

ORIGINAL

LEGAL SERVICES CORPORATION

BOARD OF DIRECTORS MEETING (Annual)

OPEN SESSION

Friday, January 28, 1994

2:11 p.m.

Legal Services Corporation
750 First Street, N.E.
The Board Room
Washington, D.C. 20002

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

BOARD MEMBERS PRESENT:

Douglas S. Eakeley, Chair
Nancy Hardin Rogers, Vice-Chair
Hulett "Buckey" Askew
LaVeeda Morgan Battle
John T. Broderick, Jr.
F. Wm. McCalpin
Maria Luisa Mercado
Thomas F. Smegal
Ernestine P. Watlington
Edna Fairbanks-Williams

STAFF PRESENT:

Alexander D. Forger, President
Martha Bergmark, Executive Vice President
Patricia D. Batie, Secretary
David Richardson, Treasurer and Comptroller
Victor Fortuno, General Counsel
Edouard Quatrevaux, Inspector General

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

C O N T E N T S

	PAGE
Approval of Agenda	4
Election of Board Chairperson	11
Election of Board Vice Chairperson	13
Consider and Act on the Composition of Board Committees Pursuant to 45 CFR Sections 1601.27 and 1601.28	18
Chairman's and Members' Reports	23
Consider and Act on Operations and Regulations Committee Report	27
Consider and Act on Provision for the Delivery of Legal Services Committee Report	40
Consider and Act on Audit and Appropriations Committee Report	44
President's Report	61
Inspector General's Report	68
Public Comment	72 105
Consider and Act on Presidential Search Committee Report	102
 MOTIONS: 5, 9, 11, 12, 12, 13, 13, 21, 43, 51, 67, 119	

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

P R O C E E D I N G S

(2:11 p.m.)

1
2
3 CHAIR EAKELEY: Let me call the meeting to order.
4 It's actually both a regularly scheduled Board of Directors
5 meeting of the Legal Services Corporation, as well as our
6 first annual meeting, as a new Board.

7 I'm sorry we got started late and had to send
8 everybody out into the cold before reconvening. It's hard to
9 apologize to the people not yet back from lunch for that, but
10 if those of you who are here could spread the word that one
11 of the things we intend to do is to try and do better on a
12 lot of these things.

13 I wanted to convey a special word of welcome to the
14 Association of African-American Project Directors, some of
15 whom are here. I hope we're going to have some time, when we
16 get to that part of our agenda, so that perhaps Lillian
17 Jackson can say a few words on behalf of the association.
18 But very glad to be sharing space and time together at our
19 annual meeting with the association.

APPROVAL OF AGENDA

20
21 CHAIR EAKELEY: Why don't we just go ahead, if I
22 could. You all have copies of the agenda. Subject to some

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 flexibility to be accorded the chair to make time for people
2 who may have to leave early, do I have a motion for approval
3 of the agenda?

4 M O T I O N

5 MR. BRODERICK: So moved.

6 MS. WATLINGTON: Seconded.

7 MR. McCALPIN: Will you keep number 19 on the
8 agenda?

9 CHAIR EAKELEY: I do not intend to keep 9-b.

10 MR. McCALPIN: Oh, that too.

11 CHAIR EAKELEY: I know. I'm working up to there.
12 9-b, we don't need to act on a proposed FY '95 budget but we
13 do want to consider and have a brief report from Maria Luisa
14 on that.

15 19, I don't know what that means, frankly, and I
16 was -- we do have to talk about rescheduling one Board
17 meeting in March, if that's possible. That's the San
18 Francisco meeting. And other than that and inviting Mr. Snow
19 to address us briefly on behalf of the American Bar
20 Association and its president, those were the kinds of things
21 I had in mind, plus squeezing, compressing this into the very
22 short period allotted to us.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 MR. MCCALPIN: We're not going to have a motion to
2 close tomorrow's meeting, are we?

3 CHAIR EAKELEY: No, we are not.

4 Subject to those questions and responses, all those
5 in favor of approving the agenda.

6 (A chorus of ayes.)

7 CHAIR EAKELEY: Opposed?

8 (No response.)

9 CHAIR EAKELEY: All right. Draft minutes of
10 January 8. I've got several suggested changes and Mr.
11 McCalpin also had some. I think the one -- if you want me to
12 just go through those and then ask whether others have more,
13 these are largely editorial, but I think we agreed at the
14 meeting, and indeed the contract so reflects that Mr. Forger
15 is president, not interim president, and I hope we can just
16 make those corrections.

17 On the fourth unnumbered page, we talk, item 8
18 says, "which would result in defundings or reductions or
19 suspensions." I think if we just take those S's off --
20 "defunding or reduction or suspension of funding."

21 I think the resolution on the next page, with
22 respect to reauthorization, should be "Be it resolved that

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 the Board hereby rescinds" rather than "will rescind" any
2 prior resolution.

3 And then, on the next page, I think Ms. Mercado
4 didn't report on the Audit and Appropriations Committee but
5 reported on behalf of the Audit and Appropriations Committee.

6 Next page, in the resolution, Presidential Search
7 Advisory Committee, I think the second line ought to be that
8 "the director has authorized the chairman of the Board" not
9 "to the Board."

10 MR. MCCALPIN: I think the first sentence on that
11 page ought to be eliminated because the revision is actually
12 made during the committee meeting and not during the Board
13 meeting.

14 CHAIR EAKELEY: Which page?

15 MR. MCCALPIN: The same page that you're talking
16 about, the resolution on Presidential Search Committee. It
17 says "During discussions, the Board" --

18 CHAIR EAKELEY: Just take that out?

19 MR. MCCALPIN: Just take that whole sentence out
20 because the revision was actually done in committee.

21 CHAIR EAKELEY: On the last page, again on item 1,
22 we should take out the word "interim" before the word

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 "president," and I think we can just delete the end of the
2 next sentence, "During the presidential search," and put the
3 semicolon after "position."

4 MR. McCALPIN: Where are you?

5 CHAIR EAKELEY: I'm on Martha Bergmark for that
6 position.

7 MS. MERCADO: What page?

8 CHAIR EAKELEY: I don't have a numbered page. It's
9 page 17. Approved resolution creating the Office of
10 Executive Vice President and engaging Martha Bergmark for
11 that position." Actually, the resolution was -- it doesn't
12 stop when the --

13 MR. McCALPIN: For an interim period.

14 CHAIR EAKELEY: For an interim period, but it
15 doesn't stop with the presidential search. I'm just going
16 back to Bill McCalpin's changes. On page 1, his name change
17 should be F. Wm.

18 On page 15 -- I'm sorry, page 16, motion for
19 \$50,000, it should read, "Resolved that a budget of \$50,000
20 for a search consultant and an additional \$10,000 for
21 advertising the position vacancy will be established."

22 MR. McCALPIN: That slight amendment, I can't

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 remember what it was, but the \$50,000 ought to be for fees
2 and expenses.

3 CHAIR EAKELEY: Okay. So, "Resolved that a budget
4 of \$50,000 for fees and expenses for a search consultant and
5 an additional \$10,000 for advertising the position vacancy
6 will be established."

7 MR. McCALPIN: Right.

8 CHAIR EAKELEY: On page 17, where it says, "After
9 scheduling the remaining meetings, Mr. McCalpin suggests,"
10 "After scheduling the following meetings," and then insert
11 the 1994 schedule that we've adopted. I think that's also
12 useful.

13 Any other suggested changes to the minutes? Any
14 discussion about the minutes?

15 M O T I O N

16 CHAIR EAKELEY: All those in favor of approving the
17 minutes, as edited?

18 MR. McCALPIN: I so move.

19 CHAIR EAKELEY: Second?

20 MS. BATTLE: Seconded.

21 CHAIR EAKELEY: All those in favor?

22 (Chorus of ayes.)

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 CHAIR EAKELEY: All those opposed?

2 (No response.)

3 CHAIR EAKELEY: The ayes have it.

4 We had a chaotic two weeks between illness and
5 weather and generator burn-out and evacuation of the
6 building, but --

7 MS. BATTLE: We're supposed to have locusts today.

8 CHAIR EAKELEY: All right. This is an annual
9 meeting, required by our bylaws but also, as a matter of
10 policy, should be required because I think it is important
11 for people and for organizations to pause at some moment,
12 however arbitrary, to look back in order to look and move
13 forward.

14 The bylaws or the act actually also provide for the
15 election of the chair and vice-chair of the Corporation
16 annually. The Board did that on November 8th when we first
17 convened, but I think it's more appropriate that one of the
18 things we dedicate the annual meeting to is the election of a
19 chair and a vice-chair and the reconstitution of the
20 committees.

21 And also, we've had two months to work together,
22 and I think if people want to make some adjustments, I think

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 it's an appropriate moment to adjust. And consequently,
2 we're at election of Board chairperson.

3 ELECTION OF BOARD CHAIR

4 MR. BRODERICK: I have a nomination, Mr. Chairman.
5 I hope you haven't bought property here in Washington.

6 In all seriousness, I would like to renominate Doug
7 Eakeley as our chairman. I had the privilege to nominate him
8 in early November, and I would say that it has been a real
9 privilege to serve with you. And over the last three months,
10 I think great things have happened here, and much is in the
11 future because of your leadership and your dedication to this
12 Corporation.

13 M O T I O N

14 MR. BRODERICK: And so I'm delighted and, frankly,
15 honored to nominate you for the chairmanship of this Board.

16 MS. MERCADO: Mr. Chairman, since I did the second
17 the last time --

18 MS. WATLINGTON: I think I did the second the last
19 time.

20 MS. MERCADO: Well, we'll second it.

21 CHAIR EAKELEY: Any other nominations? This is not
22 meant to be open and shut.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 MR. BRODERICK: That's the bad news, Mr. Chairman.
2 There are other nominations out there.

3 M O T I O N

4 MS. BATTLE: I move that we close the nominations
5 for chairman.

6 CHAIR EAKELEY: Is there a second to that?

7 MS. WATLINGTON: Second.

8 CHAIR EAKELEY: All those in favor of closing the
9 nominations?

10 (Chorus of ayes.)

11 CHAIR EAKELEY: Opposed?

12 (No response.)

13 CHAIR EAKELEY: All right. I should turn the chair
14 back over to you, Bill.

15 MR. MCCALPIN: You're doing fine.

16 M O T I O N

17 CHAIR EAKELEY: Eakeley is chair for a year.

18 MR. MCCALPIN: Well, you haven't had an election
19 yet.

20 CHAIR EAKELEY: Oh, no. All those in favor of, or
21 is there any further discussion, now that the nominations are
22 closed?

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 (No response.)

2 CHAIR EAKELEY: All those in favor?

3 (Chorus of ayes.)

4 CHAIR EAKELEY: Opposed?

5 (No response.)

6 CHAIR EAKELEY: Thank you very much.

7 ELECTION OF BOARD VICE CHAIR

8 CHAIR EAKELEY: Vice-chair?

9 M O T I O N

10 MR. McCALPIN: I nominate Nancy Rogers.

11 CHAIR EAKELEY: Second?

12 MS. BATTLE: I'll second it.

13 M O T I O N

14 MS. BATTLE: I move that the nominations for vice-
15 chair be closed.

16 MS. WATLINGTON: Second.

17 CHAIR EAKELEY: Any discussion on the motion?

18 (No response.)

19 CHAIR EAKELEY: It's been moved and seconded that
20 the nominations for vice-chair be closed. All those in
21 favor?

22 (Chorus of ayes.)

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 CHAIR EAKELEY: All those opposed?

2 (No response.)

3 CHAIR EAKELEY: All right, any discussion on the
4 nomination of Nancy Hardin Rogers as vice-chair? All those
5 in favor?

6 (Chorus of ayes.)

7 CHAIR EAKELEY: All those opposed?

8 (No response.)

9 CHAIR EAKELEY: The ayes have it and Nancy Hardin
10 Rogers is vice-chair. Thank you very much.

11 At this point I'd like to just depart from the
12 agenda and invite Mr. Cubbledge Snow to join us for a moment.
13 Mr. Snow, as many of you know, is not only a distinguished
14 member of the American Bar Association Board of Governors,
15 but also, as I understand it, is the Board of Governors
16 liaison with the Standing Committee on Legal Aid and Indigent
17 Defenders and a long-time member in good standing of the
18 Georgia Legal Services Program.

19 And we're delighted to have you with us. We
20 understand you've got to get back, actually back, out to
21 Kansas City shortly, so --

22 MS. SNOW: I appreciate your taking me. I want to

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 go back to sunny Macon, Georgia, first. Then we are going to
2 Kansas City for about 10 days, it seems like. Maybe the
3 weather will be better.

4 MR. MCCALPIN: Don't count on it.

5 MS. SNOW: I'm not. On behalf of the American Bar
6 Association, particularly on behalf of president Bill Ide and
7 president-elect George Bushnell, I do bring this Board the
8 good wishes of the ABA, the promise of complete cooperation
9 and support, and we really look forward -- I can't say it
10 enough -- to how much we can work together over the coming
11 years.

12 We're already working together, of course. In
13 addition to my being liaison to SCLAID, Tom Smegal is a
14 member of SCLAID right now, and Mr. Broderick has indicated
15 he wants to come out and meet with us on Saturday, February
16 5, and I'm going to get you some hotel reservations right
17 after I move away from this table. I promised you that. So
18 we're glad you'll be at the SCLAID meeting, too, and Tom and
19 I will be there, too.

20 I also understand that you, Mr. Eakeley, are going
21 to speak to the House of Delegates as a first order of
22 business on Tuesday morning, so that's a real compliment for

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 the ABA, that you will be there speaking to us, and we look
2 forward to seeing you there.

3 MR. SMEGAL: Cubbie, they've given him three
4 minutes. He said he may not need that much time, so --

5 MR. SNOW: Well, you know a lawyer's three minutes.

6 Other activities, though, I believe, Mr. Eakeley,
7 you're also going to be planning on trying to go to the pro
8 bono conference.

9 CHAIR EAKELEY: In San Diego, yes.

10 MR. SHOW: That's right. And then I particularly
11 wanted to say, and I don't know what your schedule is going
12 to be on future meetings. I'd heard some talk yesterday
13 afternoon about there might be some changes, but on behalf of
14 Mr. Ide and Mr. Bushnell, we want to have a reception for
15 this Board, and we thought it would be best to have it here
16 in Washington at a time when you're meeting.

17 Right now I notice we've got April 15, June 10 or
18 July 15 are the three that were on the books, but we can
19 coordinate that. Certainly even the earliest one is over two
20 months off, I guess. But we do want to have a reception for
21 the Board, and hope that we can have a good many of the ABA
22 Board there, too.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 Of course, folks like Bill McCalpin wear so many
2 hats, there's no telling who he'll be representing, but we do
3 really want to tell you how much -- and we would look
4 forward, if you do decide to meet in April, that Friday,
5 April 15, the Board of Governors is meeting in Washington
6 also, the ABA Board of Governors, and that would be a good
7 opportunity, but if you have to change your meeting, we'll
8 work it out at some other time.

