

LEGAL SERVICES CORPORATION

BOARD OF DIRECTORS ANNUAL MEETING

OPEN SESSION

January 29, 1993

9:38 a.m.

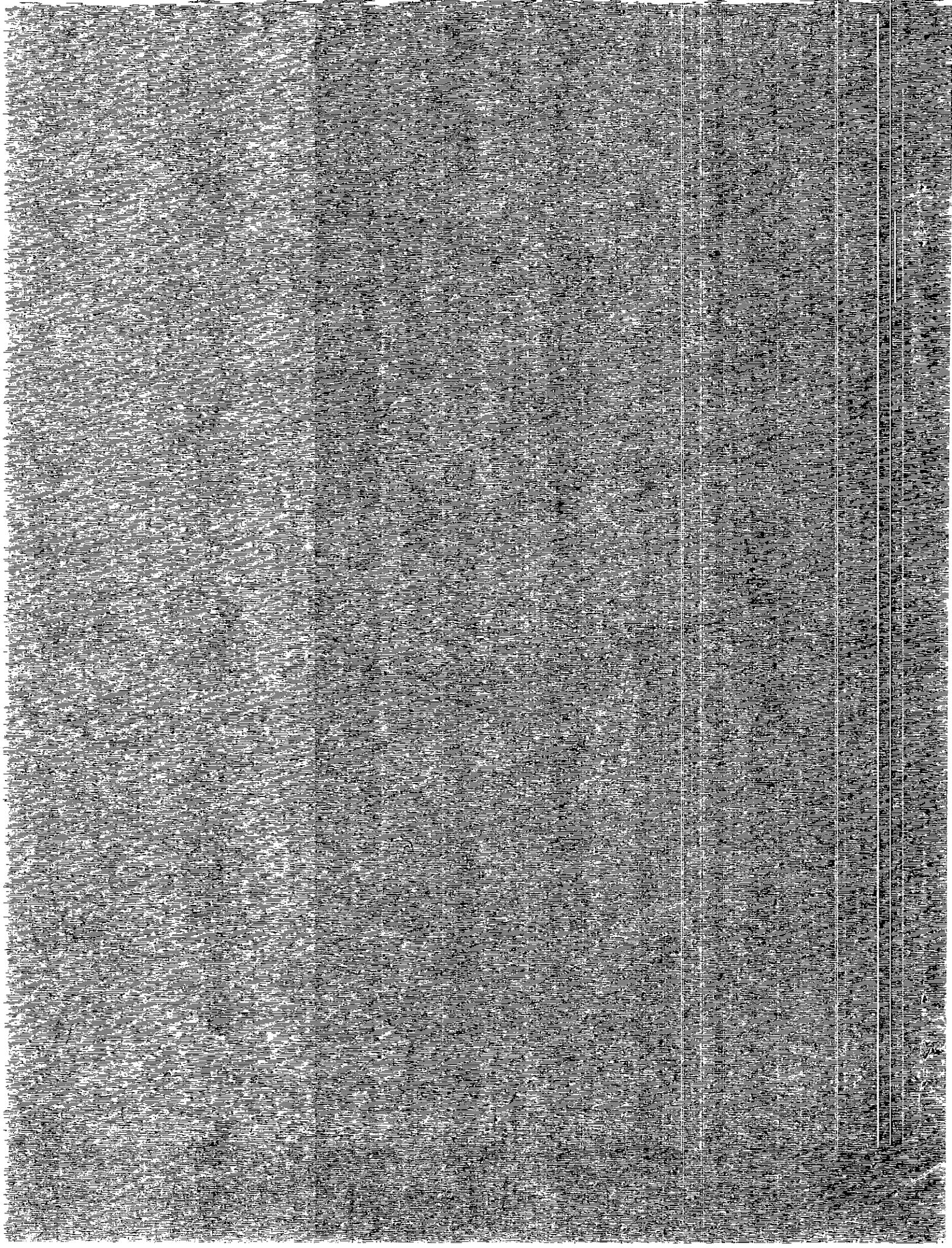
**The Legal Services Corporation
750 First Street, N.E.
Washington, D.C. 20002**

Diversified Reporting Services, Inc.

