  
7 policy. I don't know. I'm glad you mentioned that  
8 because I was wondering where that was. But to just  
9 say, we're not going to share or give away your  
10 information. If you make a donation to us, that will  
11 be with us and we're not giving it to anyone.

12 PRESIDENT SANDMAN: Yes. I think the  
13 suggestion is not that we have a provision that allows  
14 people to opt out, but that we affirmatively represent  
15 that we will not share mailing lists.

16 MS. REISKIN: Yes. Thank you.

17 CHAIRMAN LEVI: I thought we said that  
18 somewhere else.

19 MS. RHEIN: It's in the privacy policy, but  
20 that was not attached to the email.

21 CHAIRMAN LEVI: That seems to conflict with  
22 it, doesn't it?

1 MS. RHEIN: Yes.

2 CHAIRMAN LEVI: In the way that they're  
3 written. I think we have to tweak that.

4 MS. RHEIN: Okay. And we can add a tenth  
5 point that clearly says, we will not share any LSC  
6 mailing lists.

7 CHAIRMAN LEVI: Well, but then you don't need  
8 an eighth point.

9 MS. RHEIN: Well, the purpose of the eighth  
10 point was that if they receive mailings from us or they  
11 sign up for an email list, they have the right to come  
12 back and say, I don't want to receive anything from  
13 you. I want to be a donor, but I don't want to receive  
14 anything from you.

15 CHAIRMAN LEVI: Well, but that says, "LSC  
16 intends to share," so let's -- from mailing lists LSC  
17 intends to use.

18 MS. RHEIN: Right. But we're going to delete  
19 that "intends to share" part.

20 CHAIRMAN LEVI: Yes?

21 MS. RHEIN: I think what I'm saying is I  
22 believe that 8 says to have the opportunity for their

1 names to be deleted from any or all LSC mailing lists.  
2 That would still stand independently from any idea of  
3 sharing a list.

4 MR. GARTEN: I think an affirmative statement  
5 the names will not be shared is important.

6 MS. RHEIN: Okay. We can certainly add that.  
7 Other comments on the Donor Bill of Rights?

8 MR. GARTEN: Have we answered number III,  
9 Roman numeral number III, "the most recent financial  
10 statements"? Or should it read, "most recent audited  
11 financial statements"?

12 MS. RHEIN: I think it should say "audited."

13 CHAIRMAN LEVI: Aren't those public anyway?  
14 Those are on the website.

15 MR. GARTEN: Well, it's just affirming their  
16 right to see it.

17 MS. RHEIN: Yes.

18 MR. GARTEN: It's just giving assurance --

19 MS. REISKIN: I think it's also saying --

20 MR. GARTEN: Otherwise, you're saying --

21 MS. REISKIN: -- we'll pay attention. If  
22 someone donates and they want it, we're going to get it

1 to them however they want it. We're not going to just  
2 say, "Go to the website." Right?

3 MS. RHEIN: Right. Yes. They could email and  
4 ask. They could call and ask to see them, and then we  
5 would need to provide them, which is fine.

6 MR. GARTEN: I wouldn't want the understanding  
7 that we give them anything but the audited statements  
8 because a lot of things can happen that are different  
9 than what are being recorded on a daily or monthly  
10 basis. So I think it should be most recent audited.

11 MS. RHEIN: Agreed.

12 CHAIRMAN LEVI: Well, I want to be careful  
13 here. You may get some \$5 donations, and it would cost  
14 you more to service those donations, based on this.

15 MR. GARTEN: The audited statement will be  
16 very simple to email out if somebody asks for it.

17 PRESIDENT SANDMAN: We can just send a link to  
18 the website.

19 MS. RHEIN: Yes. Right.

20 MR. SCHANZ: Herb, this is Jeff. The audited  
21 financial statements are already upon on the IG's  
22 website.

1 MR. GARTEN: I presumed so.

2 MR. SCHANZ: Cross-link to that, if necessary.  
3 But they're already public knowledge.

4 MS. RHEIN: Right. And I can see your point,  
5 John. I guess there's that element of you could have a  
6 lot of \$5 donors, and it does take effort. But at the  
7 same time, that's also if you accept the money, we need  
8 to be able to be a steward of that and respond to that  
9 person.

10 CHAIRMAN LEVI: Yes. Well, sure. But all of  
11 this is on the website. So what I was wondering is  
12 whether we shouldn't just link to it there.

13 MS. RHEIN: Yes, we can. We can put a link in  
14 this statement.

15 CHAIRMAN LEVI: Yes. That's what I would do.

16 MS. RHEIN: Yes. Do an embedded link in the  
17 statement.

18 CHAIRMAN LEVI: You avoid having to service  
19 everybody.

20 MS. REISKIN: The bottom line, though, as a  
21 nonprofit --

22 CHAIRMAN LEVI: Anything more on -- what?

1 MS. REISKIN: I was just going to say, as a  
2 nonprofit, there are certain things. If someone calls  
3 and says, I want a copy of your 990, at least here in  
4 Colorado we have to provide it to them. We can charge  
5 them if we want to be petty, but --

6 CHAIRMAN LEVI: Oh, no.

7 MS. REISKIN: So there are certain things we  
8 have to give out anyway.

9 CHAIRMAN LEVI: Absolutely.

10 MS. REISKIN: Even if it's mailing. Yes.

11 CHAIRMAN LEVI: Absolutely.

12 MS. RHEIN: Anything else on that, the Donor  
13 Bill of Rights?

14 (No response.)

15 MS. RHEIN: How about memorial and honorarium  
16 gifts?

17 PRESIDENT SANDMAN: I have a question. Is  
18 "honorarium" the right term? If we mean "in honor of,"  
19 that's not how I would define honorarium. I think of  
20 honorarium as being, say, a payment made to someone  
21 who's giving a speech for an organization, something  
22 like that.