9 CHAIR EAKELEY: That's the date that Mr. Ide and I
10 had tentatively discussed as the date when there is a maximum
11 overlap between his board and my board.

12 MR. SNOW: But it's been my pleasure to come to
13 these meetings, as some of the staff know, for about two
14 years, starting back in Jackson, Mississippi, two years, or
15 two and a half years ago. And it's a new day. Thank you.

16 CHAIR EAKELEY: Thank you very much. Thank you for
17 the invitation, as well.

18 Did Lillian Johnson come back from lunch? We'll
19 come back, when we come back to the public session of the
20 meeting, for Lillian.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 CONSIDER AND ACT ON THE COMPOSITION
2 OF BOARD COMMITTEES PURSUANT TO
3 45 CFR SECTIONS 1601.27 AND 1602.28

4 CHAIR EAKELEY: Let me move on to the next order of
5 business, which is the composition of the Board committees.
6 You'll recall we have three standing committees and, in
7 addition, a Presidential Search Committee. Why don't we just
8 do these one by one?

9 My proposal would be to just read, for the record
10 and for those in the audience, the current composition of the
11 committee and if there's any indication or inclination for
12 changing, we can. Otherwise, we can proceed as constituted
13 or as the Board prefers.

14 The Audit and Appropriations Committee is chaired
15 by Maria Luisa Mercado, and the other members of the
16 committee are John Broderick and Tom Smegal. Anyone caring
17 to change positions on that?

18 (No response.)

19 CHAIR EAKELEY: I can't remember how we did this.
20 The chair was authorized to appoint the committees, and my
21 inclination would be to just go ahead and confirm the
22 appointment of this committee as currently constituted for

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 the next year.

2 MR. McCALPIN: We'll ratify at the end, if you
3 like.

4 CHAIR EAKELEY: That would be fine. The Operations
5 and Regulations Committee is chaired by LaVeeda Morgan
6 Battle. Members include John Brooks, F. William McCalpin and
7 Ernestine Watlington. Again, is there any strong impulse on
8 anyone's part to either join or leave that committee?

9 MS. BATTLE: Don't leave me now.

10 CHAIR EAKELEY: Hearing none, you are hereby
11 reappointed for a term of a year.

12 The Committee on the Provision for the Delivery of
13 Legal Services is chaired by Hulett Askew, and its members
14 include Nancy Hardin Rogers and Edna Fairbanks-Williams.
15 Again, any changes to be made on those? Then again I would
16 reappoint that committee for a year's term.

17 The Presidential Search Committee, initially
18 constituted, was chaired by F. William McCalpin with members
19 Maria Luisa Mercado and Ernestine Watlington. At our last
20 meeting we discussed expanding the committee to include Bucky
21 Askew, LeVeeda Morgan Battle and Edna Fairbanks-Williams.

22 Mr. McCalpin reminds me that intention was never

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 articulated on any record, or at least on any discernible
2 record, and therefore it would be my intention to appoint
3 those six people to the committee under the continued
4 leadership and chairmanship of Bill McCalpin.

5 Any changes to suggest on that?

6 (No response.)

7 CHAIR EAKELEY: Then again, I would so appoint the
8 committee.

9 And having --

10 MR. McCALPIN: The Advisory Committee.

11 CHAIR EAKELEY: The Advisory Committee, thank you.
12 Do you have that list?

13 MS. MERCADO: Mr. Chairman, just for the record,
14 for the secretary, on the key that was provided of the Board
15 committee, the matrix as it stands as of January 5, 1994,
16 just on the temporary, it needs to be corrected, the people
17 who are actually serving on --

18 CHAIR EAKELEY: That's right. It was Maria Luisa
19 Mercado and not Bucky Askew as one of the three initially
20 appointed to that committee.

21 I'll have to defer to the chair of the Presidential
22 Search Committee for the names of the Advisory Search

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 Committee I appointed between this meeting and our last
2 meeting, since it's in this pile of papers somewhere but is
3 not immediately in front of me.

4 MR. McCALPIN: The members that you appointed to
5 the Advisory Search Committee are Jose Padilla of CRLA,
6 Marilyn Mullane of Michigan Legal Services, Rosita Stanley,
7 client representative, Paulette Brown, president of the
8 National Bar Association, and Bill Whitehurst, former
9 president of the Texas Bar, one of the cofounders of Bar
10 Leaders for the Preservation of Legal Services.

11 CHAIR EAKELEY: Any questions or suggested changes
12 to that Advisory Search Committee?

13 (No response.)

14 CHAIR EAKELEY: All right. Hearing none, they are
15 hereby reappointed.

16 M O T I O N

17 MR. McCALPIN: I move that the Board ratify the
18 president's appointments to the five committees indicated.

19 MS. MERCADO: Second.

20 CHAIR EAKELEY: Any discussion?

21 (No response.)

22 CHAIR EAKELEY: All those in favor?

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 (Chorus of ayes.)

2 CHAIR EAKELEY: All those opposed?

3 (No response.)

4 CHAIR EAKELEY: All right. Thank you very much.

5 I don't have much by way of a report but I would
6 like to get back to what I said at the beginning of this
7 meeting about why annual meetings -- just very briefly --
8 what did I miss?

9 MS. MERCADO: The Office of Inspector General
10 Oversight Committee. It's set on the agenda as a separate
11 committee.

12 CHAIR EAKELEY: We never appointed a committee.
13 Remember, we allocated the responsibilities of that formerly
14 temporary committee to the Audit and Appropriations
15 Committee, and asked that that committee designate a liaison
16 with the Office of the Inspector General, who I trust will
17 continue to be the young man sitting to my right. But I
18 suspect that's within the prerogative of the committee's
19 chair.

20 MR. BRODERICK: Could you repeat that with the
21 emphasis on "young"?

22 MS. MERCADO: I just wanted to make sure that for

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 our own purposes in the annual meeting it was cited as one of
2 the items on the agenda, just to officially note that it
3 isn't a separate committee.

4 CHAIR EAKELEY: No, the only temporary
5 committees -- the only non-bylaws committees we have are the
6 Presidential Search Committee and the Advisory Search
7 Committee. Thank you.

8 CHAIRMAN'S AND MEMBERS' REPORTS

9 CHAIR EAKELEY: Annual meeting. It seems like both
10 a short time and a long time since we all came here together
11 for the first time on November 8, a short time because it was
12 only almost yesterday and a long time because there's been so
13 much distance traveled together since then.

14 Most importantly for me, I think, it's just getting
15 to know my fellow Board members and getting to know better
16 the community of interests that have become partners and
17 colleagues and friends in that short period of time.

18 We've got some fairly remarkable mileposts that
19 we've passed already. We will be asked to approve a fiscal
20 year '94 budget in a short period of time. When we first got
21 here, we were told we were inheriting a budget with an
22 accrued surplus, which, upon discovery, was actually in deep,

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 disappointing deficit.

2 We also inherited a fiscal year '95 budget request
3 that was not, because we weren't there, reflective of this
4 Board's intentions of where it would like to lead the legal
5 services program. That request was developed on short notice
6 with a lot of input from a lot of people, delivered to the
7 director of the Office of Management and Budget, negotiated
8 through OMB, and will find some reflection in the President's
9 budget message on February 7.

10 We have new management, led by the distinguished
11 young man sitting to my left, Alexander D. Forger, a new
12 position and a new person, although not new to legal
13 services, as executive vice president, Martha Bergmark, a
14 wonderful senior management transition team still being
15 rounded out but being here, actually several being here.

16 Ada Shen-Jaffe is back home, I think, but James
17 Head is standing at the back of the room and we've heard from
18 Jonathan Tull at some length, but never enough. Gerry
19 Singen has helped us identify the shoals and the rocks in
20 the budget process. And just a sense of coming together and
21 forming around a new direction for a very important program
22 and mission.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 We've also commenced a great work and indeed,
2 conducted a great deal of work on key areas such as
3 reauthorization, regulatory reform, rethinking, monitoring
4 and evaluation, looking at what goes into technical
5 assistance, law school clinical programs.

6 I think we're filled with a sense of the
7 extraordinary challenges confronting us, but also with an
8 expectation that together, we can meet those challenges.

9 I think it's very appropriate to just pause and say
10 "thank you" to the directors who have worked so diligently
11 and selflessly since November 8. Thank Alex for dropping
12 everything and moving down from Larchmont, New York, on
13 December 27 to --

14 MR. FORGER: Sunny Washington.

15 CHAIR EAKELEY: And Martha for moving over, and
16 Clint Lyons for loaning Martha to us. But for all of the
17 people who have come over full-time to bring us a new
18 direction and a new sense of mission.

19 Thanks also to the staff, who have stayed with us
20 during what is never an easy time of transition, but who have
21 continued to help and turn out on snowy weekends and
22 evenings, and put up with people whose modus operandi seem to

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 be -- at least the chair's seems to be getting to things at
2 the last moment, if then.

3 Thanks to our partners in crime, NLADA, Project
4 Advisory Group, Center for Law and Social Policy, the field
5 programs, national and state support centers, just the
6 community of which we aspire to belong and to share. And to
7 the organized bar, the American Bar Association, the National
8 Bar Association, the Hispanic Bar Association in particular,
9 who have been incredibly supportive as we take over this
10 challenging new role.

11 Let me just pause there. Does anyone else want to
12 say anything before we move back to the regular agenda?

13 (No response.)

14 CHAIR EAKELEY: All right. Hearing none -- Maria
15 Luisa is saying do we need to elect officers, and the answer
16 is no, we don't need to deal with officers at the annual
17 meeting. I think that what we're going to do is elect the
18 chair and the vice-chair. The officers are appointed by the
19 Board, and unless somebody is going to feel very insecure by
20 our failure to do that, at the moment I would propose that we
21 move on.

22 That's my report, so why don't we move on to

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 Operations and Regulations, LaVeeda?

2 CONSIDER AND ACT ON OPERATIONS AND REGULATIONS

3 COMMITTEE REPORT

4 MS. BATTLE: I would like to just add to what John
5 has said about the leadership that we have gotten from you in
6 this brief period of time between November and now, that but
7 for the kind of dedication and support and willingness to get
8 out ahead of the charge, I don't know that we could have
9 covered as much ground as we've been able to cover. So very
10 much, I think all of us as directors thank you.

11 I think that with Operations and Regulations, we
12 have made significant progress from the first day that I
13 heard from Doug that I, along with the other members that
14 have been assigned to work on Operations and Regulations,
15 would have this onerous task before us of looking at the
16 entire regulatory scheme that has developed historically
17 within legal services and looking to redo that regulatory
18 scheme so that it fits within the parameters of the overall
19 mission that we first developed in this committee for
20 regulations, and, as well, to look at the prospect of
21 reauthorization.

22 At our meeting that we held on yesterday, we first

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 had a report from the president, who had made several visits
2 on Capitol Hill and successful established a new presence for
3 us, as a Board, in those meetings, and had an opportunity to
4 meet with people who will be involved in the process for
5 appropriations and reauthorization.

6 From his report, he indicated that those meetings
7 were very productive and that he's had a chance to meet with
8 people on the Hill and has set up some other meetings with
9 people in the administration, so he brought great energy to
10 that and even commented that if he were 30 years younger, he
11 would have been real excited about those meetings.

12 But I think that he brought with him such
13 excitement and such a presence and such a commitment that
14 it's very representative of this Board that he is in a very
15 good position to provide some of the leadership in the first
16 instances for the kind of contact that we're going to have to
17 make around the issues of reauthorization, as well as
18 appropriations.

19 Following his report, we really went straight into
20 what I thought was extremely important for this Board, which
21 was a very extensive session, where Alan Houseman educated us
22 with regard to what the history has been on the

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 reauthorization issue. And I wanted to take some time, not a
2 lot of time but just for those Board members who were not
3 present, you have with you materials that Alan Houseman made
4 available to us during his discussion.

5 One of the things that he did was to take both the
6 Senate bill and the House bill and walk us through the
7 history of the provisions that are in both of those bills and
8 speak to where some of those provisions have come from, where
9 the interests lie, and also what the key issues are going to
10 be in reauthorization.

11 I would urge you, for those of you who have not had
12 a chance to do it, to take the background materials that are
13 in the black binders that he provided us and really take
14 time, on the plane on the way back, to sit down and go
15 through it.

16 He has one that is entitled "Reauthorization and
17 Regulatory Reform." The first thing that he has is a memo
18 that sets out the specific issues that are going to be the
19 major issues that we have to address during reauthorization.
20 And if you take the time, as I did on the plane up here, to
21 actually go through each of these issues, he's appended to
22 this a copy of the House bill and, as well, a copy of the

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 Senate bill.

2 So you can go through, read about the issues, read
3 the actual provisions in each of those acts and make an
4 assessment as to where we are. And then he also adds to that
5 a position statement as to where the legal services community
6 is, which I think serves as a recommendation to us to look at
7 these issues and to take that input in making our assessment
8 as to where we're going to be.

9 I really urge everyone to do that, and if you've
10 got the binders, I was going to walk through just very
11 briefly what you have in here. You have in this binder,
12 first of all, a copy of the act as it is. And in the memo
13 that we got from Alan, he sets out, first of all, where we
14 are, where the House bill will take us, and where the Senate
15 bill will take us on all the specific issues.

16 Under the second one, he's got really an analysis
17 of some of the issues, for example, class actions and how the
18 proposals will address legislative and administrative
19 advocacy, lobbying, alien representation. He does an
20 analysis of those things, and I think we all need to take the
21 time to become familiar with specifically what those
22 distinctions are between the House bill and the Senate bill.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 Under tab 3 he's got a copy of the House bill, and
2 under tab 4 he's got a copy of the Senate bill. But now, the
3 Senate bill was only passed by the Labor and Human Resources
4 Committee, so I think that's something that we all need to be
5 aware of. It's not one that has been tested by the entire
6 Senate.

7 He also has included some of the testimony, for
8 example, testimony of Jeremy Lane and testimony of Web
9 Hubbell, which I think we got earlier, but at least now
10 you've got all the component parts in this binder.

11 I met with Alan and also with Linda Perle and with
12 Don Saunders and with Julie Clarke the day before our
13 meeting, and I talked with them about how important I thought
14 it would be for this Board to, as well, have some history.
15 And so we got a second binder from Alan.

16 Overnight what he did was to actually put together
17 some additional materials that actually give us the specifics
18 with regard to the House vote: who voted, what the positions
19 were, what the issues are and how each of the members voted.
20 And I think that's another piece that we need to take the
21 time to become familiar with.

