

LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

TELEPHONIC MEETING OF THE
FINANCE COMMITTEE

OPEN SESSION

Tuesday, September 13, 2011

11:05 a.m.

Legal Services Corporation
3333 K Street, N.W.
Washington, D.C. 20007

COMMITTEE MEMBERS PRESENT:

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

OTHER BOARD MEMBERS PRESENT:

Victor B. Maddox
Laurie Mikva
Julie Reiskin
Charles N.W. Keckler

STAFF AND PUBLIC PRESENT AT THE CORPORATION'S OFFICES:

James J. Sandman, President

Kathleen Connors, Executive Assistant to the President

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

David L. Richardson, Treasurer and Comptroller

John Constance, Director, Office of Government
Relations and Public Affairs

Stephen Barr, Communications Director, Office of
Government Relations and Public Affairs

Jeffrey E. Schanz, Inspector General

Laurie Tarantowicz, Assistant Inspector General and
Legal Counsel, Office of the Inspector General

David Maddox, Assistant Inspector General for
Management and Evaluation, Office of the
Inspector General

John C. Meyer, Director, Office of Information
Management

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

2 (11:05 a.m.)

3 CHAIRMAN GREY: Is there a motion to approve
4 the agenda?

5 M O T I O N

6 MS. BROWNE: This is Sharon. I'll approve the
7 agenda.

8 CHAIRMAN GREY: Is there a second?

9 FATHER PIUS: Second.

10 CHAIRMAN GREY: Without objection. Any
11 objection?

12 (No response.)

13 CHAIRMAN GREY: The agenda's approved.

14 So we are at item 2, LSC'S draft fiscal year
15 2013 budget request to Congress. David or Jim, how do
16 you want to do it?17 PRESIDENT SANDMAN: Well, we acted on the
18 committee's decision at the prior meeting in Boston to
19 go with a total budget of \$470 million for fiscal year
20 2013, and then did the work to break that down into the
21 various line items of the budget. And we kept the
22 management and grants oversight amount at 4 percent of

1 the total, equal to the amount that LSC requested for
2 fiscal year 2013 and what the president recommended for
3 MGO for 2013.

4 The other numbers, for TIG and for LRAP, are
5 consistent with the president's request for fiscal '13
6 -- I'm sorry, for fiscal '12. And the OIG number comes
7 directly from the Office of the Inspector General, and
8 Jeff and his staff are here in the room to answer
9 questions about that.

10 The biggest component, we obviously tried to
11 direct as much to basic field grants as possible since
12 that's the ultimate mission of the organization, but to
13 allocate to management and grants oversight in a way
14 consistent with a prudent level of oversight from the
15 headquarters level.

16 The principal increases from current levels in
17 management and grants oversight are explained in the
18 materials that David distributed last week. We're
19 basically filling vacant positions, positions that the
20 Board has already approved. That would include the
21 development officer position and an assistant for the
22 development officer position, positions that we have

1 not had previously. But all of the other positions are
2 positions that we have had previously, but that are
3 currently vacant.

4 We have also allocated more funds for field
5 training and for temporary employee expenses to
6 increase the number of visits that we'll be able to do
7 to programs in the event that this budget is approved.

8 Those are the principal elements. We're happy
9 to answer detailed questions from any of the committee
10 or board members, and also to respond to the questions
11 that Vic Maddox circulated shortly ago.

12 CHAIRMAN GREY: Jim, one of the things you
13 might want to do, just as a -- I think it would be a
14 helpful tool for the Board to see, and it might be
15 helpful, maybe, going forward for even congressional
16 staffers.

17 But could you do a table of organizations so
18 that you can see where the positions fit and whatever
19 useful information that would fit on that, as sort of a
20 comparison of before your tenure of how the office
21 looked and the staff, and then as you have taken over,
22 the requirements that you have determined are necessary

1 to staff up this office to fulfill its mission?

2 I think to see what was there before and to
3 see what we're doing now in comparison may be very
4 helpful to us. And obviously, you will have had
5 positions that were approved before they were vacant,
6 and you can designate that as an approved position but
7 vacant.