1           MR. GARTEN: Just put the word "and," memorial  
2 and honorarium gifts.

3           CHAIRMAN LEVI: It says that, but what I think  
4 he means is -- did we mean gifts in honor of?

5           PRESIDENT SANDMAN: Yes.

6           CHAIRMAN LEVI: If an individual does an  
7 honorarium gift?

8           PRESIDENT SANDMAN: We're trying to get at the  
9 concept of people who aren't dead.

10          MS. RHEIN: That you want to honor.

11          PRESIDENT SANDMAN: If anyone has good  
12 shorthand for that.

13          CHAIRMAN LEVI: Right. And so the question  
14 is, honorarium sounds like they're getting paid.

15          PRESIDENT SANDMAN: Yes.

16          MR. GARTEN: Why don't you put "and lifetime  
17 gifts" if you want to do that?

18          MR. KECKLER: You can just say "gifts in honor  
19 of."

20          MS. RHEIN: You could us say, "memorial gifts  
21 and gifts in honor of."

22          MR. GARTEN: No. I don't think it perks.

1           CHAIRMAN LEVI:  Gifts in honor of any  
2 individual --

3           PRESIDENT SANDMAN:  Let us do a little  
4 research on this, I suspect we're not unique in  
5 wrestling with this.

6           CHAIRMAN LEVI:  It's "honorific gifts."  
7 "Memorial and honorific gifts."  That's what it is,  
8 isn't it, "honorific"?  I think that's the word you're  
9 looking for.

10          MS. RHEIN:  Right.  This is the word that's  
11 generally used in nonprofit policy, but we'll find an  
12 alternative if that's --

13          CHAIRMAN LEVI:  What you need is "honorific"  
14 instead of "honorarium," "honorific gifts."  I think  
15 people will generally understand it.

16          MS. RHEIN:  We'll look into that.  Other  
17 thoughts?  Comments?  Questions?

18          CHAIRMAN LEVI:  Then in the second, you could  
19 say, "Donors wishing to attribute as memorials or in  
20 honor of should do so."  So I don't think it's that big  
21 a deal.  I think you can think -- all right.  Next one.

22          MS. RHEIN:  Next one.  Board giving policy.

1           CHAIRMAN LEVI: Well, is that what we're doing  
2 next, or are we doing the protocol? I'd do the Board  
3 giving --

4           MS. RHEIN: Do you want to do the protocol  
5 first?

6           CHAIRMAN LEVI: Yes.

7           MS. RHEIN: Okay. The protocol is the larger  
8 document, six packages, that you had received. This is  
9 a redlined version of a policy or protocol that you all  
10 adopted in July of 2012. My goal here was to expand it  
11 to include the whole scope of possibilities for  
12 receiving gifts. So I think this will take us a little  
13 bit of time. How about we just go page by page,  
14 section by section? Does that work?

15          CHAIRMAN LEVI: Sure.

16          MS. RHEIN: Okay. So the definitions and the  
17 purposes in section 1, we're proposing adding -- go  
18 ahead, Julie.

19          MS. REISKIN: Yes. I would just say, where it  
20 says that we can change -- could we say that we'll post  
21 those changes so that people don't feel like, I've  
22 agreed to something under this but it might change and

1 I won't have any way of knowing? I know we would do  
2 that anyway, but can we just say that we'll do that?

3 MS. RHEIN: Sure.

4 MS. REISKIN: Thank you.

5 MS. RHEIN: Okay. Under the Grants section,  
6 section A, we've added an additional bullet that says,  
7 "Grants in support of LSC-sponsored conferences or  
8 meetings." Any concern about that?

9 CHAIRMAN LEVI: I recommended it.

10 MS. REISKIN: I'm concerned. Should we have  
11 another one that says, "For any Board-approved  
12 initiative"? Would that hamstring the staff less?

13 CHAIRMAN LEVI: Yes. Do that. "Grants in  
14 support of" --

15 MS. REISKIN: -- "any initiative that the  
16 Board has approved."

17 CHAIRMAN LEVI: Yes.

18 MS. RHEIN: Okay. Great.

19 FATHER PIUS: I would just move the "and" that  
20 follows.

21 MS. RHEIN: Pardon me?

22 FATHER PIUS: Move the "and" to keep it in the

1 right spot.

2 MS. RHEIN: Okay. Great. Section B, we just  
3 literally have changed a comma.

4 MS. REISKIN: I think we need to say, "without  
5 prior written approval of the Board."

6 CHAIRMAN LEVI: I thought we did say that.

7 MS. REISKIN: It doesn't say "written."

8 MS. RHEIN: Where? Oh, okay. It should say  
9 "written."

10 PRESIDENT SANDMAN: Well, Board action is --

11 CHAIRMAN LEVI: Oh, no. No, that's Board.

12 PRESIDENT SANDMAN: Yes. Board action is  
13 always going to be on the record in a recorded meeting.

14 CHAIRMAN LEVI: That's not --

15 MS. REISKIN: Okay.

16 PRESIDENT SANDMAN: So I think the minutes  
17 would be sufficient to create a record.

18 CHAIRMAN LEVI: That's fine. Yes.

19 MS. REISKIN: Okay. Again, I don't see that  
20 on this Board. I just want to protect -- okay. That's  
21 fine. But you're right, I forgot about the  
22 transcription that we have.

1 MS. RHEIN: Section C, Unsolicited

2 Contributions. Thoughts? Comments?

3 CHAIRMAN LEVI: Well, I recommended some of  
4 those changes to make it a little more positive than  
5 negative.

6 MS. RHEIN: Yes.

7 MS. REISKIN: Yes. I still think that ten  
8 days' advance notice is really a turnoff. If we  
9 can't -- I don't know. I just think we should feel  
10 it's up to our President to determine what's  
11 appropriate and not just -- if someone wants to give us  
12 a million dollars, do we want our President to say, "I  
13 can't take it, I have to go ask my Board and I won't  
14 get back to you for ten" -- I don't know. I don't like  
15 that. I've never liked it.

16 CHAIRMAN LEVI: Why don't you say, "with  
17 appropriate prior notice" instead of "at least ten  
18 days"? Put in "appropriate." Wouldn't that be --

19 PRESIDENT SANDMAN: Yes. The one thing we'd  
20 have to do is --

21 CHAIRMAN LEVI: Because if the donor says,  
22 "Look. It's your end. I've got to make this gift.

1 It's December 27th. Can you take it tomorrow?"

2 MS. REISKIN: Exactly.

3 MS. RHEIN: What if we put in there a  
4 stipulation that says, "if that unsolicited gift  
5 fulfills one of the goals of the Board or the stated  
6 grants listed above," that the President can accept it?