22 So as we discuss these issues with others, we know

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 where the interests are on those issues, particularly in the
2 House, because the House bill has been before the full House,
3 so you have at least some idea of where people might stand.

4 In addition, in the second one, he included a copy
5 of the Legal Services Corporation Act as it would look if you
6 were to embody in it the House bill. So you will see the
7 distinctions between where the House bill fits into the
8 language of the Legal Services Act.

9 And then he has a summary of the House
10 reauthorization legislation that had been prepared a little
11 bit earlier, and for history's sake, because in order to
12 understand some of the dynamics of why certain provisions are
13 in the House bill, it's good to know the proposed amendments
14 that were made by McCollum and Stenholm earlier.

15 So under tab 4 in the black binder, he's got a copy
16 of that amendment that was proposed by Stenholm and McCollum.
17 In materials that I received, I also got the testimony that
18 Representative Stenholm gave before that bill, and I think
19 it's good to get that kind of background, to understand the
20 perspective that went into some of the provisions that are in
21 that amendment.

22 This is history, but it helps us to understand

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 precisely the group of people that may have supported some of
2 these amendments, what their interest may be in the
3 discussions that we're going to have.

4 The third thing that Alan did was to prepare some
5 additional materials for us to review, which includes some
6 historic information that we've got some things in the other
7 binders that are a little bit more up to date, but -- for
8 example, when we began the whole process of regulatory
9 reform, we looked at an idea of how we might come up with
10 clusters, and I'm going to ask Bill in a minute, when we get
11 to regulatory reform, to just comment on where we are at
12 present.

13 But we initially looked at an overview of
14 regulatory reform and he's provided us with some of the
15 information that we have for that overview. And then he also
16 provided us with some background information that we used
17 before we derived our mission statements that will guide us
18 through the process of reauthorization.

19 There's a report that gives us the status of
20 regulations and there's also the standards for monitoring an
21 evaluation for providers of legal services to the poor that
22 was adopted by the ABA in this book.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 This is just so that in one place you've got
2 comprehensively all that you need to understand where those
3 two bills are. It's also key to note that there is going to
4 be a mark-up that occurs some time, we're thinking, by the
5 end of February or -- we're in a flex on that time -- of the
6 House bill. And he talked about what some of those
7 differences may be between where we are now and what will
8 come out of that process.

9 But I think it's important for each of us to get
10 educated on this and to know where the House bill is and we
11 can watch as changes are made and be involved in the process
12 of trying to move towards what our overall mission statement
13 has been, giving legal services clients an opportunity for
14 representation and advocacy by an attorney, as one would have
15 if you were to go to a private attorney, essentially.

16 In addition to this report, we also have Linda
17 Perle, who presented just where we are. We asked at the last
18 meeting on regulatory reform that we take all those issues
19 and kind of figure out which piles they fit in and come up
20 with some sense of phasing in the review that the regulatory
21 working group will give to that. I'm going to ask Bill to
22 give some more specific comments because he's been working

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 along with that group in putting that together.

2 MR. McCALPIN: Thank you, LaVeeda. At the last
3 meeting, the Board received a report from the Operations and
4 Regulations Committee which set out the process by which we
5 would address the review of all of the outstanding
6 regulations of the Corporation.

7 We, first of all, indicated that all of the so-
8 called stakeholders, the people involved, would be interested
9 in this, involved in it, and provided that at the outset,
10 this Board would have an opportunity to express any views it
11 might have as work on the review of the regulations got under
12 way, before any time might be lost unnecessarily.

13 There's one small departure from that process.
14 Part 1601 of the regulations is our bylaws. For historical
15 reasons which are not entirely clear, our bylaws are
16 incorporated in the regulations. That has created some
17 problem because it turns out to be harder to amend a
18 regulation than it normally would be to amend a bylaw.

19 So that in consultation, it has been decided that
20 rather than submit the matter of our internal workings, our
21 bylaws, to the broad-based field group, a subcommittee of
22 this committee, composed of John Brooks and myself, working

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 with Vic Fortuno and the Office of General Counsel, would
2 address the bylaws and any changes, including elimination
3 from the regulations, that might be involved.

4 And in that respect, I would hope that each member
5 of the Board would look at the bylaws and give us any
6 thoughts that you may have about modifications that ought to
7 occur. It is anticipated that when John Brooks gets back in
8 the country about the middle of February, we will have a
9 telephone conference call involving him and me and the Office
10 of General Counsel, in the hope that we may be able to bring
11 something in the form of at least a preliminary draft of
12 change to this Board at the March meeting.

13 So I would encourage all of you to look at the
14 bylaws and forward to John or me or Vic Fortuno or all of us
15 any suggestions or recommendations that you have for
16 modification of the bylaws.

17 Secondly, as LaVeeda indicated, yesterday Linda
18 Perle gave us a set -- and I would ask you to turn your
19 attention to the first four pages of the black volume which
20 is dated January 25, 1994, the one that LaVeeda was referring
21 to a moment ago. And the first four pages are a memorandum
22 relating to the process of regulatory reform.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 And if you look at the top of the second page,
2 there are six regulations which are under active review and
3 as to which the working group contemplates coming to us with
4 drafts at the March meeting.

5 Unfortunately, they were so far ahead of us that
6 we, as a Board, did not have an opportunity to give them
7 preliminary thoughts before they started work on these
8 regulations. However, we did have the opportunity yesterday
9 to offer some suggestions about approach to these regulations
10 and that was not out of time, since the broad-based
11 regulation working group has scheduled a meeting for February
12 14 and 15.

13 So that if any of you have any thoughts with
14 respect to those six regulations which are at the top of the
15 second page, I would urge you to communicate them to Linda
16 Perle and/or general counsel before the 14th of February so
17 they can be considered at that time.

18 Then, if you will look at the rest of this
19 memorandum, you will see that there is a schedule of
20 consideration of other regulations. In phase 2, there's a
21 set of regulations dealing with fiscal issues -- first of
22 all, let me back up a bit.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 There's another set of regulations which will be
2 considered at the February 14-15 meeting, but they expect to
3 bring those to us in April or May. So again, it behooves us
4 to look at 1600, 1605, 1613, 15, 16, 17, 19 and 20 before
5 then and convey any preliminary thoughts that we may have to
6 the regulation working group.

7 Then there is the phase 2 set, dealing with fiscal
8 issues, and I think the Audit and Appropriations Committee
9 will have particular input there. And at the top of the next
10 page are three regulations which will be of particular
11 concern to the Provisions Committee.

12 And finally -- not finally, but phase 3 is devoted
13 to Part 1614, the PAI regulation, which, to the discomfort of
14 some of us, is on a somewhat slower track. It appears that
15 it will be fall before all of the necessary persons involved
16 in that important regulation can be consulted and have an
17 opportunity to participate. But we told them yesterday that
18 we have to be in a position to know what that regulation is
19 going to be before we entertain grant requests for 1995.

20 So we have to be able to be in a position. We've
21 asked them to come to us with that regulation not later than
22 our September meeting.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 Finally, the phase 4 and 5 and 6, you will see the
2 schedule for those regulations to be considered. I simply
3 would urge everybody to look at these regulations as they are
4 coming up for review, initially communicate any thoughts you
5 may have to members of the working group, general counsel and
6 Linda Perle, and then we will, as a committee, begin taking
7 up redrafted regulations, this first group of six, at our
8 March meeting. Thank you.

9 MS. BATTLE: And just in closing, for the
10 Operations and Regulations Committee, I think that the
11 session that we had with Alan was very informative. I expect
12 that we are going to be having additional sessions because as
13 that mark-up takes place in February, we're going to need to
14 get educated to where things are on that House bill and at
15 what point the Senate bill starts.

16 So I would like to encourage the Board members
17 themselves. I'll try to get the information out to all the
18 Board members as that process develops, so that we can have
19 full participation.

20 It is anticipated part of what we want to do is to
21 ensure that all of us are fully familiar with where we are in
22 that process so that we can totally be engaged in it. We're

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 excited about it as a committee. We're looking forward to
2 our ability to be involved in that process and we invite all
3 the other Board members to participate along with us.

4 CHAIR EAKELEY: Any questions of LaVeeda or Bill?

5 (No response.)

6 CHAIR EAKELEY: Thank you very much. Next on our
7 agenda is Bucky Askew and the Provisions Committee report.
8 Actually, we were in full Board for most of that very
9 substantive meeting this morning, for which I thank you.

10 CONSIDER AND ACT ON PROVISION FOR THE DELIVERY OF
11 LEGAL SERVICES COMMITTEE REPORT

12 MR. ASKEW: Thank you. My report, as a result,
13 will be relatively short. I'll add my voice of thanks to the
14 chair of the Board for the leadership you've shown and the
15 help you've been in the active time we've had. The
16 Provisions Committee has been very active. The jurisdiction
17 of the committee is quite broad, and we're getting into lots
18 of different issues.

19 I feel obligated to say we've had excellent staff
20 support, which has saved us as we've moved through this, and
21 we're looking forward to that continuing and very helpful
22 input and help from the stakeholder community as we go

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 through these issues.

2 Since you were all there, I'll just quickly go
3 through them and then we'll take up the resolution that we
4 adopted. We heard a staff report on implementation of the
5 two board resolutions adopted in December.

6 I think the major things to know from that is that
7 experimentation and working with the new initiatives on
8 monitoring and evaluation will be under way as quickly as
9 possible. We'll be looking at new ways of meeting our
10 responsibilities vis-a-vis accountability, expectations from
11 the field.

12 The field process of considering these issues is
13 also under way and will be very informative to us as we move
14 along.

15 The May meeting of our committee and this Board
16 will probably be the time when we'll be hearing lots of
17 reports on the status of all of this, and that is our goal
18 and hopefully we will meet that goal. But May will be a big
19 meeting for us.

20 Secondly, we heard some reports on planning
21 processes that are under way in the field, especially in the
22 state support, national support and uniting support, which

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 were very informative and led to some good discussions of the
2 substance of what we're all about.

3 The staff informed us that the notice has gone out
4 to field programs about the National and Community Service
5 Trust Act and opportunities for programs and for the
6 Corporation to participate in that new program, and the staff
7 is keeping abreast of that, and we will not miss the
8 opportunity to participate there.

9 Lastly, and the action item before you will be on
10 the law school clinics. We had a very lengthy and I think
11 helpful, constructive discussion about the \$1.4 million we
12 have in this year's budget, but also the long-term
13 relationship between legal services programs and law school
14 clinics and this Corporation and law schools. And we adopted
15 a resolution which I would like to read to you and then call
16 for a vote on the resolution.

17 This is available on the table, I understand,
18 outside, by the way, for those of you in the audience.

19 "Resolved, the LSC staff should, during February,
20 1994, interact with field and law school clinic
21 representatives and then circulate requests for proposals for
22 law school clinical programs in which priority should be

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 given to programs which propose, one, to use legal services
2 lawyers to teach full-time in law school clinical programs
3 for at least a quarter or a semester, and two, to use law
4 school clinical programs to prepare law students who are
5 selected as LSC summer fellows to serve in LSC-funded
6 programs full-time for a period of time.

7 "Other innovative law school clinical program
8 proposals are encouraged and will be considered for funding,
9 as well. Proposals will receive peer review according to
10 preannounced criteria. One important criterion will be
11 collaboration between legal services providers and law
12 schools, to meet the legal needs of the poor.

13 "The law school clinical grants will not be used to
14 fund conferences or research projects."

15 I move this resolution for adoption by the Board.

16 M O T I O N

17 CHAIR EAKELEY: Is there a second?

18 MS. ROGERS: Second.

19 CHAIR EAKELEY: Any discussion?

20 (No response.)

21 CHAIR EAKELEY: Hearing none, all those in favor?

22 (Chorus of ayes.)

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 CHAIR EAKELEY: All those opposed?

2 (No response.)

3 CHAIR EAKELEY: The ayes have it.

4 MR. ASKEW: That concludes my report.

5 CHAIR EAKELEY: Thank you very much. Any questions
6 of the Provisions chair or committee members?

7 (No response.)

8 CHAIR EAKELEY: Thank you. Maria Luisa, Audit and
9 Appropriations?

10 CONSIDER AND ACT ON AUDIT AND APPROPRIATIONS

11 COMMITTEE REPORT

12 MS. MERCADO: Yes, on Audit and Appropriations, we
13 have the consolidated operating budget, fiscal year 1994,
14 which we wish to submit to the Board for its approval. I'm
15 going to call Mr. Richardson up to the stand in case anybody
16 else has other particular questions that they wish to ask
17 him.

18 Primarily, the two key areas that we'd like to
19 bring to your attention is that the total funds allocated for
20 FY '94 COB is \$401,300,083. Pretty much the allocations that
21 go to the field programs and support centers are set. The
22 key items that you need to look at is that as far as our fund

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 balance deficit reduction plan, we've decided to deal with
2 that in a two-year period of time, rather than in a one-year
3 period of time, since our projected deficit is right now at
4 \$2,665,987.

5 The projected funds for this year that we wish to
6 use for deficit reduction is \$1,374,668, which leaves us with
7 a projected deficit for September 30, 1994, which is the end
8 of the fiscal year, a deficit of \$1,291,319, and that's for
9 management and administration. This does not affect the
10 field programs or the support centers in any way, but it's
11 just for management and administration.

12 It also, Mr. Chairman and members of the Board,
13 does not deal with this -- this deficit reduction does not
14 affect personnel in any form or fashion. It still maintains
15 the integrity of monitoring, evaluation for the program of
16 legal services. And as far as the rest of the program
17 services that are to be carried out by other divisions, those
18 are also still pretty much held intact.

19 Pretty much the majority of the reduction has been
20 in the travel and in the consulting. And if Mr. Richardson
21 would like to add some other highlights? I know most of the
22 members were here at Audit and Appropriation, other than my

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 committee members, but --

2 CHAIR EAKELEY: I think one thing, on the
3 personnel, the deficit reduction plan contemplates five
4 furlough days.

5 MS. MERCADO: Yes, it does.

6 CHAIR EAKELEY: And an attrition rate of 2 percent,
7 if I recall?

8 MR. RICHARDSON: That is correct, sir.

9 CHAIR EAKELEY: And this really represents a plan
10 that Mr. Forger and Martha Bergmark have developed with David
11 Richardson's active participation and the participation of
12 staff and interim management.

13 MS. MERCADO: Were there some other items that
14 you'd like to highlight?

15 MR. RICHARDSON: Let me raise two additional items
16 that have been of some concern with the Board. In the
17 original budget that was proposed in January, we had
18 eliminated the annual report. We have included that money
19 back in, so that we can go out and do a highly professional
20 job with that, which is a very good tool for us to seek the
21 funding, of course, that we need before Congress.