8 But now you have rearranged some of it, but
9 you've maintained other -- you've maintained some of
10 those positions in the carryover to your
11 administration, and that you think are necessary and
12 that need to be filled. But all of this is in my
13 response to Vic and some of the questions that he had.

14 And I'll let him walk through some of those with you
15 right now.

16 But this is really an effort that we've been
17 encouraging you to do, and that is to get staffed up.
18 And you've said, not right this second; I want to make
19 sure that I need what I need, and don't add or fill
20 positions that I don't need. And I want to be careful
21 about making sure that those that are coming into the
22 organization in new positions compliment the work

1 that's being done by others already here. I want to
2 see what the Fiscal Task Force report looks like so
3 that that informs me about how to staff those critical
4 areas as well.

5 Is that a fair statement?

6 PRESIDENT SANDMAN: Yes, it is.

7 CHAIRMAN GREY: Vic, I understand the
8 questions that you had. I wanted Jim to have a first
9 pass at trying to explain some of that. You want to
10 take a little deeper dive into that?

11 MR. MADDOX: Robert, thanks. And for Jim and
12 everybody, I don't have any tremendous concerns here.
13 I was just looking at these statements and trying to
14 understand some of the entries, and they weren't
15 immediately obvious to me.

16 And I'd like to sort of know generally how
17 some of these numbers compare -- for instance, travel
18 and transportation for the boards -- to prior year. I
19 assume it's pretty close, but the request doesn't say.

20 I didn't have the prior year's reference. And so I
21 just wondered if we could get some more detail on some
22 of these specific items.

1 And then in terms of the other questions, my
2 only thought there was, I'm wondering whether there's
3 an element of just sort of business as usual. And do
4 we need to fill positions? If so, that's fantastic.
5 If not, have we considered that? Because you could
6 save, I don't know, 80- or \$100,000 per position, I
7 guess, depending on how much they're paid.

8 So that's my only thought. If Jim or somebody
9 can address those, that would be great.

10 PRESIDENT SANDMAN: I'll ask David Richardson
11 to go through the questions that you had about the
12 board expenses.

13 CHAIRMAN GREY: David?

14 MR. RICHARDSON: Yes. For the record, David
15 Richardson.

16 The expenses for travel and consulting are
17 consistent with what we are spending in 2011, what
18 we've got budgeted, and there are still some projects,
19 of course, that are ongoing.

20 The money spent for the Fiscal Oversight Task
21 Force, the Development Committee, the strategic
22 planning, those are all under consideration. Certainly

1 those projects won't continue into 2013 in the full
2 force that they are currently, but there's other things
3 that the Board is likely to undertake, whether those be
4 a continuation of the Pro Bono Task Force, a review of
5 PAI, and others things that you want to look at.

6 So I've put money in there for consulting and
7 travel to accommodate those types of reviews and those
8 types of task force so that you can continue the
9 reviews that -- I put some money in there to anticipate
10 what you might want to look at in the future.

11 So the budgets are comparable. This year's
12 budget actually is a little higher because you had like
13 a \$703,000 budget with all the startup activities going
14 on. And this budget is actually \$555,000, so it's
15 actually down a bit for 2013. But it is comparable
16 otherwise as far as your travels.

17 Your board meetings have expanded. In the
18 past, we've had two-day board meetings. This allows
19 for three-day board meetings. You've been inviting
20 more folks to come in to testify to the Board as far as
21 ongoing emerging issues. So I've put some money in
22 there, 30 folks to come in and testify to the Board in

1 regards to those activities.

2 So just trying to anticipate the needs of the
3 office or your conveys, and trying to make sure that
4 there's enough money there for you to undertake
5 whatever project you may want to undertake in that
6 year.

7 I've laid that out in the memo, but it's
8 something that -- it's just trying to anticipate your
9 need, basically, with the 30 people coming in. And
10 I've also budgeted for 30 trips for Board to either
11 speak to members of Congress, go to NLADA, to travel to
12 executive director meetings -- again, trying to
13 anticipate what you may would need there to continue
14 your operations.