7 MS. REISKIN: Without notice, without advanced  
8 notice.

9 CHAIRMAN LEVI: Yes. I think that's  
10 appropriate anyway. This is getting too cumbersome.

11 MS. REISKIN: Yes. I agree.

12 MS. RHEIN: Yes.

13 MR. GARTEN: Why have a limitation on \$5,000?  
14 Why not \$10,000?

15 CHAIRMAN LEVI: Is Frank on?

16 MS. ROK: No. Frank is out of the country.

17 CHAIRMAN LEVI: Well, he's responsible for  
18 that \$5,000, I think. I don't know.

19 MS. RHEIN: It seems like a rather low limit  
20 to me.

21 CHAIRMAN LEVI: Yes, it is.

22 MR. GARTEN: Very low.

1           PRESIDENT SANDMAN: I suspect this has some  
2 history with that Capitol Hill reception back in 2008,  
3 I believe, that gave rise to this protocol. I don't  
4 think the number just came up.

5           MR. GARTEN: I don't think there was any  
6 reference to the dollar amount, though. It seems to me  
7 in these times than \$10,000 is very reasonable.

8           MR. SCHANZ: Yes. They spent \$6500 on that  
9 reception.

10          MR. KECKLER: I'm dimly remembering the  
11 argument about why we put in \$5,000 last year. I think  
12 that it did have something to do with that reception.  
13 But I also remember that basically, to convene a board  
14 meeting, at least officially, would require  
15 some -- what is it, something like \$4,000 or something  
16 in Board fees or something. So you certainly can't  
17 make it lower.

18          CHAIRMAN LEVI: No.

19          MR. KECKLER: And we also thought, as I  
20 recall -- we talked about \$10,000. But the idea is,  
21 it's something that wouldn't be expected to raise many  
22 hackles at Congress, \$5,000. So it's just a matter of

1 judgment, what we thought would raise eyebrows at  
2 Congress, I thought, what they would want some  
3 oversight over, some level of figure.

4 MS. REISKIN: Why would they want -- why would  
5 this be -- I don't understand. I don't know, Wendy.  
6 Maybe you can tell us. I've never seen this in any  
7 other nonprofit where you have to get advanced -- I  
8 mean, the President or the executive director should  
9 have enough sense to know what not to accept, and they  
10 should notice the Board. But advanced notice? I've  
11 never seen that anywhere else.

12 MS. RHEIN: I've never seen it anywhere else,  
13 either, and I think that, as the example is given, that  
14 what if it's December 27th and somebody says, "I've got  
15 to make this gift by the 31st. I need to know now if  
16 you can take it or not."

17 I think that, for the level of checks and  
18 balances, if we state that Jim can accept it, LSC's  
19 President can accept a gift, if it is in line with the  
20 grants obligations previously stated, then that should  
21 be okay. And we can provide written notice to the  
22 Board of this gift.

1           MR. KECKLER: Well, the problem -- that's one  
2 aspect of it. But there's also a lot of other issues  
3 about who you accept gifts from in this context.  
4 Generally, of course we want to leave it to the  
5 discretion of you and Jim and good sense.

6           But from our oversight responsibilities, it  
7 seems like prior notice might be appropriate. We could  
8 have something less than ten days, but I wouldn't want  
9 to give up prior notice at some level.

10          MR. GARTEN: What does that mean, those ten  
11 business days? Would that give the directors an  
12 opportunity to call a Board meeting? How does this tie  
13 in? You can give notice. That doesn't mean -- but  
14 once you give the notice, you can proceed after the ten  
15 days.

16          CHAIRMAN LEVI: Yes.

17          MR. KECKLER: Well, we could do it in a week.  
18 We can convene a meeting with a week's notice, I  
19 think, under some conditions.

20          MS. RHEIN: We have to have seven days'  
21 notice.

22          MR. GARTEN: Is it with ten days, business

1 days, with prior notice and agreement of the Board? Is  
2 that what the intent is?

3 MR. KECKLER: If I remember, the intent was  
4 that -- generally, of course, we would be okay, and the  
5 bigger the figure, the more okay we would be with it.  
6 But if somebody has some yellow flags or red flags  
7 about the particular structure of this gift or the  
8 source of the gift, the Board in general, collectively,  
9 might have some knowledge that the Management might not  
10 have. But I think that was the idea, anyway.

11 CHAIRMAN LEVI: Well, the thing that we have  
12 to realize is that for not-for-profits, this is a very  
13 unusual provision in any event. Not to trust your  
14 management --

15 MS. REISKIN: Exactly.

16 CHAIRMAN LEVI: -- and to kick potential gifts  
17 out to the Board for prior notice, which could itself  
18 be at some points embarrassing, complicated, whatever.

19 So I'm willing to experiment with a provision  
20 like this and see what it means as we roll forward.  
21 But I think we should all here understand that even  
22 though I hear you, Charles, and I know what we were

1 trying to address a year ago, that it is out of synch  
2 with the not-for-profit world and it is out of synch  
3 with private fundraising.

4 So we need to be sensitive to the fact that  
5 our donor community will also think it's out of step.  
6 And so we have to be sensitive to their feelings, and  
7 as an organization, we can have this in here, but it  
8 probably will need to be revisited at some point and  
9 okayed.

10 MS. REISKIN: Could we at least take out at  
11 the ten days and say "appropriate" or --

12 CHAIRMAN LEVI: Well, I said appropriate  
13 because I didn't want to screw up --

14 MS. REISKIN: Yes.

15 CHAIRMAN LEVI: I can just hear the screeches  
16 at us from the field and others if we weren't able to  
17 act on the receipt of a million-dollar year-end gift  
18 that was not solicited.