22 And the other thing that we have included in here,

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 in the original proposal, again in January and in December,
2 we had eliminated the dental plan for the employees, and that
3 has been reset, so that we will continue that for the full
4 year.

5 MR. FORGER: We put teeth back in the program?

6 MR. RICHARDSON: That's correct.

7 CHAIR EAKELEY: I think it's also important to
8 recognize that we are now booking, as an accrued liability
9 throughout the rest of the life of the lease at 400 Virginia
10 Avenue, that total rental payment, which adds to the deficit
11 on an accrual method of accounting of \$844,000, and that the
12 deficit reduction plan that management has developed and
13 proposed and the committee has approved, takes that into
14 consideration in working through that accrual method of
15 accounting deficit over a two-year period, which management
16 feels to be the most responsible way to deal with what is, in
17 a sense, to a non-accountant, a partly paper deficit.

18 MR. FORGER: It's First Street, not Virginia.

19 CHAIR EAKELEY: Oh, the 848?

20 MR. FORGER: We're stretching out. It's First
21 Street.

22 CHAIR EAKELEY: But we're booking 848 for 400

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 Virginia Avenue. We're reinstating the First Street rental
2 account.

3 MR. RICHARDSON: The first element is the \$900,000
4 for First Street. And then, because we are recognizing the
5 loss of the 400 Virginia Avenue property, that's the reason
6 it goes from \$900,000 to \$2.6 million, as reported in III of
7 the first page.

8 MS. MERCADO: Well, Mr. Chairman, I think it's sort
9 of a -- we're dealing with business at the same time we're
10 still having the annual report. I think the key factor that
11 we, as a new Board, want to assure the stakeholders is that
12 in the accounting in which we will carry out, we will be
13 doing an accrual method, so that in effect, you take care of
14 business in a way in which it's most accepted by accounting
15 firms.

16 And the additional thing that I would note, Mr.
17 Chairman, is that the \$100,000 in Board initiatives will be
18 the money that will be used for the presidential search, so
19 that we have not had to reach in and get additional funding
20 from any of the other programs.

21 In addition to that, the budget that was submitted
22 to you in the January 6-7 meeting had allocated the

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 expenditures for occupancy and printing -- no, we didn't do
2 printing and production.

3 MR. RICHARDSON: It was insurance, directors and
4 officers and the commercial insurance packages.

5 MS. MERCADO: We had allocated that per division,
6 so that we could see how much it cost to run that particular
7 division, and that included the inspector general's office,
8 as well.

9 And for accounting purposes, because they would be
10 much easier for Mr. Richardson and the office to deal with
11 the reporting, especially in auditing, we decided to put it
12 back in the general category, the office of administration.
13 However, quarterly, Mr. Richardson's office will report to
14 the Board the allocated expenditures in those categories to
15 each of the divisions, so that we still know how much money
16 it takes to run that particular division.

17 CHAIR EAKELEY: I'm looking for -- the motion -- do
18 we need to approve the current operating budget or the
19 management and administration line of the current operating
20 budget?

21 MS. MERCADO: We need to approve all the
22 consolidated operating budget for 1994 because it has not

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 been approved by the Legal Services Board. And if you
2 recall, Mr. Chairman, when we first got appointed to this
3 Board, because there had not been an approval of COB for '94,
4 that we allowed a resolution that would allow management and
5 the field programs to continue receiving their monies and
6 continue expenditures, as long as they did not go over the
7 ceiling of \$10 million. And that included the inspector
8 general's office, as well.

9 Consequently, through a lot of work, and I must
10 say, Mr. Chairman, that I'm very grateful, not only to Mr.
11 Richardson and his staff but Mr. Singsen, PAG and NDLADA and
12 the other members of the legal services community for their
13 input in working with this, and a person we'll get to in a
14 moment, in the '95 budget.

15 But they did have to do a lot of reprioritizing in
16 order to allow us to deal with this deficit that we inherited
17 from the former Board.

18 CHAIR EAKELEY: Is the consolidated operating
19 budget for '94 proposed to be approved by the Board, set out
20 in Attachment B? Is that Attachment B?

21 MR. RICHARDSON: Actually, if I may help, I think
22 what we need to concentrate on is Attachment C, which is the

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 full consolidated operating budget, and then the attachment
2 that has a date on it of 27 January.

3 CHAIR EAKELEY: The management and administration
4 line.

5 MR. RICHARDSON: That's correct.

6 M O T I O N

7 CHAIR EAKELEY: So I guess the motion would be that
8 we approve the consolidated operating budget, as set out in
9 Attachment C, including, in addition, the break-out of the
10 management and administration line of that budget that is on
11 the unnumbered or unlettered page dated 27 January 1994 and
12 headed "Management and Administration, FY '94 Budget,
13 Adjusted." Is that right?

14 MS. MERCADO: That's correct.

15 CHAIR EAKELEY: Do we have a motion to that effect?

16 MS. MERCADO: So moved.

17 CHAIR EAKELEY: And a second?

18 MS. WATLINGTON: Second.

19 CHAIR EAKELEY: Is there any further discussion or
20 are there any further questions?

21 (No response.)

22 CHAIR EAKELEY: All right. All those in favor of

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 approving the consolidated operating budget for fiscal year
2 '94 say "aye."

3 (Chorus of ayes.)

4 CHAIR EAKELEY: All those opposed?

5 (No response.)

6 CHAIR EAKELEY: Congratulations. That's a just
7 sterling effort on behalf of everyone, and we thank you all.

8 FY '95? That's printed on two sides.

9 MS. MERCADO: Two sides. The general budget, which
10 we submitted to OMB, which is the minimum access at
11 \$848,359,000, is on Table A. It's just a break-out in this
12 budget, and the FY '95 budget of M&A is in the reverse line,
13 which is dated January 28 of '94.

14 In the Table A, again, Mr. Chairman, I would like
15 to thank Andy Steinberg, Gerry Singsen, Mr. Richardson, Don
16 Saunders and, of course, the field. There were a lot of
17 different programs that came and gave us testimony, as far as
18 how they saw the delivery of legal services in the particular
19 client communities and the particular issues. And today we
20 heard some of the concerns as far as the law school clinics
21 and Reggie programs and so forth.

22 I know that a lot of those areas still need to be

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 developed and still need to be fleshed out. In any event, we
2 have a very short fuse in which we have to submit more
3 detailed budget requests to justify this budget request of
4 \$848,359,000.

5 And I would -- just as a side to this so that I
6 don't forget, Mr. Singesen and Mr. Richardson and Chris
7 Sundseth have given to the Board a draft budget request for
8 FY '95. It's dated January 21, 1994. And they also
9 distributed this to members in the field of PAG, NLADA and
10 CLASP. And we really want your response no later than
11 Tuesday as to your input on the justifications for the budget
12 request, and they are to be sent back to Mr. Singesen. Did
13 you want it here, Gerry?

14 CHAIR EAKELEY: Most of us still don't have it.

15 MR. RICHARDSON: I have some extra copies. Anybody
16 who does not have it, I'll be glad to get them a copy.

17 MS. MERCADO: And the urgency in this is that the
18 president has to have it for his presentation on his budget
19 by February 7 -- before February 7, because that's when he
20 actually presents. And we would like to get it to him by
21 Wednesday, February 3.

22 CHAIR EAKELEY: I thought it was due a week after

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 the budget.

2 MR. RICHARDSON: It is due the week after. We have
3 already provided the information.

4 MS. MERCADO: We wanted it to Gerry by Wednesday,
5 the following Wednesday. In any event, I know it's a quick
6 turnaround but it's very important for us that when we go to
7 the Hill, that we be able to express in a very real way but
8 also in a way that justifies our asking an increase, a double
9 in our funding, when everyone else is being asked to reduce
10 their budgets from 5 percent to 25 percent or even more than
11 that.

12 And so it's very critical that we get the input
13 from the field in our different allies out there in the legal
14 services community to provide the justification for us.

15 CHAIR EAKELEY: This is for information purposes.
16 We're not being asked to vote on it. But are there any
17 questions on the FY '95 budget request, as developed in the
18 sheets before you?

19 MS. MERCADO: And I might add, Mr. Chairman, that
20 the ABA endorsed this figure. The ABA went ahead and
21 endorsed the same amount of \$848,359,000.

22 CHAIR EAKELEY: Tom was saying there's a \$2 million

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 increase in management and administration from one side of
2 this to the other.

3 MS. MERCADO: That's Board initiatives.

4 CHAIR EAKELEY: Let's get on the record what that
5 is.

6 MS. MERCADO: Yes, the \$2 million on management and
7 administration is that the actual management and
8 administration expenditures is summarized on the back side of
9 this page, equals the \$15 million, which is \$2 million less
10 than the \$17 million that is appropriated on Table A. And
11 the reason for that is that the \$2 million are actually Board
12 initiatives, but they weren't categorized in a separate
13 category under M&A, although we could put that in a separate
14 category.

15 CHAIR EAKELEY: Any other questions?

16 MS. ROGERS: Yes, I didn't know whether you made
17 any assumptions about the things that you have asked the
18 Provisions Committee to comment on, like the renewal of
19 something that's akin to a Reggie program or training or --

20 MS. MERCADO: Yes. If you look at Table A, item C,
21 other initiatives for direct services, the \$17,886,000. And,
22 Mr. Richardson, you might help me with this. I can't

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 remember all the different categories, but in those
2 categories we had looked at the Reggie loan forgiveness, law
3 school clinics. You know, other initiatives that would be
4 out there are in this category C. They're not specifically
5 outlined here, but that's what they would be.

6 And the reason that they're not specifically
7 outlined, again, is that it was the field's position that not
8 everyone was in consensus as to how much, if any, amount of
9 money would go to law school clinics, how much, if any, money
10 should go to Reggie programs or whether they should be Reggie
11 programs or something else.

12 And that is why there is also an urgency in getting
13 the justification, because we will probably be asked, "What
14 other initiatives is it that you are thinking about or
15 discussing? How much are they going to cost us? What kind
16 of legal services are they going to provide in those
17 amounts?"

18 But unfortunately, those are areas that, because
19 the interest has not been there, have not been issues that
20 have been developed fully. And that's why we needed an
21 immediate recommendation and input from the provision for the
22 Delivery of Legal Services Committee, as well as from the

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 field, in those areas.

2 CHAIR EAKELEY: Any other questions?

3 (No response.)

4 CHAIR EAKELEY: Thank you. Again, an excellent
5 job.

6 Actually, mention has been made of going to the
7 Hill a couple of times in a couple of contexts --
8 reauthorization and appropriations being the two. It was
9 very clear in the course of our discussion yesterday with
10 Alan Houseman and again over dinner that we need to
11 reintroduce the Legal Services Corporation to the Congress.
12 And when I say "we" I mean the entire Board of Directors and
13 senior management.

14 And we need to do that in ways that are as
15 comprehensive and coordinated as possible so that we will
16 receive as hospitable a reception as we can.

17 Longer term, I think that the more we do to support
18 the programs in the field and to encourage the nation to do
19 justice will come back and help improve that reception in the
20 Congress.

21 Similarly, if we can develop some events that
22 highlight, publicize and dramatize the need for legal

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 services, the importance and effectiveness of legal services,
2 and the centrality of legal services to the assurance of
3 justice, I think that, again, we will be accomplishing
4 something for the longer term.

5 But we're really at a new beginning and we need --
6 we have new messengers and we also have new messages, and I
7 think that as we go forward, every time we reconvene in
8 Washington or as any of us individually have occasion to come
9 to Washington, we should be trying to coordinate, perhaps
10 through Alex Forger's office, in a way that permits us to pay
11 one or more visits to either our congressional
12 representatives or others on the Hill who might or should be
13 supportive of legal services or, for that matter, who are
14 hostile to it and shouldn't be.

15 And we need to be, all of us, thinking through how
16 we accomplish this, with a message that includes why legal
17 services, why reauthorize, why as unfettered as possible and
18 why it's a collective responsibility.

19 So as we go forward, I think that this is one of
20 our focal points, not the only one, but one which we will be
21 depending upon every Board member to help deliver, over time.

22 MS. MERCADO: Mr. Chairman, I would like to add

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 just one more item which we did cover and discuss at the
2 Audit and Appropriations Committee. And I think that it
3 would be very helpful and useful to share this document with
4 the field programs and NLADA and ~~TAG~~^P and CLASP, which is
5 basically our budget timetable for dealing with FY '94, '95
6 and '96.

7 We have been advised that it would be prudent to,
8 as early as March, we submit our budget for '96 and that we
9 begin hearings on the programs and funding levels in May,
10 dealing with the '96 budget. So that we're really dealing in
11 a very quick timetable with two different fiscal years, of
12 which neither we have any idea of what kind of funding we're
13 going to receive.

14 But it's going to be very critical for us to have
15 as much broad support out there in the community as possible,
16 for both those years, as well as we're still -- and maybe Mr.
17 Saunders may tell us the status of this -- that there's still
18 a possibility of some reduction in our funding, and I'm not
19 sure how quickly -- for this year, for fiscal '94.

20 CHAIR EAKELEY: It's a possibility. We've got
21 two --

22 MS. MERCADO: Would you care to address this,

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 because I think it's critical.

2 CHAIR EAKELEY: Come on up, Don.

3 MR. SAUNDERS: I'll be very brief, Mr. Chairman.
4 My name is Don Saunders. I'm employed jointly by PAG and
5 NLADA to work on congressional relations and governmental
6 affairs.

7 There are pending currently in the Senate two
8 proposals to reduce the deficit, which have an impact on
9 legal services. One is known as the Kerrey-Brown rescission
10 package, which would cut LSC over the next five fiscal years
11 in the amount of 5 percent, which would be a \$20 million
12 reduction. That would apply to the FY '94 budget and would
13 rescind authority for this current year in the amount of \$20
14 million.

15 Senators Dole and Hutchinson have introduced a
16 broad deficit reduction plan which would cut the Legal
17 Services Corporation 50 percent or \$200 million. We really
18 are trying to gear up for both of them. As you may recall,
19 the House, before it left last fall, defeated narrowly, by
20 six votes, its version of the Penny-Kasich proposal, which
21 would have also cut legal services 5 percent.

22 So we are trying, with the help of the Board and

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 legal services supporters across the country, to have an
2 impact, both on trying to remove the legal services provision
3 from the Kerrey-Brown package and, of course, to make the
4 case to the Congress of how devastating the Dole proposal is.
5 And on its face, it's obviously so devastating.

6 Should the Senate pass legislation, obviously it
7 would go to conference with the House, which does not have a
8 provision on legal services, and we do think that there would
9 be a great deal of access there to influence our supporters
10 to try to get it out in the conference.

11 CHAIR EAKELEY: Any other questions of the Audit
12 and Appropriations Committee or report?

13 (No response.)