15 As far as the other in the consulting line
16 within Vic, we are trying to -- oh, I'm sorry. Drop
17 down to communications within the Board's budget.
18 That's your Federal Express packages that we send to
19 you for the board meetings. In addition to that, it's
20 telephone calls like this; as far as telephonic
21 meetings, that's charged to the Board. And we separate
22 those expenses so that we can identify those.

1 And when you look at occupancy, whenever we go
2 to a hotel we're charged room charges for the meeting
3 rooms. And we've had in the past one meeting room;
4 occasionally we've had two. So we're again putting
5 money in there to accommodate what the Board may would
6 need there.

7 Other operating costs, basically, are some of
8 your supplies that you may need -- nameplates. It also
9 encompasses the Federal Register notices, providing
10 information to the field and interested parties and
11 notice of the meetings, and equipment rental. When we
12 go to the hotels, we have telephone hookup. We're
13 anticipating some videoconferencing next year. That
14 line would encompass the other operating costs.

15 Looking at Legal Affairs, the legal expenses
16 have gone down somewhat. This year we had budgeted
17 originally \$400,000; this budget is \$350,000. We
18 certainly anticipate additional outside legal expenses
19 when we get into the negotiations with the contract
20 that needs to be negotiated with the union. And then
21 there's always other things that crop up that we need
22 outside counsel for.

1 MR. FORTUNO: Actually, if I could interrupt
2 just briefly, something to keep in mind is that we have
3 categories that are uniform throughout the
4 organization. So there's a consulting line for OLA.
5 There's a consulting line for OPP. There's a
6 consulting line for OCE. So that enables the
7 comptroller, for example, to aggregate those to give
8 you a consulting cost for the institution as a whole.

9 For the Office of Legal Affairs, the
10 consulting line is basically the outside counsel line.

11 And that is spent on, when we've got litigation going
12 on outside of this area, or in some instances even in
13 this area, outside counsel for litigation. We use
14 outside counsel for labor, employment, benefits,
15 banking, security of our deposits, intellectual
16 property, our logo registration renewal, things of that
17 nature.

18 And for a breakdown on that, if you look at
19 any of the litigation reports, and I have in front of
20 me the July one, you'll see, for example, that there
21 are several appendices. There's one on fees and
22 expenses paid through the date of the report. There is

1 an outside counsel/consulting budget summary, and a
2 third appendix, which is the percentage of funds
3 expended by budget category.

4 So I think that for details, I don't know that
5 we need to get into too much more right now. But I
6 wanted to let you know that at least that information
7 there is available. If you want to see, for example,
8 what our expenses have been over time, looking at any
9 of our litigation reports or looking at the appendices
10 to any of our litigation reports, and you get those at
11 each of the quarterly meetings, will give you that kind
12 of booked.

13 But just generally speaking, the consulting
14 line is outside counsel. And the areas in which we use
15 outside counsel are litigation or specialized expertise
16 as in banking, intellectual property, labor, and such.

17 If there are no questions, I'll just turn it
18 back to David. David?

19 MR. RICHARDSON: Is there a question?

20 CHAIRMAN GREY: No. David?

21 MR. RICHARDSON: Okay. Next question was in
22 regards to the government relations office staff

1 member. We did have a gentleman left us in June, and
2 there is every intention of filling that position.
3 John Constance is --

4 MR. CONSTANCE: David, I'll be glad to take
5 that. John Constance, for the record, director of
6 Government Relations and Public Affairs.

7 The position that David's describing was the
8 position of Sean Driscoll. Sean was the editor and
9 chief, really, for our LSC Updates publication that
10 came out every two weeks. He did all the research,
11 writing, and distribution of that; also, the management
12 of an approximately 6,000-person mailing list that we
13 have for that.

14 He also handled the Twitter account for us.
15 We have over a thousand followers now on Twitter, and
16 our goal always has been to get out two communications
17 to that group per day. Usually what that represents is
18 bringing in stories and news from around the country
19 and basically redistributing that on that particular
20 account. Sean also worked as a researcher for us, and
21 also did legislative tracking.