19 MS. REISKIN: Right.

20 CHAIRMAN LEVI: That's the flip side of this.  
21 So I don't want to get caught in there that adds a  
22 policy here that prevents us from doing --

1           MR. KECKLER: I think that's fine, John, and  
2 that if we need to scramble around --

3           CHAIRMAN LEVI: Yes. We just say appropriate.

4           MR. KECKLER: Right.

5           MS. RHEIN: Okay.

6           CHAIRMAN LEVI: And all appropriate prior  
7 notice. What Charles is -- and I understand the  
8 sensitivity here and why we're doing it this way. And  
9 so we're trying to balance things. I just don't want  
10 somebody's nose out of joint, and then I can see the  
11 whole flip in the other direction that somebody came in  
12 and said, "Listen. I'm endowing your fellowship  
13 program, but I've got to know tomorrow because I want  
14 to sell the stock at year-end." We should be so lucky  
15 as to have that problem.

16           MS. REISKIN: Yes.

17           CHAIRMAN LEVI: Okay.

18           MS. RHEIN: So we'll change that to  
19 "appropriate prior," and then we'll just revisit this  
20 as needed.

21           Okay. Section 2, Definitions. Any issue?

22           (No response.)

1 MS. RHEIN: Section 3, Gifts Subject to Prior  
2 Approval?

3 MS. REISKIN: I'd again like to add "any gifts  
4 for Board-approved projects" not be in there other  
5 than --

6 CHAIRMAN LEVI: Which one are you on?

7 MS. REISKIN: It's Gifts Subject to Prior  
8 Approval, number 3, and it says, "All gifts other than  
9 unrestricted standard gifts." And I'd like to add,  
10 "Gifts for Board-approved projects," and that whole  
11 list. We shouldn't have to get prior approval for.

12 MS. RHEIN: Okay.

13 MS. REISKIN: But that's my suggestion. I'm  
14 not even on this Committee, but --

15 MR. KECKLER: You could integrate it. It has  
16 to be read in conjunction with A, with section A.

17 PRESIDENT SANDMAN: A is limited to grants.

18 CHAIRMAN LEVI: What's the difference between  
19 a grant and a gift, Jim? Maybe we should be --

20 PRESIDENT SANDMAN: A grant is designed as a  
21 funding opportunity made available by a third party  
22 pursuant to a request for proposal or some other

1 equivalent application process. It contemplates  
2 something like a formal foundation grant program as  
3 opposed to, say, an individual contributor who chooses  
4 to make a gift.

5 CHAIRMAN LEVI: You know, I think that maybe  
6 should be expanded to grants and gifts, and gifts in  
7 support of our initiatives because you don't want to  
8 have -- if we go to private individuals here and ask  
9 them for a big gift in support of something, we don't  
10 want a cumbersome procedure, do we?

11 MS. RHEIN: No. And the gifts that we would  
12 be going for would be for the exact same things that we  
13 would applying for grants.

14 CHAIRMAN LEVI: Well, I think you should  
15 modify that to cover this so that we don't have to get  
16 caught here with having to circulate emails to the  
17 Board every time we have a successful sit-down with a  
18 potential donor that fills one of the categories  
19 because that's both embarrassing and obnoxious.

20 MS. RHEIN: If we were to go that route and  
21 change the policy, it would make it less cumbersome, to  
22 be true, to say grants and individual gifts for these

1 things.

2 CHAIRMAN LEVI: Yes.

3 MS. RHEIN: However, that does still go back  
4 to the issue of if -- we can provide the Board  
5 with -- according to this, we have to provide the Board  
6 with a grants application ten days in advance of  
7 submission for approval. So again, we're in the  
8 ten-day issue with individual gifts.

9 MS. REISKIN: Again, in the nonprofit world,  
10 that is very unusual, and generally nonprofit boards  
11 trust their EDs or CEOs and presidents to be able to do  
12 a grant application without oversight. And personally,  
13 I think if we can't trust our President to do that,  
14 we've got a way bigger problem.

15 CHAIRMAN LEVI: Okay. So I want to go meet  
16 with X donor and talk to them about the possibility of  
17 restarting the Reggie Program. And in the meeting,  
18 they say, "We're ready to give you the gift." What  
19 have I done wrong?

20 MS. RHEIN: Well, according to --

21 CHAIRMAN LEVI: If I've done something wrong  
22 there, then this policy is no good.

1 MS. RHEIN: I agree.

2 CHAIRMAN LEVI: So tell me if I've done  
3 something wrong because I don't want to hear from Jeff  
4 Schanz that I'm not in compliance of a policy.

5 MS. RHEIN: According to the standing  
6 protocol, you could say to that person, "Great.  
7 However, I have to notify my Board and you have to give  
8 me ten days before I can accept your money," the way  
9 the policy stands right now.

10 CHAIRMAN LEVI: Well, am I allowed to have  
11 even solicited the gift?

12 MS. RHEIN: Probably not allowed to solicit  
13 the gift yet, either. You are the chairman, so you  
14 might get some leeway.

15 CHAIRMAN LEVI: No. I don't want to put any  
16 member of this Committee in the position where they are  
17 embarrassed because they met with somebody, they had a  
18 great meeting, but tripped on a policy here that  
19 somehow -- if we make it too impossible for people to  
20 ask for money on our behalf, then they won't.

21 MR. FLAGG: Am I missing -- this is Ronald  
22 Flagg. I thought this language in A carved out a wide

1 swath of grant requests that didn't request prior  
2 ten-day approval if it was for research projects  
3 related to legal services -- there's just a wide range  
4 of -- to my eyes, it looks like --

5 MS. REISKIN: That's grants, not gifts.

6 MR. FLAGG: No. I understand. But the point  
7 is, if you included individual gifts in this, as I read  
8 it, the ten-day requirement only kicks in if you're  
9 making a grant request or, if you expand it to gifts, a  
10 gift request for something other than these broad  
11 categories of -- it's hard to imagine what you'd be  
12 asking for that doesn't fall within these categories,  
13 particularly as expanded during the course of this  
14 meeting.

15 MR. KECKLER: Well, the issue is the  
16 difference between gifts and grants in that last year,  
17 when this was done, there was this concern that we are  
18 intentional about solicitation campaigns and going out  
19 and reaching out to particular individuals or, for  
20 example, law firms, and asking for significant  
21 donations; whereas if there's somebody out there who  
22 has money, a foundation, or who has -- I would also

1 conceive of it as covering the charitable arm of a firm  
2 or something that regularly gives out donations of  
3 various kinds and then approaching them, then that's  
4 fine. That's perfectly covered in A.