14 CHAIR EAKELEY: John Isaacson was delayed by
15 weather, just arrived as we started our annual meeting. Bill
16 McCalpin is conferring with John now, so why don't we skip
17 from the Presidential Search Committee to the President's
18 Report.

19 PRESIDENT'S REPORT

20 MR. FORGER: Thank you, Mr. Chairman. Earlier, as
21 we were reviewing the bylaws, you suggested that the term
22 "interim president" be modified to read "president." Lest

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 anyone take an inference from that of permanence, it is
2 simply that the bylaw has no provision for such a person.
3 It's only the president. So I suggest I be characterized as
4 the outgoing president.

5 I've now been here for four weeks and it has been a
6 fascinating experience to work with this Board, and Doug's
7 leadership has been inspiring and rewarding.

8 For a lawyer, I think the opportunity to function
9 on the national level in what has to be the highest
10 responsibility and yet highest privilege of a lawyer of
11 seeking to bring the legal system to the means of all is a
12 very rewarding kind of activity. And notwithstanding one
13 would wish to be 30 years younger, it is a very exciting task
14 for me. I hope I can make some modest contribution to the
15 worthy work of legal services and all those who've been
16 engaged in it.

17 Early on, we made some changes in the senior staff
18 and thought it inappropriate for those of us charged with the
19 affairs of the Corporation on an interim basis to make
20 permanent appointments in those important tasks.

21 We then did gather together a transition team that
22 Doug has referred to of extraordinary talent and commitment,

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 such that I've resolved that in my next life, my first task
2 will be as a legal service staff lawyer in the field.
3 Thereafter I'll aspire to join the association that all of
4 them seem to be a part of, and that's known as being a
5 Reggie.

6 CHAIR EAKELEY: We have to reinstitute the program
7 first.

8 MR. FORGER: It's an inspiring group of dedicated
9 people.

10 Martha Bergmark has been superb, and without the
11 great insight, experience and leadership that she has devoted
12 to these last four weeks, we would not have made near as much
13 progress as has occurred.

14 The staff -- Dave and Victor and Alice -- have been
15 very helpful and understanding as we have -- at least I have
16 groped with understanding things like reauthorization and
17 budgets and COBs, to say nothing of the stakeholders. They
18 have -- what a fantastic resource is available to this
19 Corporation, which in turn benefits the consumers in the
20 field. But they have been the stalwarts over the last 12
21 years, and we benefit greatly from their experience and the
22 counsel and advice that they can give to us.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 The reference to the Hill, my 30 years of not being
2 too excited was, as I sat with my friends in the Senate
3 dining room at lunchtime, to seeing all of these impressive
4 senatorial figures around, that while 30 years ago I would
5 not have realized that they were mere mortals, you know, but
6 now I know better.

7 But with Don and Julie, we had the opportunity of
8 visiting a number of the staff people on the Hill and it was
9 a very important time and I'm grateful to them for taking me
10 by the hand through these hallowed halls, as well as the
11 subway.

12 Certainly the one message that seemed to come
13 through in response, in some measure, to your question,
14 Maria, to Don, was the fact that we have put in a request for
15 \$848 million for FY '95. As you know, OMB has endorsed a
16 \$500 million proposal. The message seemed to be that's not a
17 sure thing at 500, notwithstanding the executive branch
18 behind it, that we're really going to have to scramble to try
19 to achieve that amount.

20 And indeed, I guess on the Senate side, it was
21 suggested as a possibility that with the emergency
22 appropriation by reason of the earthquake, there was at least

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 a thought that there might be tacked on to that the 50
2 percent rescission bill, and thus we might find ourselves
3 over on the Hill any day trying to fend off the Dole
4 initiative in that regard. So we remain alert to that
5 prospect.

6 Speaking of the emergency, I think one of the more
7 rewarding experiences I've had here is to see how the staff
8 mobilized in response to the earthquake disaster in
9 California. Without awaiting direction, they have gone
10 forward and worked with the Los Angeles bar and have provided
11 mobile units out in the field, gotten cellular phones and
12 vans. They've established places of operation in Red Cross
13 offices and community houses.

14 Our director out there was with Cisneros and the
15 general counsel of FEMA, and it was just an extraordinary
16 call to duty, response to the really tens of thousands of
17 people who are going to be adversely affected by that
18 disaster and who will need our help.

19 We then, being aware of that, made a request for an
20 emergency appropriation of half a million dollars, which OMB
21 thought would be not excessive for us. We thought maybe we
22 were reaching far too high. So that we are hopeful that we

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 may get a half a million dollars to enable us to serve that
2 purpose out there in Los Angeles.

3 With respect to the deficit that Doug mentioned, we
4 hope to liquidate that over '94 and '95. The principal
5 stumbling block we face is 400 Virginia Place. If any of you
6 has a friend who wants 25,000 square feet, more or less, it's
7 available. We're very modest in our expectation of the rent.
8 We are seeking to reduce that deficit related principally to
9 that space being unoccupied. That runs till August of '95
10 and we are making every effort that we can to sublet that and
11 reduce the loss that we have incurred.

12 So that generally is, aside from the wonderful
13 weather that you have exposed me to, and, in fact, as we
14 remarked to Don just before we went up to the Hill, we had a
15 fire here and caused us all to evacuate. So I was able to
16 say I was all fired up about going to the Hill, and then
17 observed, after I came off the Hill, that I've had nothing
18 but a fire and ice party. And somebody suggested fire, ice
19 and wind.

20 So it has been a different experience but a very
21 rewarding one. Thank you, Board, and Mr. Chairman.

22 CHAIR EAKELEY: Thank you. Do we need to approve

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 the emergency assistance request? Do we know how that was
2 handled last year with the floods?

3 MR. FORGER: We have written to Panetta, and beyond
4 that --

5 CHAIR EAKELEY: Does the Board need to approve a
6 request for an emergency --

7 MR. FORTUNO: I don't think you need to, but it
8 wouldn't hurt to ratify.

9 M O T I O N

10 MS. MERCADO: I move that we go ahead and ratify
11 the request for emergency funds for the earthquake.

12 MS. BATTLE: I will second the motion.

13 CHAIR EAKELEY: In the amount of \$500,000, which is
14 not an arbitrary figure. It was something that was deemed
15 appropriate, and also appropriate by OMB, as a means of
16 providing some additional assistance for earthquake victims.

17 Any questions?

18 (No response.)

19 CHAIR EAKELEY: All those in favor?

20 (A chorus of ayes.)

21 CHAIR EAKELEY: Opposed?

22 (No response.)

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 CHAIR EAKELEY: All right, thank you very much.

2 Next is the inspector general's report.

3 MR. FORGER: I should add that I've had a fine
4 relationship with the inspector general and he also has been
5 very helpful.

6 INSPECTOR GENERAL'S REPORT

7 MR. QUATREVAUX: Thank you, Mr. President.

8 Mr. Chairman, I'm sorry to report that the report
9 on the grantee monitoring audit that I had promised you would
10 be available today is not. I place the blame with both fire
11 and ice. We did receive a rough draft on Tuesday from the
12 audit firm. They are now making clarifications and
13 eliminating some semantical confusion and that sort of thing
14 and running their report through their quality control
15 procedure.

16 We did have the opportunity to have the audit team
17 in on Wednesday to brief President Forger, Martha and John
18 Tull. I do expect to have the working draft next week.
19 We'll provide it to management and ask for their initial
20 impressions and reactions, in a very short period of time.

21 And after we do that and review those reactions and
22 accommodate them, as appropriate, we'll submit a draft report

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 to management for formal comment, with an information copy to
2 the Board.

3 CHAIR EAKELEY: Is this the audit of monitoring and
4 compliance, or is this the annual audit of the books of the
5 Corporation?

6 MR. QUATREVAUX: I'm sorry. This is the report
7 being done under contract by Cotton & Company. The topic is
8 the grantee monitoring function here at the Corporation.

9 I'll just note that in a conversation with the
10 chair of the Provisions Committee, he has asked that the
11 proposed management positions on the findings and
12 recommendations be available to the Board for consideration
13 at the March meeting. And that's all I have at this time,
14 Mr. Chairman.

15 MS. MERCADO: Mr. Quatrevaux, since you didn't get
16 to address my committee, do you think that the audit report
17 by Grant/Thornton will be ready by the March meeting?

18 MR. QUATREVAUX: Yes, I do.

19 MS. MERCADO: Okay, so we'll have a report at that
20 time, then.

21 MR. QUATREVAUX: Yes.

22 CHAIR EAKELEY: But that's not from the inspector

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 general. That really --

2 MS. MERCADO: I know, but he was presenting to
3 us -- Grant/Thornton was coming here, and he oversees the
4 audit --

5 MR. QUATREVAUX: Well, we're in the last year of a
6 three-year contract and a transition to a new organizational
7 responsibility, a new alignment of organizational
8 responsibilities.

9 I guess the best way to say it, prior to an OIG,
10 the comptroller had handled the audit arrangements for the
11 Corporation and subsequently we have that responsibility now,
12 to make all those arrangements and to serve as the agent of
13 the Board in the audit process and report to the Audit and
14 Appropriations Committee.

15 As things have unfolded, I think the transition is
16 less than complete, for understandable reasons.

17 CHAIR EAKELEY: I cleared my throat because my
18 understanding was that it was your responsibility to help the
19 Board select the audit engagement, and indeed when that
20 engagement was performed, to provide comments on it, but not
21 to serve as a buffer, interface or certainly not as the
22 Board's agent in terms of receiving the audit report.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 I think that audit report comes to the Board, and
2 appropriately, as you pointed out, not to the controller, but
3 we would want you to help us evaluate it. But my
4 understanding was not that you were the agent of the Board
5 for all purposes with respect to the annual audit of its
6 books.

7 MR. QUATREVAUX: Well, that's perhaps an issue that
8 we can take up at another time and another place. I would
9 tell you that the Chief Financial Officers Act of 1990
10 requires government agencies to produce financial statement
11 audit reports and it requires that the inspectors general be
12 responsible for those audits of the financial statements.

13 But as I say --

14 CHAIR EAKELEY: Fine. We need to talk about it and
15 we need to explore this further, but in the meantime, the
16 audit is proceeding. I understand it's almost completed.
17 We've really reached substantive agreement on most of the
18 areas of concern and we're now deeply into the footnotes.

19 MR. QUATREVAUX: Correct.

20 CHAIR EAKELEY: Okay. Good. And we'll remain
21 there for now, but we'll discuss this some more. I don't
22 mean to even suggest a confrontation or disagreement as much

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 as just a need for understanding and a way to work something
2 out so that it's better. Thank you very much.

3 MR. QUATREVAUX: Thank you, Mr. Chairman.

4 CHAIR EAKELEY: We've got Bill McCalpin and his
5 presidential search report. I've got a couple of
6 housekeeping announcements and then, I think if everyone is
7 in agreement, we'll move from there into the public comment
8 section. Before we do that, I'd just like to invite some
9 special guests up to say a few things.

10 In fact, why don't we do that first, and then I'll
11 go back to my housekeeping at the end of the session?

12 PUBLIC COMMENT

13 CHAIR EAKELEY: I mentioned before that we were
14 very happy to be joined by a number of the members of the
15 African-American Project Directors Association, and Lillian
16 Johnson, their chair. Come on up. Welcome.

17 MS. JOHNSON: Thank you.

18 CHAIR EAKELEY: Thanks for joining us.

19 MS. JOHNSON: Well, thank you for hosting us.
20 Congratulations. Good to see you. This is the first time
21 that I've ever had the opportunity to greet a Board in a
22 decade that I was really happy to see. It's a pleasure.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 I am Lillian Johnson. I'm the executive director
2 of Community Legal Services in Phoenix, Arizona, and I want
3 to know why you're having this meeting in Washington, D.C.

4 CHAIR EAKELEY: That makes 12 of us.

5 MS. JOHNSON: And while I'm on the subject, may I
6 recommend that you consider taking the show on the road
7 again? It's been a long time since the field has been in a
8 position to actually want to communicate with individual
9 Board members. It certainly has been the position that many
10 of you as individuals have taken that you want to hear from
11 the field. We need for you to give us that opportunity by
12 returning to the field.

13 As my friend and colleague Charles Dorsey has often
14 commented, there's something about the air here in
15 Washington, and there is the tendency on the part of people
16 who are well meaning to come here and breathe the Washington
17 air and somehow they don't seem to get the point.

18 In order to get the point, please return to the
19 field. I was struck this morning, in terms of some of the
20 presentations that you got. People were encouraged to give
21 you input, and I was very impressed that you are willing to
22 take it by telephone.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 Let me tell you that there are a number of staff
2 members and there are a number of clients who would like to
3 give you a piece of their mind. They'd like to give you some
4 of the input that you appear to very dearly want, and it is
5 better and most convenient for us to be able to do that when
6 you're in our house or in our communities.

7 So I strongly encourage you to consider returning
8 Board meetings to the field and giving us an opportunity to
9 greet you and to talk with you and to make comments and to
10 see you and meet you.

11 CHAIR EAKELEY: We actually decided on a meeting
12 schedule that wasn't annexed to our minutes but will be, when
13 they're corrected. But it takes us out a bit, not as much as
14 we should, but a bit, considering the constraints of our
15 budget. But we'll actually be coming into your home state
16 but not to Phoenix. We'll be out in Albuquerque, I think
17 it's in November.

18 MS. JOHNSON: My home state is Arizona.

19 CHAIR EAKELEY: Next door, into your region. But
20 we're trying to get five meetings of the Board this year out
21 of Washington, and hopefully we'll find some other
22 opportunities to do that, too.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 MS. JOHNSON: Well, we welcome you and we certainly
2 will take advantage of that and give you an opportunity to
3 meet some of the people that you probably would not meet here
4 in Washington.

5 I am here, as you've indicated, this weekend as
6 convener and chairperson of the Organization of African-
7 American Project Directors and Deputies. And we're meeting
8 over the next couple of days to talk about some of the issues
9 that you're grappling with.

10 We have a sincere interest and concern about the
11 Legal Services Corporation and some of the decisions that
12 you've already made, we applaud. And some of the decisions
13 you are yet to make, we ask that you seek us out and
14 affirmatively request our input.

15 As members of the legal services community, we
16 participate in the Project Advisory Group and NLADA and NOSSU
17 and OLSBUC, but as members of the African-American Project
18 Directors Association, we have a particular interest that
19 affects the African-American community, and we ask that you
20 seek us out and specifically request that we provide you with
21 input.

22 We are holding the meeting, for those of you who

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 are interested, at the Dupont Plaza Hotel. We will not have
2 all of the 60 or so members present, but we will have more
3 than a majority of that membership in attendance, despite the
4 weather here in Washington, and we would like to have the
5 opportunity to greet you, to talk with you and to bend your
6 ear a bit.