22 In his absence over the last several months,

1 Steve Barr has seen a lot less of his family and has
2 been filling in in a number of those capacities. But
3 we're not getting out LSC Updates as often as we did.
4 We're not doing two Twitter feeds a day. We're not
5 doing, I think, some of the media outreach that we
6 would hope to do with full staffing.

7 So we're clearly down. I ran my old shop at
8 the National Archives with about eight people; six has
9 been the total since I came to LSC. And basically,
10 what those numbers are that you're looking at, current
11 staffing five, the sixth person did -- so we would just
12 get back up to full capacity. We're anticipating a
13 hire by November for that job at this point.

14 CHAIRMAN GREY: Okay.

15 MR. RICHARDSON: Item 3 here was regarding the
16 OPP positions and why are we adding positions.
17 Basically, these are positions that we're going back
18 and filling because of vacancies. We do have,
19 currently, 27 people on staff; there's a 28th position,
20 and that would represent a lady who had left last year,
21 filling that position.

22 As the footnote says, we do have two

1 additional people that are leaving this year, one in
2 September, one in October. And Janet has looked at her
3 particular office as to the way they operate, and she
4 feels that she needs the open positions to be filled so
5 that she can continue an effective operation of her
6 office.

7 PRESIDENT SANDMAN: This is Jim Sandman. I
8 can add to that. I took my own close look at the
9 numbers, all of these numbers, the staffing numbers,
10 and didn't want to start with the assumption that we
11 would simply continue as we have in the past, but
12 wanted to look at things afresh to see whether we did
13 in fact need to fill vacancies that we currently have.
14 And I think this is a vacancy that we do need to fill
15 or carry in the budget for fiscal '13.

16 Our budget here doesn't make any assumptions
17 about what action the Board might take on the
18 recommendations of the Fiscal Oversight Task Force.
19 But I think in terms of its staffing assumptions, it
20 will permit sufficient flexibility through a
21 combination of filling vacancies as they become open
22 and retraining to adapt the staffing of both OCE and

1 OPP to conform to the recommendations of the task force
2 if the Board should decide to accept them.

3 I look at the number of visits that are
4 contemplated to programs during the course of a fiscal
5 year. I think that we should be aiming to visit, on
6 average, about a quarter of the programs each year so
7 that every four years, we've cycled through all 136 of
8 the programs.

9 This budget assumes that we would continue to
10 have separate OCE and OPP offices, and that each would
11 do approximately 35 to 36 visits, which would be about
12 a quarter of the program inventory. We might do that
13 differently if the Board accepts the recommendations of
14 the task force. But I don't think that the number of
15 visits would change if the Board implements the
16 recommendations of the task force.

17 So that was my thinking in concluding that
18 this is a position that we should reflect in the fiscal
19 '13 budget.

20 MR. MADDOX: Thanks, Jim. This is Vic Maddox
21 again. Thank you very much for that. I appreciate
22 that analysis and it certainly satisfies my inquiry and

1 my concern. So thanks very much.

2 MR. RICHARDSON: Let me add just two other
3 offices here. Within the Compliance and Enforcement,
4 this year they had 26 positions budgeted. There are
5 23. Talking with Jim and Laurie, working with the
6 budget for Compliance and Enforcement, they would like
7 to of course fill the director position with Danilo
8 leaving us in June.

9 Two other positions that were vacant, it was
10 decided that they would look at hiring temporary
11 employees to help with the program oversight and the
12 visits that are needed there.

13 In addition, there was other positions that
14 were eliminated from this particular budget, as Jim
15 talked about. There's actually a position in my
16 office. There was another position in Information
17 Technology that, after looking at everything, we've
18 decided not to fill.

19 In regards to the Executive Office, yes, we've
20 had a vice president for programs in the past and a
21 Special Counsel to the President and an administrative
22 assistant. What has changed is we've had, for the past

1 four or five years, a chief operating officer. That
2 has been eliminated.