5           But the issue that John raised is if you have  
6 a meeting with somebody and you say, "You've just heard  
7 about the good work of LSC; could you see your way  
8 clear to helping us out generally or for a particular  
9 purpose," that probably still would be covered under  
10 the gifts and either require some kind of prior  
11 approval that we're going to be doing that sort of  
12 thing for that purpose. And so that's the issue.

13           MR. FLAGG: Well, I think as this is written  
14 now, it would depend on whether they were going to fund  
15 it with cash or something other than cash. At least as  
16 I read it, if it was with cash, it depends how they  
17 were going to pay, John.

18           CHAIRMAN LEVI: Okay.

19           MR. KECKLER: Well, that's the issue of  
20 solicitation as opposed to an unsolicited gift. An  
21 unsolicited gift -- we might need to clear this up. An  
22 unsolicited gift of cash, as I read it, is always

1 welcome, except above a certain level there's notice  
2 before it becomes final.

3 MR. FLAGG: No. I was talking about where  
4 we're making a solicitation, per John's hypothetical.

5 MR. KECKLER: Right. So it's under B.

6 MS. RHEIN: After B, we'd need to notify the  
7 rest of the board of any planned solicitation with ten  
8 days' notice.

9 MR. KECKLER: Yes.

10 MS. RHEIN: Which definitely can be  
11 challenging. What if we have an opportunity to meet  
12 with a donor in three days, we're able to get on  
13 someone's calendar? I think the ten days' notice part  
14 becomes a real challenge when you're trying to get to  
15 see people who may have an opening or may be traveling.  
16 It becomes an issue.

17 PRESIDENT SANDMAN: We're not going to be  
18 dialing for dollars. We're not going to be having  
19 phone-a-thons.

20 MS. RHEIN: No.

21 PRESIDENT SANDMAN: My guess is that all of  
22 our solicitations here are going to be very

1 intentional. And the number that --

2 CHAIRMAN LEVI: We might be having --

3 PRESIDENT SANDMAN: John, are you saying you  
4 are dialing for dollars?

5 CHAIRMAN LEVI: I don't know. Maybe we'll  
6 have the "Phone in for Justice" campaign. And we'll  
7 have a little recording of Jim Sandman, and it'll go  
8 viral.

9 (Laughter.)

10 PRESIDENT SANDMAN: You're going to have to  
11 get an impersonator, John.

12 CHAIRMAN LEVI: Anyway, okay. But you're  
13 right. We're not in that league yet. No.

14 PRESIDENT SANDMAN: Yes. The number of very  
15 short notice, spontaneous asks, I just can't imagine  
16 that that's going to come up. We've been working  
17 through lists of names and organizations for some time  
18 now, and I think the legitimate concern that's been  
19 raised is because we are who we are, and because  
20 Congress funds us, and because of our public image, we  
21 do want there to be some process to vet donors before  
22 we approach them. I don't think that's all that

1 covers.

2 CHAIRMAN LEVI: Okay. When people get ready  
3 to make asks, we just need to let them know what the  
4 procedure is ahead of time so they don't trip and we  
5 don't have embarrassment.

6 MS. RHEIN: I think all of the asks need to be  
7 coordinated through my office, with Jim, and with you,  
8 anyway --

9 CHAIRMAN LEVI: That's good.

10 MS. RHEIN: -- so that we can provide that  
11 person with the appropriate materials and background  
12 information. So I support the Board being able to  
13 approve a prospect list so that they all know, these  
14 are the people. These are our top tier/second tier/  
15 third tier folks that we're looking at over the next  
16 year.

17 MR. GARTEN: Well, if you give them that list,  
18 isn't that sufficient?

19 MS. RHEIN: I would think so. And we could  
20 even provide updates through this group and also  
21 through the quarterly Board meetings as we add people  
22 to that list.

1           CHAIRMAN LEVI:   Okay.

2           MR. GARTEN:   That seems the right way of  
3 handling this issue.   Just let them know in advance who  
4 are the prospects.

5           MS. RHEIN:   Okay.   Any other concerns about  
6 that?

7           CHAIRMAN LEVI:   No.

8           MS. RHEIN:   Okay.   Section 4 on Marketable  
9 Securities, any issues?   Concerns?

10           (No response.)

11           MS. RHEIN:   Section 5, Nonmarketable  
12 Securities?   The rest of this really just goes through  
13 the different kinds of ways we can accept money.

14           Section 6, Bequests?

15           (No response.)

16           MS. RHEIN:   Charitable Remainder Trusts?

17           (No response.)

18           MS. RHEIN:   Charitable Lead Trusts?

19           MR. KECKLER:   Wendy, in the document that I  
20 have, on number 8 you have an alternative formulations.

21           "LSC may," or "LSC shall not."

22           MS. RHEIN:   Yes.

1 MR. KECKLER: So we have to pick one?

2 MS. RHEIN: Yes. Any thoughts about that?

3 MR. KECKLER: Well, again, while these are  
4 nice problems to have that we haven't had yet, but I'd  
5 leave that to Management's discretion. It seems like  
6 it's another line of business that could be  
7 problematic. But if somebody was going to offer us  
8 that -- I don't know.

9 CHAIRMAN LEVI: Since we don't have enough  
10 experience with this, I wonder what we think about  
11 being appointed as a trustee.

12 PRESIDENT SANDMAN: I don't like the idea.

13 CHAIRMAN LEVI: I really don't like it, and I  
14 wouldn't want to do it without Board approval, I think.

15 PRESIDENT SANDMAN: Yes.

16 MR. KECKLER: If it really comes up --

17 MS. RHEIN: You want me to take that out  
18 completely?

19 CHAIRMAN LEVI: No. I guess you could say,  
20 "Shall not accept an appointment as trustee without  
21 Board approval." We'd have to know the reason,  
22 something like that. Or maybe, to make it even more

1 negative, "Shall not accept an appointment unless the  
2 Board has so approved," something to that effect.

3 MS. RHEIN: Okay.

4 MR. GARTEN: Or "without Board approval."

5 CHAIRMAN LEVI: Without. Yes.

6 MS. RHEIN: So we'll say, "Shall not accept  
7 any appointment as trustee of a charitable lead trust  
8 without Board approval."