7 And in the future, you will continue to hear from
8 us, more frequently than you know. Thank you.

9 CHAIR EAKELEY: Thank you very much. This is not a
10 specific request, but it is an open invitation and a standing
11 request. We want your input. We want the input of everyone
12 in the community. We know that we can't do our job without
13 that input. And this is just a very -- it's an important
14 beginning of a dialogue that will hopefully develop and
15 mushroom over time.

16 Does anyone have any questions of Ms. Johnson?

17 MS. BATTLE: I would just like to echo what Doug
18 has said about our need to hear the perspective that your
19 organization has, particularly on the issues that we've got
20 to decide, because what we want to be able to do now is to
21 deliberate but deliberate with full knowledge of all those
22 perspectives.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 So we have kind of -- this is a good meeting to
2 have had the intersection of having the African-American
3 Project Directors here because we've had a chance to kind of
4 lay out the issues that are going to be issues for this year.
5 We're going to have to deal with provisions, reauthorization,
6 with appropriations, and the subissues that come from that
7 are the kinds of things that affect the field.

8 So please feel completely free to give us your in
9 put.

10 MS. JOHNSON: Okay. I'll ask for your personal
11 telephone numbers later. Thank you very much.

12 CHAIR EAKELEY: They're available.

13 MS. MERCADO: The other thing, too, is that we are
14 really, for those of us who are on the Presidential Search
15 Committee, we're very interested in making sure that we have
16 a diversity of nominees and applicants to that position. And
17 to that end, we really would urge your different programs and
18 client communities to submit names to us that we may not know
19 because we have not had the contact with them.

20 CHAIR EAKELEY: John?

21 MR. BRODERICK: I just want to thank you for
22 coming. I hope that you will continue to take the

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 opportunity to speak with us.

2 Very briefly, would you tell me what you would
3 consider to be, from your perspective, the two or three
4 priorities that you think this Board should be focussing on?

5 MS. JOHNSON: For those of you who have known me,
6 if you get me involved in talking about legal services, you
7 probably can't shut me up.

8 I think that you have already begun to do that.
9 Being a project director and having been in a position where
10 I had to lay off a quarter of my staff at a time when there
11 was 67 percent increase in my client community, the number
12 one priority for legal services programs is the availability
13 of as much additional resources to deliver services to our
14 community. And it is clear to us, in direct contrast with
15 your predecessors, that you're up for that challenge and that
16 you understand that priority.

17 Secondly, our community has certain values and I
18 think that in the past decade, we have taken the high road
19 and been in a position to laud that over any people who are
20 considered our opponents' heads, by telling them that there
21 are certain values that we hold dear and that we, as a
22 community, will forever observe.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 One of those values is a commitment towards
2 diversity. And the challenge facing you is similar to the
3 challenge facing our community. It is one thing to say that
4 we have a sincere interest and desire and commitment to
5 diversity. It's another thing to show it.

6 And I know that one of my colleagues, early on,
7 mentioned to you that the best way to do that, for us, is to
8 see that you do it by example. I think you have begun to
9 establish examples of your commitment to diversity.

10 I think that there are miles to go before you
11 sleep. The greatest value that the legal services community
12 has that has not been exemplified for the past decade, for
13 various reasons, is that we are a client-directed community,
14 and client involvement is extremely important to us. And
15 yet, we have not allocated the resources, nor have we
16 allocated our time and attention towards dealing with what
17 that means. And I don't think that it's an easy task for
18 lawyers to really deal with the issue of client involvement.

19 So that's a significant challenge facing you, that
20 I think that you have open minds, but there are no easy and
21 there certainly are no quick answers. So that that, to me,
22 is extremely important.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 And then thirdly, we'd like you to hurry up and
2 slow down. That is, you're dealing with so many important
3 issues, for us, like regulations, like provisions of legal
4 services and different delivery models and different
5 innovative and creative delivery models. And we have been
6 asking for that for years, and now you're doing it within six
7 months. I mean, your goal and objective is to have it done
8 as quickly as possible. And we're delighted but we're
9 scared.

10 And therefore, I think the challenge to you is to
11 hurry up and slow down. Hurry up and continue to be
12 aggressive and assertive about dealing expeditiously with
13 these particular issues, but be as deliberate about having as
14 much input, and creating the opportunities for the input.

15 It's one thing to put out a notice and send out a
16 notice to all project directors about the opportunity to
17 provide input. It's an other thing to appreciate that that
18 is on a pile of things that project directors have to do,
19 that they may not get to right away. And unless it's an
20 imaginative, creative way in which to communicate with the
21 field, it may not get the immediate attention that it needs
22 to get.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 So the challenge is how to do that. It's not easy,
2 but you're up to it.

3 CHAIR EAKELEY: Thank you very much.

4 MS. JOHNSON: Thank you.

5 CHAIR EAKELEY: I'd like to invite up to our --
6 what do we call this, our table -- next, Michael Figgins, who
7 is director of the Western Nebraska Legal Services Program
8 and also chair of the NLADA Rural Advocacy Section. Mr.
9 Figgins wrote to say he'd be in town and also gave us -- sent
10 me a description of not only the needs of the rural poor but
11 planning for -- was it the second annual conference on rural
12 advocacy?

13 MR. FIGGINS: The first ever.

14 CHAIR EAKELEY: The first ever conference, which I
15 circulated to the Board. Delighted to have you here.
16 Welcome.

17 MR. FIGGINS: Thank you. I'm a long way from
18 home. I haven't seen a barn or a silo or a corn field in
19 over a week now and I'm starting to get a little worried, but
20 I'm going to do the best I can.

21 As Mr. Eakeley stated, I'm from Nebraska, Western
22 Nebraska, and I'm here to speak to you about rural legal

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 services, but really I'm going to talk to you about the rural
2 poor, the people that I serve and whom you serve.

3 In my relatively short legal services career, I've
4 dispensed justice on the Indian reservations of South Dakota.
5 I've served low-income people in the Mexican-U.S. border in
6 Arizona, and now I'm on the Northern Plains of Arizona.

7 And in that experience it's brought me a little bit
8 closer to what I like to call the rural condition, which has
9 led me, as Mr. Eakeley said, to be the chairperson of the
10 NLADA Rural Section and has now led me to you.

11 It's not always easy living in rural America. In
12 the '30s we had the dust, and we thought that dust was never
13 going to go away. After the war, we had what is called the
14 thrust, when all the rural people said, "Let's get out of
15 here and let's go to the city and find a better place."

16 In the '80s we had the bust when, in almost one
17 day, rural mining, agricultural, energy and manufacturing all
18 went belly-up, almost all in the same day.

19 Now, in the '90s, what we have is a legacy of
20 mistrust, a feeling that the game is fixed, the rules are
21 rigged and rural America is not going to be able to run in
22 the race. Too many spoken promises, too many broken

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 promises. And unfortunately, legal services has contributed
2 to that feeling of mistrust.

3 We came to rural America and we spoke of access to
4 justice, as we still do. We brought attorneys to rural
5 America. Then the attorney left, not to return. But there
6 was still a paralegal. Then the paralegal left, not to
7 return. But there was still an office and a staff person.

8 Then, before too long, the staff person left,
9 locked the door, put a note on the door saying, "You can call
10 this toll-free number if you want to get services. By the
11 way, the office you call is about 200 miles away." And
12 that's the legacy that we left in rural American, legal
13 services.

14 The rural poor represent all races, all ages. We
15 have the African-Americans of the rural South, the Hispanics
16 of the rural West, the Native Americans, the migrant farm-
17 workers, all in rural America. They live in villages and
18 towns that you seldom see or even know how to find, towns
19 that have seen substantial business decline, population
20 decreases, so as to be at risk today from even being
21 residential centers.

22 That's right. These towns have limited food

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 stocks, no restaurants, no retail. Fifty percent of the
2 housing was built before 1930, no public transportation. You
3 can't even get a haircut. And there's a lot of these towns.

4 These towns are populated with a growing number of
5 elderly because a lot of the young people left. But the
6 young people are coming back, coming back because the former
7 link between social and spacial mobility has weakened, due to
8 the widespread limited economic opportunity in our country.

9 No more is it, "Go west, young man." No more is
10 it, "The grass is always greener on the other side." No more
11 "Somewhere over the rainbow." The people are coming back to
12 rural America, and they're coming back poor.

13 Today, only the most economically advantaged, the
14 most highly educated, benefit from migration to the cities,
15 while geographic in-mobility, those who can't leave, are
16 among the least advantaged and least skilled. And that
17 leaves the rural poor trapped in declining labor markets,
18 giving demographic impetus to growing spacial inequality in
19 rural America, as rural America becomes the collecting
20 grounds for poor people in our country.

21 This is the rural underclass that I shared with you
22 in the letter dated November 30 that was written to PAG. The

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 studies by the Population Reference Bureau that I related to
2 in that letter clearly show that the African-American rural
3 underclass in the rural South has a higher concentration of
4 poor people than in the urban cities. The rate of underclass
5 membership among Hispanics is greater in rural America than
6 it is in the cities. Yet 55 percent of the rural underclass
7 population is white, when in the cities it's only 17 percent.

8 In my letter, I shared with you that the Children's
9 Defense Fund found that rural children are poor, less
10 healthy, less educated and generally worse off than children
11 in other parts of this country.

12 The U.S. Conference for Bishops also found that the
13 child poverty rate among rural children is higher than it is
14 in this country nationally.

15 The Senate Committee on Budget and Policy
16 Priorities has documented that 26 percent of rural households
17 fall into the poorest one-fifth of households.

18 The Aspin Institute found that in 1987, 47 percent
19 of all rural workers had hourly earnings too low to lift a
20 family of four above the poverty guideline, 42 percent.

21 Now, is it not a tragedy that legal services and
22 the justice to which we are associated would leave rural

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 America when rural America needs us the most? When all this
2 is going on, we're going out the back door.

3 When legal services does return to America, and
4 with your help, the justice that we dispense will return to
5 rural America, results can be dramatic, as evidenced by an
6 article that I will hand to you when I finish my remarks, an
7 article that has to do with the town of Grant's Pass, Oregon,
8 that, for years, never had a legal services office because it
9 closed. But when it was reopened, again, the results were
10 dramatic.

11 So what do the rural poor need? What do rural
12 legal services programs want? Money? That's the usual
13 request, but that's not what I want to ask for today. As I
14 stated to Mr. Eakeley in my letter of December 29, rural
15 legal services needs a governing body whose legitimate object
16 is to do for rural legal services programs what needs to be
17 done, but which rural legal services programs cannot, by
18 individual effort, do it all or do so well for themselves.

19 The legitimate object of this Board must be to
20 commit itself to the poor in rural America and to support
21 program efforts to empower the rural poor with new knowledge,
22 attitudes, skills, and aspirations. As part of this

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 commitment to the rural poor, this Board needs to implement
2 the development of a national rural legal services strategy
3 that will take the following into consideration.

4 A, providing the rural poor real access to quality
5 legal services. The real poor do not want toll-free numbers
6 any more. They do not want people circuit-riding 200 miles
7 one way, 200 miles back. They want real quality legal
8 services.

9 B, the establishment of a rural legal services task
10 force and/or a rural desk at LSC. We need somebody in
11 Washington who's familiar with rural issues, who knows what's
12 going on in rural America, who can relate to the plight of
13 the people we serve.

14 C, commit to collaborative and cooperative
15 partnerships with rural legal services programs to fund
16 special rural innovative projects. Many rural legal services
17 project directors have innovative ideas on how to serve this
18 population, but it always takes the extra money, and we would
19 like to have the opportunity to have special projects set
20 aside, money set aside so we can try these innovative ideas.

21 D, to increase resources allocated to rural areas,
22 particularly those most inequitably served, by providing

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 fellowships, scholarships, perhaps a rural Reggie, and other
2 incentives, so that we can get people out to rural America
3 and we can overcome some of the dramatic problems we have
4 with recruitment.

5 E, to modify current LSC regulations concerning
6 lobbying to allow the rural poor to undertake grassroots
7 lobbying with the assistance of legal services staff. When
8 you are hundreds and hundreds of miles from the state
9 capital, grassroots lobbying is the only lobbying you can do.
10 They need our assistance. We should be able to help them.

11 F, to eliminate PAI requirements for rural legal
12 services programs whose percentage of private bar membership
13 is 25 percent or less of the total state bar population. The
14 present requirements have harsh consequences for rural legal
15 services. The PAI requirement is not cost-effective in rural
16 America.

17 The elimination of the PAI requirement, where there
18 are not enough private attorneys, is one effective way to
19 address the greater cost factor in delivering legal services
20 in rural America. The money not allocated to the few private
21 attorneys in rural America means new resources to adequately
22 serve those poor not now receiving services and perhaps

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 restore some of the trust that we have lost. This is your
2 chance to renew the promise of justice to the rural poor.

3 Finally, as a major first step, the rural legal
4 services community has planned the first ever national rural
5 advocacy conference to be sponsored by NLADA, held on May 19,
6 20 and 21 in Denver, Colorado. The rural legal services
7 community owes a debt of gratitude to Briscoe Hardin of NLADA
8 for making this conference a reality.

9 As part of this Board's commitment to the rural
10 poor, you need to be represented at this conference, for at
11 least the first day. The first day will be a discussion of
12 standards for rural legal services delivery, rural strategies
13 and rural needs, all to be facilitated by Mr. John Tull.

14 The remaining other day and a half will be focussed
15 on rural fundraising, to be facilitated by the Fundraising
16 Project.

17 It is essential for the rural poor that this
18 encounter between you and I this day be the start of a new
19 awareness, an understanding concerning the task of providing
20 quality legal services to the rural poor. Legal services can
21 no longer espouse equal justice on one hand, while presiding
22 over the disappearance of legal services resources in rural

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 America, on the other hand.

2 Rather, if you can, as a Board, commit yourselves
3 to the tasks that I have identified, the Board can be the
4 first board to preside over a rural renaissance of equal
5 justice for the rural poor. I thank you.

6 CHAIR EAKELEY: Thank you. Just a couple of
7 questions, if I could. Are you suggesting that the Board
8 consider a departure from the minimum access funding formula
9 of two lawyers per 10,000 poor people because of the
10 logistical difficulties in serving the rural poor?

11 MR. FIGGINS: I'm suggesting that the Board adopt
12 equal justice, and that equal justice would involve whatever
13 it takes to serve the needs of the rural poor, wherever they
14 may be. I don't want to adhere to a formula of two people
15 per 10,000. All I'm asking for is that the rural poor get
16 the equal justice that they're entitled to.