3 The development officer or whatever that
4 position may encumber is included in the executive
5 office at this time. And the administrative assistant
6 who supported a separate vice president and the chief
7 administrative officer will be, at this point,
8 supporting the development officer and picking up and
9 helping others in the executive office, as needed.

10 So it's going to be a job-sharing, working
11 more collaboratively, anticipating spreading the
12 responsibilities around so that we have people in place
13 that could carry out the mission of the Corporation and
14 the responsibilities that Jim would like us to
15 undertake for this time.

16 I'd be glad to answer any particular questions
17 that you may have at this point. You will note that
18 the temporary employees are up, and it's simply because
19 we're anticipating getting out into the field more with
20 the compliance visits and the quality visits and the
21 program evaluations. But I'd be glad to answer any
22 questions that you may have.

1 CHAIRMAN GREY: No. Thank you.

2 MS. BROWNE: This is Sharon Browne. I do have
3 a question for Mr. Richardson. Could you briefly
4 explain, on your appropriations request, the management
5 and grants oversight column? I didn't see it on your
6 appropriations memo to Mr. Grey, and so I was just
7 hoping that you could just briefly explain that
8 particular column for us.

9 MR. RICHARDSON: Are you talking about the 19-
10 5 that we are requesting?

11 MS. BROWNE: No. It's on your spreadsheet at
12 management and grants oversight for the Corporation for
13 fiscal year 2013. Is the management and grants
14 oversight column that starts with, "Personnel
15 compensation, 10,547,700" -- is that just a summary of
16 all the different columns, or is this a separate --

17 MR. RICHARDSON: No. It's -- I'm sorry. Yes,
18 that is just a total of all the different offices'
19 budget. That's what the salaries and compensation and
20 the different budget categories add up to.

21 So we're looking at the \$20,700,000 as the
22 total request for management and grants oversight.

1 MS. BROWNE: And then can you explain the
2 project carryover? Why is there a project carryover
3 for 2013?

4 MR. RICHARDSON: I'm sorry, I should have
5 spelled that out. That's projected carryover. Just
6 like this year we've got carryover -- something will
7 happen. As we've seen here, we've got two people who
8 have resigned. I've tried to anticipate needs of the
9 Corporation, of the Board. I've got \$150,000 in
10 consulting there. If you don't need that money, that
11 money then will be carried over into the next year.

12 So there's always -- it's a projection. So
13 some of those projected activities may not take place,
14 may cost less than we originally projected. So there
15 will be some money that will be carried over.

16 PRESIDENT SANDMAN: Sharon, this is Jim. The
17 Corporation has typically had some carryover from one
18 fiscal year to the next. We don't really want to spend
19 down everything to zero by September 30th, although the
20 budget -- we don't plan to carry a huge amount.

21 This projected carryover in this budget is
22 actually a significantly smaller percentage of the

1 total budget than we've seen in recent years. In
2 fiscal year 2007, the carryover was 8.6 percent of the
3 total MGO budget. In fiscal '08, it was 12.7 percent.

4 In fiscal '09, it was 6.65 percent. In fiscal '10, it
5 was 17 percent. And it's estimated this year to be
6 16.8 percent.

7 So with a total budget of \$20,700,000, a
8 carryover at that level would be well below what we've
9 been running in recent years. Congress isn't giving us
10 money to carry it from one year to the next. We're
11 very mindful of that, and I think that this budget
12 reflects an effort to manage down the carryover from
13 the higher levels it's been at in the last couple of
14 years.

15 MS. BROWNE: Thank you. I really appreciate
16 all the information that's being provided.

17 I do have another question for you, for Jim.
18 It's deleting with the census information that you
19 provided to us in your memo on page 3. You said that
20 in 2013 and 2014, there's going to be a reflection of
21 an impact from the census, the 2010 census.

22 Is there something being worked into the

1 budget that will deal with the impact of the census on
2 2013, 2014? I notice in 2003, Congress had a special
3 allocation to offset the census issue. But I didn't
4 see anything here. Maybe I missed it.

5 PRESIDENT SANDMAN: No, you didn't miss
6 anything. There isn't anything in this budget to
7 mitigate the impact of the census numbers on those
8 programs that have lost, in comparative terms, their
9 pro rata share of the poverty population since the last
10 adjustment after the 2000 census.