9 CHAIRMAN LEVI: Yes.

10 PRESIDENT SANDMAN: Should we add the same  
11 provision in 7? Why are we distinguishing between --

12 MS. RHEIN: That's right.

13 CHAIRMAN LEVI: Fine.

14 MS. RHEIN: Okay. We'll add that to both 7  
15 and 8.

16 Nine, Retirement Plan Beneficiary?

17 (No response.)

18 MS. RHEIN: Ten, Life Insurance?

19 (No response.)

20 MS. RHEIN: Eleven, Oil/Gas Mineral Interests?

21 Which I know sounds kind of out there, but better to  
22 cover than not.

1           CHAIRMAN LEVI: That's just to make sure that  
2 Texas is a part of this.

3           (Laughter.)

4           CHAIRMAN LEVI: Just kidding. Okay. Keep  
5 going.

6           MS. RHEIN: Named Funds, in 12?

7           CHAIRMAN LEVI: Now, I think we discussed  
8 this. But the reason for the \$100,000 is it may seem  
9 high to some people, but if you have a named fund, then  
10 people expect some kind of reporting. And that's work,  
11 and it means it's got to be tracked.

12           So we've got to come up with some reasonable  
13 number here that's not too low to burden us, but not so  
14 high as not to encourage the possibility. So I don't  
15 know what people feel. Is that our current number?

16           MR. GARTEN: Well, sometimes people put up  
17 \$100,000, but they want to spread it over a period of  
18 years. So it could require a minimum contribution --

19           MS. RHEIN: Or pledge.

20           MR. GARTEN: -- contribution or commitment of  
21 \$100,000.

22           MS. RHEIN: We could say "contribution or

1 pledge."

2 MR. GARTEN: Yes. That's the same word, "or  
3 pledge."

4 MS. RHEIN: Yes.

5 MS. RHEIN: Thoughts about that?

6 MR. KECKLER: Well, if you do that, I don't  
7 know. Do you want to make that like the net present  
8 value of \$100,000, or is that --

9 MR. GARTEN: No. That gets to be -- it's very  
10 typical that the charities, at least here in Maryland  
11 and others around the country that I've seen,  
12 commitments are made for a hundred grand or whatever it  
13 is as they pay that over a period of years.

14 It's still subject to Board approval, and  
15 if the spread is too long or they think it should be  
16 shorter or longer than what they're doing, or a greater  
17 amount, they can come back. But at least you have the  
18 tools to say that you can make a contribution, a named  
19 contribution, as long as it's for \$100,000, and you can  
20 pay for it over a period of time.

21 MS. RHEIN: Yes.

22 MR. GARTEN: So I think the word "or pledge"

1 of \$100,000 is fine. And it's still subject to the  
2 Board's approval.

3 MS. RHEIN: Right. Okay, we'll make that  
4 change.

5 Number 13, Notification to Donors. The only  
6 change here is that the acknowledgments will come out  
7 of my office instead of the treasurer's office.

8 CHAIRMAN LEVI: That's fine.

9 MS. RHEIN: Then 14, Budgeting and  
10 Contributions, we changed a comma on the second line.  
11 And then 15 was literally just changing the  
12 organization from a letter to a number, so very  
13 straightforward. Same thing with 16.

14 On 17, I added a section on the use of legal  
15 counsel.

16 (No response.)

17 MS. RHEIN: Then on the next section -- that  
18 should be 18, not 19; they're out of order -- Ethical  
19 Considerations and Conflict of Interest?

20 CHAIRMAN LEVI: Who is LSC's Ethics Officer  
21 now?

22 PRESIDENT SANDMAN: It's currently Richard

1 Sloane.

2 CHAIRMAN LEVI: Okay.

3 MS. RHEIN: And 19, Additional Provisions?

4 CHAIRMAN LEVI: Wouldn't this be something for  
5 the General Counsel, potentially, as opposed to the  
6 ethics -- I'm just wondering why it isn't the -- I  
7 understand this is ethics. But this is the  
8 interpretation of a legal document. Why wouldn't it be  
9 our counsel at the first instance?

10 MS. RHEIN: I think that's completely up to  
11 you how you want to do that.

12 MR. GARTEN: Why don't you ask Jim.

13 PRESIDENT SANDMAN: Which legal document are  
14 you referring to, John?

15 CHAIRMAN LEVI: "The Board shall seek the  
16 advice of LSC's" -- "on the acceptance of any gift or  
17 transaction that presents an actual or potential  
18 conflict of interest." Is that --

19 PRESIDENT SANDMAN: Yes. That's currently the  
20 responsibility of our Ethics Officer, to opine on  
21 whether something raises an actual or potential  
22 conflict of interest under our code.

1           CHAIRMAN LEVI: Okay.

2           MS. RHEIN: Nineteen, Additional Provisions,  
3 Gift Agreements, Pledge Agreements?

4           MR. GARTEN: Isn't that paragraph to be  
5 renumbered?

6           MS. RHEIN: Yes. It'll be renumbered. So  
7 Ethical Considerations above is actually 18; Additional  
8 Provisions will be 19. Any thoughts on that?

9           (No response.)

10          MS. RHEIN: Great. Okay. So we'll prepare a  
11 new draft of this and have it for you all for the next  
12 meeting.

13          CHAIRMAN LEVI: And to flip for a minute,  
14 because I'm going to run out of time here in a second,  
15 to the Board policy.

16          MS. RHEIN: Yes.

17          CHAIRMAN LEVI: You know,, when you go out and  
18 ask a foundation for money, they want to know whether  
19 your whole Board was in in one way or another, and so  
20 they often ask that. It's a fairly standard thing.

21                 I'm on boards where it's an unwritten policy.

22                 I'm on boards where it's a written policy. This is a

1 fairly soft policy because it doesn't state an amount;  
2 \$20 would suffice. So would five. And the question I  
3 have is, what do people think about it? I think it is  
4 appropriate, but whether it's --

5 MS. REISKIN: A lot of foundations won't give  
6 without this. I think it's very appropriate, and I  
7 think it should be written. That's my two cents. My  
8 organization is made up primarily of low income people,  
9 and we have that policy.