17 CHAIR EAKELEY: Well, we'd like to get to equal
18 justice, too, and we see minimum access as a first step but
19 not a sufficient step. But how do we advance towards equal
20 justice for the rural poor in a way that maintains our
21 ability to advance towards that goal for the other poverty
22 populations in the country?

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 MR. FIGGINS: Eventually what it's going to take is
2 resources. And where are the resources going to come from?
3 I'm not going to sit here and argue that as a result of the
4 excessive costs of serving the rural poor, we should get more
5 money. I have given you a suggestion. The PAI requirement
6 is one source that could easily increase the resource.

7 We need to also think more about how we serve the
8 rural poor. When we have communities that are 100 and 200
9 miles away, it's not enough just to go there and help them
10 with the services that we think they need. We need to
11 rebuild communities. We need to be active in economic
12 development. We need to be active in community development
13 and get these people back to where they were 10, 20 years
14 ago.

15 So it's different type of service and, of course,
16 resources are going to be the key.

17 CHAIR EAKELEY: You mentioned the need for a rural
18 poor advocates desk at Legal Services. What did you mean by
19 that?

20 MR. FIGGINS: Well, we would like to see somewhere
21 at Legal Services where there is perhaps a clearinghouse,
22 perhaps someone who has the ear of this Board, who can talk

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 to this Board on rural legal services issues. In the past,
2 there was a migrant desk. In the past, there was an Indian
3 desk. We would like to see some kind of regular
4 coordination, dialogue between this Board and rural America.

5 I, for one, have come here today but I question how
6 many times somebody from rural America will be able to come
7 here to talk to the Board.

8 CHAIR EAKELEY: In fact, I've had a similar request
9 to reinstate a Native American desk --

10 MS. MERCADO: Migrant desk.

11 CHAIR EAKELEY: And my reaction is to ask president
12 Forger to look into this and then to consult with the
13 Provisions Committee, and perhaps Operations and Regulations,
14 too, because it involves an operational change in the
15 staffing here, in a way that helps us at least connect
16 better, so that we can understand better and therefore
17 hopefully address better in the future.

18 MS. MERCADO: Mr. Chairman, at the Audit and
19 Appropriations Committee meeting, the last meeting, one of
20 the main items that came out from the presentation from the
21 migrant representatives was to, in fact, have either a desk
22 or an office or a person that dealt with migrant issues, as

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 well as rural issues actually, because they needed to be able
2 to have someone they could communicate with quickly, but also
3 that could respond because of their experience in that area
4 of law or those issues that confront the particular
5 community, to be able to respond quickly. And there hasn't
6 been that type of an office for a long time.

7 CHAIR EAKELEY: Any other questions of Mr. Figgins?
8 Bucky?

9 MR. ASKEW: Let me make a comment to the last
10 dialogue, but also to Michael. The Corporation, in the '70s,
11 the late '70s, there's a history to a lot of these things
12 that should be a part of any review that goes on by the staff
13 or by anyone else.

14 And I think you probably should start with Alan
15 Houseman, in terms of experimental projects that were done
16 through the Research Institute back in the late '70s, in
17 terms of rural advocacy. And I think -- I understand your
18 statement that this is the first conference on rural advocacy
19 but I think, in fact, there were at least one and maybe other
20 conferences back in the '70s of rural advocates addressing a
21 lot of the issues you're raising here today, that probably
22 you should take advantage of the learning that came out of

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 those, the agendas that were developed, the participants in
2 those conferences.

3 I think it involved people beyond the legal
4 services community, people in rural advocacy groups beyond
5 legal services.

6 So I think, one, there's a history that you should
7 be aware of, and the best I can do is tell you to contact
8 Alan to begin that search for that history and the documents
9 that exist from that and what happened with all that.

10 The Corporation experimented in the '70s with some
11 approaches to rural service delivery, or at least additional
12 funding for rural programs, because of the problems that were
13 identified back then that you should be aware of as you go
14 through this, also.

15 MR. FIGGINS: I will do that.

16 MR. ASKEW: Secondly, in terms of developing a
17 desk, I think we should look at the history of those, because
18 the Corporation, in the past, has had those sorts of things
19 and we should study that as a part of the consideration for
20 whether that should be reinstated or not, as a part of the
21 structure of the Corporation.

22 CHAIR EAKELEY: John Broderick.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 MR. BRODERICK: Michael, I just wanted to ask --
2 first of all, I wanted to thank you for coming and taking the
3 time for such a thoughtful statement. I appreciated it.

4 MR. FIGGINS: You're welcome.

5 MR. BRODERICK: The people you service are lucky to
6 have your services. I say that based on your presentation
7 here.

8 What would you do, what would you recommend be done
9 with more money? Where would you spend it? And could you
10 tell me what the pressing legal need is? I know there are
11 many, but if you had to identify the pressing legal need of
12 the rural poor that you service and that you see, what would
13 it be and how would you address it with more money?

14 MR. FIGGINS: If there is more money, I think the
15 first thing we need to do is look at the areas that we
16 previously served that for whatever reason we no longer
17 serve. In my service area alone, there are areas, at least
18 100 miles from the office that I occupy, that have very
19 desperate needs that we just don't have the staff, even in
20 the office we do staff, to circuit-ride.

21 And what kind of needs are up there? Well, we have
22 seen, over the last 20 years, with the winds of Reagan, that

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 rural America through the '80s has suffered dramatically.
2 There still has been no come-back from what happened in the
3 '80s. We're talking about total economies, total communities
4 in ruin, no infrastructure whatsoever that we could take
5 advantage of, for example.

6 They can't even, a lot of times, get food stamps.
7 Things have to be done by the mail. AFDC. There's no DSS
8 offices. There's no post office. And those towns need to be
9 helped.

10 Those people are very resilient. They want help.
11 The problem is we cannot connect. We need to connect with
12 those groups and with those people and, as I said before,
13 rebuild or be, at least a start-up, a rural renaissance.

14 MR. BRODERICK: Thank you.

15 CHAIR EAKELEY: Any other questions?

16 (No response.)

17 CHAIR EAKELEY: Thank you very much. I think we'll
18 take advantage of John Tull's being on the premises to try
19 and work with him and with Alex Forger to find an opportunity
20 to participate in your conference.

21 MS. BATTLE: Also, some of the statistics that you
22 gave, are they in the article?

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 MR. FIGGINS: They're from the Poverty Reference
2 Bureau and I can get them to you if you want to see them.

3 MS. BATTLE: I'd like to get those.

4 MR. FIGGINS: I'll get them to you. Thank you
5 again.

6 CHAIR EAKELEY: I want to just invite one more
7 guest up now and then go back and finish up with our
8 Presidential Search Committee report, and then go into
9 executive session and then go back to public session, if you
10 don't mind zig-zagging like this.

11 Jim Wayne is here, director of Capital Area Legal
12 Services in Baton Rouge, and also head of the Southeast
13 Project Directors.

14 MR. WAYNE: Thank you very much for inviting me.
15 Mr. Chairman and members of the Board, my name is James A.
16 Wayne, Sr. I serve as executive director of Capital Area
17 Legal Services in Baton Rouge. I also serve as the chairman
18 of the Southeast Project Directors Association, an
19 administrative association, which is in Region 6. We have
20 Board member Mr. Askew who spent many years working in that
21 region.

22 I bring greetings to you from the Southeast, some

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 90 programs in 10 different states. And also recently we
2 have had our meeting of the Louisiana Project Directors
3 Association.

4 I'd like to echo most of the things that were said
5 by Lillian and the gentleman just preceding me about problems
6 that we have, and we welcome you into your task, and we look
7 forward to a partnership, in working with you in solving the
8 problem that we serve.

9 I would like for the members who are here, I know a
10 lot of them from the Southeast region, if they could stand.
11 I see we have quite a few persons from the Southeast region
12 who are in attendance here, who I wanted you to meet also
13 here at this meeting.

14 I've done a lot of things in my some 20 years as a
15 lawyer, from the attorney general's office and governor's
16 office, sports representation, entertainment representation,
17 and I've found that probably the most rewarding thing that
18 I've done in my career as a lawyer is seeing the help that I
19 can give the poor people.

20 I left Legal Services, lived out of the country as
21 a corporate attorney, enjoyed life to the fullest, but I can
22 truly say the thing that I've had most rewarding in my career

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 is serving people.

2 We, too, share many of the problems of operating a
3 rural program, as well as an urban program out of Baton
4 Rouge. We've been successful in some things. We have a very
5 good client community, legal education program. On our staff
6 we have a full-time office that's operated by the client
7 council. They have a budget. We just went through our
8 budget process-building the other day with the client
9 council. They have their own telephone number and their own
10 budget.

11 And one of the things we found, that once we
12 empower the client council in our area, they are now
13 representing at administrative hearings their own clients, at
14 various administrative agencies.

15 In addition to that, in the efforts to get
16 lobbying, get more funds from, say, legislature, we have used
17 client council persons as grassroots efforts. It's been most
18 successful, not only dealing with the legislature but other
19 public bodies in our area.

20 We would like to form a partnership with you. We
21 would like to see you continue to take the show on the road,
22 to be invigorated with new ideas that have happened. A lot

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 of things are happening out in the field. We ask you to
2 continue to come to the field. You can't get it here in
3 Washington and hearing the same thing.

4 There are many innovative -- there are a lot of
5 people who want to come who probably would not take the time
6 but do not have the resources to come to Washington. But if
7 you are in a nearby area, perhaps they will make the effort
8 and come and make presentation to you. And I think you would
9 be really charged, your batteries would be charged to hear
10 some of the things that's going on in the field.

11 One of the things the Louisiana Project Directors
12 Association asked me to say today is that in the monitoring
13 area, we don't mind good, sound monitoring. That's good.
14 It's wholesome. It ought to be. But we need monitoring with
15 the same voice so that when we get monitoring, what is told
16 to one project that can be done, it cannot be done, against
17 the rules, against the policy, that it's a universal voice in
18 the monitoring process, so that we all speak on the same
19 wavelength.

20 Thank you very much for allowing me to come and
21 make a presentation.

22 CHAIR EAKELEY: Thank you very much. Mr. Smegal.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 MR. SMEGAL: Mr. Wayne, I recall several years ago
2 when I had the opportunity and the honor to go down to
3 Savannah, Georgia, and speak to the Southeast Project
4 Directors at a luncheon.

5 And I was reminded in your reference to sources of
6 money that during that luncheon speech I passed a cookie jar
7 around among you project directors, had you all put your hand
8 in it, and then I was able to come back and report to Mr.
9 Wear, one of Mr. Forger's predecessors, that I'd found a
10 roomful of project directors with their hand in the cookie
11 jar.

12 I have two questions of you. One, where's that
13 cookie jar? And two, is that another source of money? All
14 that money in that cookie jar.

15 MR. WAYNE: We've come a long way since those days.
16 Let me say also that we have a Southeast Project Directors
17 conference the first weekend of March in New Orleans and we'd
18 like to invite you there. I think the President is making
19 plans to come.

20 We also have our annual St. Pete conference in St.
21 Petersburg, Florida. I think it's the 21st, 22nd, 24th, I
22 believe, of July. We invite you to come and share in

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 fellowship with us at those two events that are coming up
2 this year.

3 CHAIR EAKELEY: We're going to be in Charleston May
4 13 and 14, also, and hopefully we'll be able to meet more of
5 the members of your association and clients, and then share
6 some more experiences at that time.

7 MR. WAYNE: Very well. Bob Jenkins will make you a
8 very good host there.

9 CHAIR EAKELEY: Any other questions, comments?

10 (No response.)

11 CHAIR EAKELEY: Thank you very much.

12 MR. WAYNE: Thank you.

13 CHAIR EAKELEY: Let me go back to the agenda and
14 ask Mr. McCalpin for a brief Presidential Search Committee
15 report. I think what we'll do then is stay in public
16 session, get public comments, do the housekeeping, and then
17 go to executive session so that those who don't want to wait
18 around don't have to wait around.

19 CONSIDER AND ACT ON PRESIDENTIAL SEARCH COMMITTEE REPORT

20 MR. McCALPIN: Thank you, Mr. Chairman. I'm sorry
21 that I was busy doing Search Committee work while I was
22 absent.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803
WASHINGTON, D.C. 20006

(202) 296-2929

1 Several important steps in the search process have
2 taken place since we last met three weeks ago. At that time,
3 we determined to retain the services of an experienced search
4 consultant, John Isaacson, and indeed, he will be meeting
5 with the Search Committee for the first time in a few
6 minutes, and I have been with him and his associate Alan
7 Wichlei during the last hour or so.

8 We have broadly disseminated word of the position
9 opening. The communication has been sent to some 3,400 names
10 on the mailing list. Yesterday I approved a list of
11 publications to receive or hopefully to publish the news of
12 the position opening or to carry paid advertisements for that
13 purpose.

14 And earlier today, in conference with my colleague
15 Nancy Rogers, I found out how we can plug into the legal
16 academic community. And even since this morning, we have
17 been in contact with that opening and we are preparing to
18 circularize the position opening announcement to 200 law
19 school deans in the United States for publication and posting
20 of the position for their faculties.

21 The other important step that has been taken since
22 our last meeting is the naming of an Advisory Search

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 Committee. On the 18th of December, a number of field
2 representatives came before us, urged vigorous, intensive,
3 purposeful participation by various of our constituencies in
4 the search process. We heard that message. We acted upon it
5 at our last Board meeting, authorizing the president to
6 appoint that Advisory Search Committee, which he did --

7 CHAIR EAKELEY: The chair.

8 MR. MCCALPIN: The chair, I'm sorry. He did
9 appoint it and it was formally appointed earlier today in
10 this meeting, as you heard.

11 Immediately following the conclusion of the Board's
12 executive session, the combined Board Search Committee, now
13 enlarged to seven, and the Advisory Committee, only four of
14 whose members are able to be present today, will meet in open
15 session to discuss the ingredients, the timetable of the
16 search process, which I have just been exploring with the
17 consultants.

18 We will close the meeting at the end of the session
19 to talk about personnel, possible applicants for the
20 position. It will be a brief closed meeting, but we will
21 have a closed session of the Search Committee and the
22 Advisory Search Committee following the open session, which

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 is scheduled to start at 5:00 but I gather that schedule
2 times are honored more in the breach than the observance with
3 this organization.

4 But we will have an open joint meeting of the Board
5 Search Committee and the Advisory Search Committee
6 immediately following the Board closed meeting.

7 CHAIR EAKELEY: Actually, we're having a Board
8 breakfast tomorrow morning, but then we're having a joint
9 open meeting, starting at 10:00.

10 MR. MCCALPIN: That's not a Search Committee
11 function, as such.

12 CHAIR EAKELEY: Okay, fine. Any questions of Mr.
13 McCalpin or the Presidential Search Committee?

14 (No response.)