11 We didn't think that it was likely that there
12 would be additional money allocated beyond our basic
13 ask to try to mitigate that impact. Instead, if we
14 proposed to do anything to mitigate the impact, it
15 would simply be taken out of the total appropriation.

16 And that would really come at the expense, if
17 it's a zero sum game, as I anticipate it would be, that
18 would come at the expense of the programs that have
19 seen their percentage of the poverty population
20 increase and wouldn't be getting funding sufficient to
21 allow them to serve the higher population that they now
22 have.

1 So this budget is neutral in terms of its
2 assumptions about the census impact.

3 MR. LEVI: And that's our assessment, that
4 they wouldn't be interested in -- or did they go ahead
5 -- the last time that they provided -- in response to
6 Sharon, when they made that provision, had that been
7 because we requested it, or they did that on own their
8 motion? Does anything know?

9 MR. MEYER: This is John Meyer.

10 PRESIDENT SANDMAN: You'll need to come up to
11 the table, John.

12 John Meyer is going to answer the question.

13 MR. MEYER: This is just my recollection, that
14 what happened was -- it was called the Harkin
15 Amendment. And it was Harkin and some of the other
16 senators, who were in areas that were -- in states that
17 were badly affected, added that onto our appropriation.

18 I think Harkin, who was favorably disposed to
19 us, did that partly as a way to give us more money.
20 But it really was on the motion of the Congress, and
21 continued for several years in a lessening amount on
22 the motion of the Congress.

1 CHAIRMAN GREY: Any other questions?

2 (No response.)

3 CHAIRMAN GREY: Thank you for that. John
4 Constance, did you want to add additional comment?

5 PRESIDENT SANDMAN: John are you on? Are you
6 on mute?

7 MR. CONSTANCE: Can you hear me?

8 PRESIDENT SANDMAN: Yes, we can.

9 CHAIRMAN GREY: John, this is Robert. John
10 Constance?

11 MR. CONSTANCE: Yes.

12 CHAIRMAN GREY: Would you -- I've got you
13 slated to make additional remarks about the budget if
14 you care to do so.

15 MR. CONSTANCE: Yes. That would be fine. The
16 only thing I would say kind of on an overall level, and
17 then I'd like to say a word or two about the census
18 matter, on an overall level, I do want to thank the
19 Finance Committee and the deliberations of the Finance
20 Committee for giving us a number going forward to the
21 Board which I think is defensible and in the range
22 that, as we had talked before, will put us in the

1 negotiation mix for 2013. So overall, I thank you for
2 the deliberations and where you all came out in that
3 regard.

4 In the case of the census, I would only say
5 that as far as trying to mitigate anything through the
6 numbers, it's been my experience that any time you try
7 to do that, the amount of money really comes out of
8 your total and is not a plus up to assist individuals
9 that have a requirement or a need outside of their
10 normal basic field.

11 So if you try to do that and you try to move
12 that around, that's different if not impossible. So
13 it's something that I would discourage us from
14 considering or doing.

15 And even in the case of the Harkin Amendment,
16 we were talking about a million dollars, which was the
17 range that we were talking about, in comparison to the
18 need to cross 136 programs and those that are to be
19 gaining and losing. That's not a significant amount
20 when distributed the way we would have to distribute
21 it.

22 So those were just my thoughts on it. And

1 again, thank you for the opportunity.

2 CHAIRMAN GREY: Thank you, John.

3 The Inspector General. Jeffrey, are you
4 around?

5 MR. SCHANZ: Yes, sir, I am. And for the
6 record, this is Jeff Schanz, the Inspector General of
7 the Legal Services Corporation. Thank you for the
8 opportunity to speak with you this morning.

9 And as you know, by statute the IG presents
10 his, in this case, or her budget directly to Congress
11 in other agencies. That said, I appreciate the Board's
12 support for the IG'S fiscal year 2013 budget request of
13 \$4.2 million, which is the same amount that we
14 requested in 2010.