10 CHAIRMAN LEVI: Yes.

11 MR. KECKLER: It's a standard policy.  
12 Obviously, in a nonprofit, I think that it would be  
13 beneficial. I'm trying to think about the way Congress  
14 might view it. I think it will be okay. There's  
15 something nagging in my mind about the congressional  
16 view about this, but --

17 CHAIRMAN LEVI: I don't think that -- it's  
18 pretty soft. But as I say, organizations have these,  
19 both unwritten and written, and I'm on both kinds of  
20 boards. I don't have a strong feeling as it relates to  
21 that.

22 MR. KECKLER: It's chosen by us, as the

1 directors, to do it.

2 CHAIRMAN LEVI: Right.

3 MR. KECKLER: The question -- if you made it  
4 more --

5 CHAIRMAN LEVI: The next board can get rid of  
6 it, but it does make it harder to raise money.

7 MR. KECKLER: Yes. Right. Exactly. If you  
8 made it too strong, then it would look like an  
9 additional requirement -- not necessarily a  
10 requirement, but --

11 CHAIRMAN LEVI: Well, that's what I want to  
12 make sure of, is that somehow it doesn't create a  
13 barrier to becoming a board member because somebody  
14 feels that the existence of this prevents them from  
15 taking the post somehow. I don't think, the way this  
16 is written, it should do that.

17 MR. KECKLER: Yes. I think it's okay. I  
18 think it's okay.

19 MS. REISKIN: I don't, either, because there's  
20 no limit. You're not saying it has to be a certain  
21 amount of money. And again, speaking as a low income  
22 person on the Board, again, this is very common. And

1 as long as there's not a limit, it should be meaningful  
2 to the person. And that's going to be different for  
3 people that are low income. The amount's going to be  
4 different. But it shouldn't be a barrier.

5 CHAIRMAN LEVI: Well, I've run out of time  
6 here. The question is, even for a closed session -- I  
7 apologize to those of you who may have wanted to go on  
8 for longer -- would it work for people to have a  
9 meeting in a way --

10 MR. GARTEN: What is here to divert and go  
11 through our regular schedule?

12 CHAIRMAN LEVI: All right. And what I'm  
13 saying is, then in a week you might have a new draft to  
14 see. We can do the closed session. I do have some  
15 other things I'd like to report in the closed session.

16 I think that Wendy may, too. And maybe there'll be  
17 even a couple of other things.

18 But I'm wondering whether a week from now  
19 would work so we can keep moving here.

20 MS. ROK: John, this is Atitaya. It would  
21 have to be at least after Wednesday or later of next  
22 week because of the Federal Register notice

1 requirement.

2 CHAIRMAN LEVI: What if we're just -- we're  
3 continuing this agenda, aren't we? Can't we adjourn  
4 this agenda to next week?

5 MR. GARTEN: I'm not available next Tuesday,  
6 the 18th.

7 CHAIRMAN LEVI: But it's a question of since  
8 we're still in this meeting, if we hold this meeting  
9 open, we don't have to --

10 PRESIDENT SANDMAN: So your question, John, is  
11 whether we can recess this meeting, not close it, and  
12 continue it at a later date. And Counsel, what's --

13 MS. ROK: I think we can recess it. I'm not  
14 certain, though. I'll have to doublecheck.

15 CHAIRMAN LEVI: Well, all right.

16 MS. RHEIN: Ron is checking real quick.

17 CHAIRMAN LEVI: Well, frankly, since Herb  
18 couldn't make Tuesday anyway -- was it Herb who  
19 couldn't?

20 MR. GARTEN: Yes. I could make it earlier if  
21 you want to do it at 2:00.

22 CHAIRMAN LEVI: No. But suppose we went

1 over to -- if we go to Wednesday, we solve all the  
2 problems and we don't have to -- is that what we're  
3 saying?

4 FATHER PIUS: Except I can't make it  
5 Wednesday, John, or for about four or five days after.

6 CHAIRMAN LEVI: Okay. So Tuesday would work  
7 for you. What about Monday?

8 FATHER PIUS: Monday would be fine, too.

9 MR. GARTEN: Monday would be okay for me, too.

10 CHAIRMAN LEVI: Yes. It's just if it's not a  
11 new meeting but just a continuation due to the fact  
12 that we've run out of time, I'm not sure it requires --

13 PRESIDENT SANDMAN: We would have to make sure  
14 that people would know how to call in to the next  
15 meeting -- I mean, to the continuation of this meeting.

16 MR. GARTEN: We've done pretty well in  
17 scheduling them every other week, John.

18 CHAIRMAN LEVI: Yes. Here's one other idea.  
19 We could do public comment now, consider and act on  
20 business, and then just adjourn -- are we allowed to  
21 adjourn the closed to another time?

22 MS. ROK: I'd have to look at Sunshine.

1           CHAIRMAN LEVI: Okay. You can advise us  
2 afterwards. Do you want to finish --

3           MR. FLAGG: John, this is Ron. I should have  
4 had the answer for you at this moment, and I don't.  
5 And I'll get it to you shortly.

6           CHAIRMAN LEVI: No. No, Ron. No, you  
7 shouldn't. No, Ron. You know what? You shouldn't  
8 have because, frankly, we're all new at this game in  
9 some way. We haven't had this issue come up before.

10          MR. FLAGG: Well, that's why you have a  
11 General Counsel.

12          CHAIRMAN LEVI: Yes. Well, it's good to have  
13 a careful one.

14          So any more on the fundraising policies?

15          (No response.)

16          CHAIRMAN LEVI: So you'll circulate a new  
17 draft?

18          MS. RHEIN: Yes.

19          CHAIRMAN LEVI: Okay. Public comment? Did I  
20 scare you off, Don?

21          MR. SAUNDERS: A little bit, John. But I do  
22 have a few comments, but I don't think they are --

1           CHAIRMAN LEVI: Go right ahead. Make your  
2 comments.

3           MR. SAUNDERS: Well, I don't really believe  
4 they're related to any specific part of the protocol,  
5 Bill of Rights, or any of those issues. I think the  
6 concerns I would like to discuss with you in public  
7 would hold over till you're not so pressed for time,  
8 assuming you'll have another meeting, as you've been  
9 regularly scheduling them. So I'll just hold off for  
10 the moment.