15 CHAIR EAKELEY: All right, why don't we go to
16 public comment now and invite anyone else who's here who
17 would like to bend our ears or say a few words to come on up?
18 Bob?

19 PUBLIC COMMENT

20 MR. RHUDY: Thank you, Mr. Chairman. I'm Bob
21 Rhudy. I'm the executive director of the Maryland Legal
22 Services Corporation and I'm here today on behalf, again, of

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 the National Association of IOLTA programs. I won't talk
2 about either of those entities because I think I probably
3 talked or have been before you all in the past, so I'll be
4 very brief.

5 This is informationally and to give you an
6 invitation. Next week the National Association of IOLTA
7 Programs, in conjunction with the American Bar Association's
8 IOLTA Commission, will be holding three days of workshops,
9 training sessions, business meetings, in conjunction with the
10 ABA mid-year meeting in Kansas City. And this is on
11 Wednesday, Thursday -- I'm sorry -- Thursday, Friday and
12 Saturday of this coming week. The sessions will be held at
13 the Hyatt Hotel and also the Marriott Hotel.

14 There's three training workshops that are going to
15 pertain to financial issues -- dealing with banks, trying to
16 maintain and stabilize IOLTA income, trying to find ways to
17 increase income for our legal services activities, management
18 issues, legal issues, grant-making issues and a whole range
19 of types of things that IOLTA programs do.

20 We hold two sessions like this, and they're always
21 in conjunction with the ABA mid-year and annual meetings.
22 The National Association of IOLTA Programs and the ABA's

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 IOLTA Commission have essentially merged in their training
2 functions and we work very closely together.

3 This time there's three workshops I want to bring
4 to your attention, invite you to attend any and particularly
5 ask for your participation if you'd like, if there are
6 members from the Board or staff that will be in Kansas City
7 during this period of time.

8 There's a workshop on Thursday at the Hyatt Hotel
9 that deals with finding increasing sources of funds for legal
10 services to the poor on a state-by-state basis. And we're
11 looking at a whole range of funding approaches that can be
12 generated through the participation of IOLTA programs, either
13 in a lead capacity or working with the legal services
14 programs to increase funding on a state-by-state basis.

15 In addition to IOLTA and a number of our programs
16 have other funding sources at this point, we're looking at
17 exploring new funding sources, and many of the same things
18 that I think you're looking at, as well.

19 We're looking at the role of IOLTA programs in
20 increasing, expanding, developing, improving legal services
21 to the poor within their states, what kinds of roles does an
22 IOLTA program -- I say IOLTA -- a program that administers

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 the IOLTA money, plus anything else -- have in improving
2 legal services on a state-by-state basis. That's on Friday
3 at the Marriott Hotel.

4 There's going to be a workshop also at the Marriott
5 Hotel on Friday that Leroy Cordova, who is a past president
6 of the Project Advisory Group, as a member of the board of
7 directors of NLADA. Leroy is a long-time legal services
8 attorney and executive director. He runs the IOLTA program
9 in Texas at this point. Leroy and I are the co-liaisons of
10 NAIP to the LSC Board.

11 Leroy and I will be chairing a workshop on the new
12 leadership and directions of the Legal Services Corporation
13 and how to structure relationships between IOLTA and LSC. So
14 we'll be talking about the types of things that we've been
15 seeing you express interest in, where we've got some overlap,
16 and I think we have, in our different roles, a great deal of
17 overlap, and how we can work together with you in terms of
18 some of the things you're interested in and that we're
19 interested in.

20 That one particularly I'd be delighted if anyone is
21 there on Friday. Please come in and please participate and
22 talk with us, hear what we say about you. I think you'll

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 enjoy it. So thank you very much.

2 CHAIR EAKELEY: Bob, thank you. Any questions?

3 (No response.)

4 CHAIR EAKELEY: Thank you. Any other public
5 comment?

6 (No response.)

7 CHAIR EAKELEY: All right. Let me quickly go to
8 some housekeeping, but I need the rest of our -- well, let's
9 start with this. Ernestine gave me copies of a letter from
10 the Clients Council of Pennsylvania in response to a request,
11 I think, from clients organizations, for input, as I
12 understand it, concerning what we might be doing and how.

13 This was one of the first responses received, and
14 as you'll note, that among the issues suggested were client
15 participation in monitoring and evaluation, support for a
16 federally supported national client entity, an information
17 network and training availability for enhanced client
18 participation and contribution.

19 This just seemed to me to be a wonderful catalyst
20 for getting the Board better focussed on a very important
21 central part, actually the objective of our program in many
22 respects, but also a very important component to the delivery

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 of legal services.

2 And my thought was, subject to anyone's suggestions
3 but especially to Edna's and Ernestine's, to ask Alex Forger
4 to consider and develop, in conjunction with the Provisions
5 Committee, an element of our next program, probably in
6 Washington because both of the presidents of the two clients
7 organizations are based on the East Coast -- one in New York,
8 one in Pennsylvania -- to ask them to join us and to have a
9 workshop discussion of client needs, client opportunities and
10 how we can work better together as a Board and as a
11 Corporation.

12 Does that make sense?

13 MS. WATLINGTON: It makes a lot of sense for us to
14 start that. Just the things we're hearing from the field and
15 other different programs, rural and other areas, I think this
16 is a good way in developing a process, to start hearing from
17 the client community.

18 CHAIR EAKELEY: I think that we'll want Alex to be
19 in communication with you and Edna about your suggestions on
20 how to develop such a program, but I think that we're at that
21 point where we can really make some pretty efficient use of
22 the input. So thank you very much for that.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 I mentioned yesterday -- Pat's not here -- we're
2 all getting a lot of paper, and among the paper we're getting
3 are minutes of all committee meetings and Board meetings and
4 submissions of various reports.

5 At least with respect to the minutes, my suggestion
6 would be that those who would like to receive minutes on a
7 regular basis may continue to do so, but that we make the
8 minutes available upon request for others, rather than
9 sending 11 copies of everything Federal Express prior to
10 every Board meeting. That just seemed to me to be a bit
11 expensive and a bit of an overload.

12 MS. MERCADO: You don't mean minutes, do you? You
13 mean transcripts.

14 CHAIR EAKELEY: I'm sorry. I mean transcripts. I
15 mean transcripts and it's hard to do minutes without
16 transcripts but I mean transcripts.

17 And I would also encourage staff to consult in
18 advance before distributing other wieldy to unwieldy
19 submissions to a large audience where the responsibility is
20 to a smaller group to begin with, for development, again,
21 making those materials available to anyone who would like
22 them, but trying to cut down on the amount of paper that we

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 disseminate on a regular basis.

2 Does that meet with everyone's agreement on that?
3 We'll work it out, Pat, over time, and those who would like
4 minutes of their committee meetings, for example, on a
5 regular basis, we can just do that automatically. But I
6 think that transcripts -- I think generally speaking, we'll
7 just put a moratorium on the circulation to the entire Board
8 of transcripts of committee meetings and Board meetings.

9 And I think when you get a thick document and a
10 request to circulate it to the Board, perhaps some
11 consultation in advance, either with me or Alex or somebody
12 or a committee chair, to see whether it's necessary will help
13 us in reducing the paper overload.

14 MS. FAIRBANKS-WILLIAMS: Costs less, too.

15 CHAIR EAKELEY: Costs less, too.

16 MR. McCALPIN: Save the trees.

17 CHAIR EAKELEY: Save the trees.

18 MS. BATTLE: -- put it all on disc. Maybe if we
19 can all become computer literate --

20 (Laughter.)

21 CHAIR EAKELEY: At some point I really would like
22 to talk a little bit more about being part of an electronic

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803
WASHINGTON, D.C. 20006

(202) 296-2929

1 network with the projects and the national and state support
2 centers and the Legal Services Corporation. What's so funny,
3 Tom?

4 MR. SMEGAL: Maria is laughing and I'm laughing
5 with her.

6 CHAIR EAKELEY: As long as your target is somewhere
7 out in the audience and not directed at the chair.

8 We have a couple of suggested changes in our
9 meeting schedule. We were scheduled to be in San Francisco
10 March 4 and 5. I know at least one Board member cannot make
11 it then. There apparently is another organized California
12 bar --

13 MR. SMEGAL: There's a pro bono conference in San
14 Diego during those same time periods, and they would be
15 greatly disappointed if we were in San Francisco and --

16 CHAIR EAKELEY: I thought the ABA pro bono
17 conference -- oh, California. All right.

18 MR. SMEGAL: Just California.

19 CHAIR EAKELEY: We have an alternative date
20 suggested of the following weekend, March 11 and 12. One
21 thing we lose there, at the time, John O'Toole has graciously
22 invited us, John and Ramon and Jose Padilla have -- it is a

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 reception hosted by some of the legal services providers,
2 clients, board representatives, following a Board meeting,
3 which we would propose doing on the Friday after our last
4 meeting, which would hopefully conclude not at 10:00 p.m. but
5 maybe 5:00 p.m. or something like that.

6 How does that weekend of March 11 and 12 look to
7 everyone? Can we -- Bill?

8 MR. McCALPIN: I've already ordered airplane
9 tickets.

10 CHAIR EAKELEY: To San Francisco?

11 MR. McCALPIN: Yes.

12 MS. SMEGAL: I left my calendar in my briefcase,
13 but it seems to me I have something then. I do recall I have
14 something on the next weekend. March 3 and 4 fit in well
15 because it didn't conflict with anything.

16 MR. McCALPIN: I can do it at some additional cost,
17 I suppose.

18 MR. McIVER: Well, obviously PAG's FCC meeting is
19 the following weekend. I know that's just a committee
20 meeting, but many of the people you might depend on will be
21 in attendance at that meeting -- Julie and Don and De and
22 some others.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 MR. MCCALPIN: I may also say, Doug, that all of
2 the members of the Advisory Search Committee have been
3 advised of the March 4-5 date, on the theory that the
4 Advisory Committee was going to meet whenever the Search
5 Committee did; the Search Committee was going to meet with
6 the Board did. So four, five people have been told to
7 reserve the March 4-5 weekend for Advisory Search Committee
8 meeting.

9 CHAIR EAKELEY: Tom, are you unavailable the 4th
10 and the 5th?

11 MR. SMEGAL: Oh, I'm available. It's just that
12 this group of pro bono lawyers are going to be in San Diego.
13 It isn't John and Ramon and Jose. It's some others.

14 MS. MERCADO: It's my fault because I didn't have
15 my calendar here when we were setting the dates. And since
16 every time we got to a date and somebody had a conflict, we
17 went ahead and tried to accommodate everybody so that
18 everybody could be there, I thought, well, let me give it a
19 try then, because when I got back and looked in my calendar,
20 I have an annual meeting, and I'm vice-chair for MALDEF and I
21 didn't want to miss that. It's in Los Angeles, and it's
22 during the same dates, Friday, Saturday.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 MS. FAIRBANKS-WILLIAMS: That's the 4th and 5th?

2 MS. MERCADO: Yes.

3 MR. McCALPIN: I can check the Advisory Committee
4 people here tonight.

5 CHAIR EAKELEY: Let's do this. Why don't we check
6 with the Advisory Committee and why don't we ask Tom to
7 double-check with his schedule, and then tomorrow morning
8 perhaps we can decide on one or the other of the two dates
9 for that. Is that okay?

10 MS. MERCADO: Yes.

11 CHAIR EAKELEY: Now secondly, we started out with
12 one site already committed and we wound up, in scheduling
13 sites, not to include that site, but purely by oversight, and
14 that's Detroit. We have as a new mayor the former chair of a
15 very supportive standing committee of the ABA, and we would
16 like to go to Detroit, and it's been suggested that we move
17 our July Washington meeting -- why we ever wanted to be in
18 Washington in July and August back to back I can't remember.

19 MR. McCALPIN: Not August.

20 CHAIR EAKELEY: Oh, I guess we're not meeting in
21 August.

22 MR. ASKEW: The reason we wanted to be here was for

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 the anniversary of the signing of the Legal Services
2 Corporation Act.

3 CHAIR EAKELEY: That's right. On the other hand,
4 we haven't gotten a commitment from the White House yet.

5 MS. BATTLE: Also, the Congressional Black Caucus
6 meets on the 14th, is what my notes show.

7 MS. MERCADO: Of September. You see, we're meeting
8 in Washington June 10 through 11, July 15 through 16 --

9 CHAIR EAKELEY: Congressional Black Caucus is
10 September 13 through the 16.

11 MS. BATTLE: That's right.

12 CHAIR EAKELEY: My inclination would be to try and
13 schedule the meeting -- we don't have a commitment. It could
14 be any time. I think if we're all invited to participate in
15 a national celebration of legal services on the South Lawn of
16 the White House, which is my dream, most of us would be
17 willing to drop everything and come down for that.

18 But since we don't have a date and it's unlikely
19 that we're going to lock the White House into our schedule;
20 rather, we're going to be asked to accommodate their
21 schedule, I would propose that we go ahead and try and meet
22 in Detroit in July. Is that all right with everyone? Then

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 that would be the July 15 and 16 meeting in Detroit.

2 Now, in the Provisions Committee meeting this
3 morning, when we were hearing from De Miller and Larry Lavin
4 and Briscoe Hardin, there was a suggestion that Board
5 participation would be welcome.

6 I would very much hope that staff participation
7 would be ongoing on these various working groups, but John
8 Broderick, for one, has expressed some interest in becoming
9 active in part of what's going on there, and I sort of
10 suggested to him that it would be helpful if he serve as one
11 of those Board members, as liaison on the national support
12 center and the uniting support initiatives.

13 That's not to exclude anyone else, but if there is
14 anyone else who would like to do that, I think we ought to
15 just make that assignment as we go forward now. I think that
16 it's important for people to just start plugging in at an
17 early enough stage, now that we've heard some of the exciting
18 work that's going on in the field and nationally.

19 So in any event, we can talk some more about it. I
20 just wanted to note that in addition to his -- this will
21 supplement and complement John's IG oversight
22 responsibilities.

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929

1 I think that is all that I had on my list of
2 miscellany. Does anyone else have anything more by way of
3 new or old business to add before we adjourn, hopefully
4 briefly, into executive session? Anything we forgot out
5 there, or anyone?

6 (No response.)

7 CHAIR EAKELEY: All right, I would entertain a
8 motion to go into executive session.

9 M O T I O N

10 MS. BATTLE: I so move, that we go into executive
11 session.

12 MS. FAIRBANKS-WILLIAMS: Second.

13 CHAIR EAKELEY: All those in favor.

14 (A chorus of ayes.)

15 CHAIR EAKELEY: Opposed?

16 (No response.)

17 CHAIR EAKELEY: All right. First act of executive
18 session is a five-minute break.

19 (Whereupon, at 4:42 p.m., the meeting was adjourned
20 to executive session.)

21 * * * * *

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929