15 Since I've been on board for the last three-
16 plus years, we have maintained a stable budget and our
17 baseline, given a bump up from Congress in 2008, has
18 been \$4.2 million, and we're requesting that for 2013.

19 Management, as they said in their letter,
20 included our budget request verbatim. And that's
21 appropriate, given our independence and objectivity.
22 And I appreciate management providing that, as I said,

1 verbatim.

2 You'll see in there some other twist in the IG
3 budget, which is 28 full-time positions. And by
4 statute, once again, I'm required to support what is
5 affectionately known as the CIGIE, the Council of
6 Inspectors General on Integrity and Efficiency. So a
7 small portion of the IG budget is devoted to that.

8 And I'm also required to make a statement that
9 in order to maintain a confident and qualified staff, I
10 have to donate X amount or allocate X amount of money
11 for training, which is fine by me. I'm a very firm
12 believer in training and bringing people from the
13 ground up.

14 So that being said, that's all I have unless
15 there's any questions on our budget.

16 CHAIRMAN GREY: Any questions for Jeff?

17 (No response.)

18 CHAIRMAN GREY: Thank you, Jeff.

19 MR. SCHANZ: Thank you.

20 CHAIRMAN GREY: Item 3 is to consider and act
21 on recommending to the Board Resolution 2011-012, a
22 resolution adopting LSC'S FY '13 budget request to

1 Congress.

2 M O T I O N

3 DEAN MINOW: I so move. It's Martha Minow.

4 CHAIRMAN GREY: It has been moved. Is there a
5 second?

6 FATHER PIUS: Could we back up a second? What
7 is this? It is the management report that we're
8 approving, or just the line items?

9 CHAIRMAN GREY: I don't see a resolution
10 itself, but it would be the resolution incorporating
11 the management report that we've been provided. Is
12 that correct, Jim?

13 PRESIDENT SANDMAN: Yes. It would be
14 approving the numbers that have been submitted to you.
15 We will --

16 CHAIRMAN GREY: Right.

17 DEAN MINOW: And so it's the actual line of
18 the numbers?

19 PRESIDENT SANDMAN: Yes.

20 CHAIRMAN GREY: Yes. Essentially, the far --

21 FATHER PIUS: We're just approving the far
22 right column on the blue page on the first page of the

1 memo?

2 MR. LEVI: That's right.

3 DEAN MINOW: That's right. That's what my
4 motion was.

5 MR. LEVI: And that's how we've left this.
6 We'd asked for that in Seattle.

7 FATHER PIUS: Seconded. I second that motion.

8 CHAIRMAN GREY: Thank you both. All in favor
9 to approve the resolution say aye.

10 (Chorus of ayes.)

11 CHAIRMAN GREY: Opposed, no.

12 (No response.)

13 CHAIRMAN GREY: The resolution is adopted.

14 And then is there other business that anyone
15 would like to bring before the Finance committee?

16 (No response.)

17 CHAIRMAN GREY: Let me say, along with
18 thanking you for your participation in the meeting,
19 thank you to Jim and the staff for providing the
20 information in the depth in which you've done it.

21 And if there are no other questions, then I
22 would consider a motion to adjourn the meeting.

1 MR. LEVI: Let me just for one second thank
2 the Finance Committee for the work this year at a level
3 that I think is very helpful to the Board, and
4 proceeding to take a look at things in greater depth.
5 I think it's been very helpful. And I appreciate the
6 work that went in to support that effort.

7 CHAIRMAN GREY: Thank you, Mr. Chairman.
8 Any other comments or thoughts?

9 (No response.)

10 CHAIRMAN GREY: I would entertain a motion to
11 adjourn. Is there such a motion?

12 M O T I O N

13 FATHER PIUS: This is Father Pius. So moved.

14 CHAIRMAN GREY: Second?

15 MS. BROWNE: Sharon Browne. Second.

16 CHAIRMAN GREY: Without objection, this
17 meeting is adjourned. Thank you very much to all.

18 (Whereupon, at 11:43 a.m., the Finance
19 Committee meeting was adjourned.)

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