11           CHAIRMAN LEVI: Well, I didn't mean to do that  
12 to you, and I apologize. We have a few more minutes.  
13 I just deferred this for ten minutes. I don't know how  
14 long you wanted to talk for.

15           MR. SAUNDERS: Well, we certainly appreciate  
16 your posting the drafts for us to review and follow  
17 your conversations. And as your deliberations have  
18 matured and people in the field have begun to look on  
19 with interest, I've heard a great deal of support and  
20 appreciation for the efforts of LSC, and also  
21 additional concerns that certainly we've raised with  
22 you before, and a little bit with Wendy.

1           As you define your targets, I think the  
2 areas I would fill out now for hopefully future  
3 discussion -- obviously, in terms of your grants and  
4 the protocols of activities that the Board is approving  
5 through this policy, we would appreciate, as you've all  
6 been welcomed, the opportunity to discuss some of the  
7 parameters of issues like what should a national  
8 fellowship program look like.

9           The approach to rural, I think, is generally  
10 supported in the field. But there are a lot of issues  
11 that flow from the history of the Reggie Program that  
12 we would like a chance to discuss with staff or others  
13 as they prepared for those grants.

14           The other area, I think, that people are  
15 beginning to look at, in terms of grants, I think  
16 there's a general understanding in the community that  
17 the national foundations are not likely to be funding  
18 operations at the state and local level.

19           They are somewhat concerned about regional  
20 foundations, as they are much more focused on local  
21 programs. I know you're all sensitive to that. I'm  
22 sure Wendy is sensitive to that. But I hear more and

1 more of an understanding of the national foundation  
2 process and a concern about reaching down to the other  
3 layers of the foundation community.

4           With respect to gifts, I think the one area of  
5 growth in the legal aid community right now is private  
6 giving, and this is obviously something that you're  
7 very aware of and concerned about.

8           But particularly in the areas of private  
9 giving, large law firm giving, these are the areas that  
10 obviously, as you solicit grants, we would urge that  
11 you do that with a clear eye toward your grantees and  
12 the private donors and law firm givers that they are  
13 really targeting in this very austere environment.

14           These are not new messages. But as you adopt  
15 this protocol, I would just like to reiterate them, and  
16 again, primarily to thank you all for your energy in  
17 pursuing these initiatives, and our willingness to help  
18 with your 40th anniversary or any other kind of  
19 initiative that we can be of assistance on.

20           CHAIRMAN LEVI: So I would characterize your  
21 message as continuing worry and some encouragement.

22           MR. SAUNDERS: Absolutely. I think that's

1 fair.

2           CHAIRMAN LEVI: And I certainly hear that.  
3 I don't think -- while I'm respectful of the worry,  
4 I think there is probably a misperception. But  
5 misperceptions sometimes give rise to worry. So we'll  
6 see. We'll go from here.

7           I don't think anything that we've talked about  
8 either in open or closed session should be regarded by  
9 our grantees as threatening to them. And to the extent  
10 that what you just elaborated, which I sort of thought  
11 was maybe coming, was such a concern, I need to  
12 reassure them again. And they ought to understand the  
13 track record of this board. I know that they look to  
14 you to express those now and then.

15           But I think it's time also for them to be  
16 somewhat more willing to embrace the possibility that  
17 we had the status quo for all these many years, and I'd  
18 ask you this question, Don: What did it produce? It  
19 did not restart the Reggie Program. It didn't start  
20 rural fellowships. It didn't initiate a Pro Bono  
21 Innovation Fund.

22           So yes, I'm listening. But I'm also aware

1 of what the history is. And the history is that the  
2 local organizations do a fairly good job in some  
3 communities, less good job in others, almost a  
4 nonexistent job in others. But we're not trying to  
5 interfere with that. That's their business.

6 MR. SAUNDERS: John, I certainly hear that and  
7 commend you for doing it. The main point I was trying  
8 to make now is in the world of local fundraising, the  
9 idea of growing private giving is really the hot issue  
10 right now. And that's just the area I think we should  
11 have dialogue around.

12 CHAIRMAN LEVI: Sure. Well, I also like to  
13 think that our getting interested in this arena seems  
14 to have gotten them and NLADA more interested in this  
15 arena, and that's all good, too.

16 MR. SAUNDERS: Absolutely. Absolutely. I did  
17 not mean to be criticizing the effort made.

18 CHAIRMAN LEVI: No, that's all right.

19 Any other comments from the public or comments  
20 from the Committee in response to the comment?

21 (No response.)

22 CHAIRMAN LEVI: Any other business?

1 (No response.)

2 CHAIRMAN LEVI: So if we adjourn the meeting,  
3 then can we defer the closed session to the next  
4 meeting and just do that? Will people be upset about  
5 that? What are the rules on that? We have to get  
6 another approval, I suppose. But will that cause any  
7 issues for you, Jim?

8 PRESIDENT SANDMAN: No.

9 MR. FLAGG: As long as the notice for the next  
10 meeting makes it clear what the agenda is, including  
11 the agenda for the closed items.

12 CHAIRMAN LEVI: Oh, no, no, Ron. I'm asking a  
13 different question. I'm asking, is there's something  
14 that's time-sensitive that needed to come up in the  
15 closed session?

16 PRESIDENT SANDMAN: No, John.

17 CHAIRMAN LEVI: Okay. Then if people don't  
18 mind deferring the closed session, we'll just not have  
19 it and re-notice it as a part of the notice of the next  
20 meeting. And I assume that's fine. Correct?

21 MS. ROK: Yes. Yes, John.

22 CHAIRMAN LEVI: Okay. Sorry for all the

1 confusion there. I appreciate you allowing me to  
2 juggle my schedule here.

3 Any other comments from the Committee?

4 (No response.)

5 CHAIRMAN LEVI: Could I have a motion to  
6 adjourn? You've all adjourned without me here? Does  
7 somebody have --

8 M O T I O N

9 FATHER PIUS: So moved, John.

10 CHAIRMAN LEVI: Second?

11 MR. GARTEN: Second.

12 CHAIRMAN LEVI: All in favor?

13 (A chorus of ayes.)

14 CHAIRMAN LEVI: Thanks, everybody.

15 (Whereupon, at 5:10 p.m., the Committee was  
16 adjourned.)

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