918 16TH STREET, N.W. SUITE 803

WASHINGTON, D.C. 20006

(202) 296-2929



BOARD MEMBERS PRESENT:

George W. Wittgraf, Chairman
Howard H. Dana, Jr.
J. Blakeley Hall
William L. Kirk, Jr.
Jo Betts Love
Guy V. Molinari
Thomas D. Rath
Norman D. Shumway
Basile J. Uddo
Jeanine E. Wolbeck

STAFF PRESENT:

John P. O'Hara, President
Emilia DiSanto, Acting Vice President
Patricia Batie, Secretary
David Richardson, Comptroller & Treasurer
Victor Fortuno, General Counsel
Edouard Quatrevaux, Inspector General
Ellen Smead, Director, Field Services
Kathy de Bettencourt
Susan Sparks, Acting Director
Monitoring, Audit and Compliance

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5, 6, 12, 68, 75, 120, 127

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P R O C E E D I N G S

(9:38 a.m.)

1
2
3 CHAIRMAN WITTGRAF: May I have your attention,
4 please? I'd like to call to order the regularly-scheduled
5 meeting of the Board of Directors of the Legal Services
6 Corporation, this being 9:30 a.m. or shortly thereafter on
7 January 29 of 1993.

8 Our Board members in attendance are Mr. Dana, Mr.
9 Shumway, Mr. Kirk, Ms. Love, Ms. Wolbeck, Mr. Hall, and Mr.
10 Uddo. Mr. Rath and Mr. Molinari will be joining us as the
11 morning progresses. It's my understanding that Ms. Pullen
12 will not be able to join us, but that 10 of the 11 Board
13 members should be here.

14 I'd like to welcome those who were present for the
15 meeting as staff members or as guests. Particularly for
16 those of you who are guests, if you have not had an
17 opportunity to meet any or all of the members of the Board
18 previously, please don't hesitate to take the opportunity to
19 do so as we take breaks or recesses during our deliberations
20 today.

21 All of the Board members should have -- and anyone
22 in the audience who's interested certainly should or can

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1 have -- a copy of the multi-meeting Board book -- the beige-
2 covered booklet before you.

3 The first couple of parts of that booklet have to
4 do with the agenda and the minutes of the committees which
5 met yesterday. The last portion of the book pertains to this
6 Board meeting. There is, at Page 18 and Page 19, a draft
7 agenda.

8 At this time, I would entertain a motion for the
9 adoption of the agenda as presented on Pages 18 and 19 of
10 that booklet.

11 M O T I O N

12 MR. SHUMWAY: So moved.

13 MS. LOVE: Second.

14 CHAIRMAN WITTGRAF: It's been moved by Mr. Shumway,
15 seconded by Ms. Love. Is there discussion?

16 (No response.)

17 CHAIRMAN WITTGRAF: Hearing none, those who are in
18 favor of adoption of the agenda as drafted will signify by
19 saying aye.

20 (Chorus of ayes.)

21 CHAIRMAN WITTGRAF: Those opposed, nay.

22 (No response.)

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1 CHAIRMAN WITTGRAF: The ayes appear to have it; the
2 ayes do have it. The minutes are approved.

3 The statutorily-required order of business at this
4 point is the election of officers for the Board, the election
5 of Chair and Vice Chair. For the purpose of the election of
6 Chair, I will turn the meeting over to Mr. Shumway at this
7 time and ask him to preside for that item of business.

8 Mr. Shumway?

9 MR. SHUMWAY: Agenda Item 3 is the election of
10 officers. First, we will elect a chairperson. And the Chair
11 will recognize nominations.

12 MR. HALL: Mr. Chairman?

13 MR. SHUMWAY: Mr. Hall?

14 MR. HALL: I would like to place in nomination the
15 name of George Wittgraf for chairperson.

16 MR. SHUMWAY: Mr. Hall has nominated George
17 Wittgraf. Is there a second?

18 MS. LOVE: Second.

19 MR. SHUMWAY: Seconded by Ms. Love. Are there
20 further nominations?

21 (No response.)

22 MR. SHUMWAY: Hearing none, the Chair will deem

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1 that nominations be closed.

2 All in favor of the election of Mr. Wittgraf, say
3 aye.

4 (Chorus of ayes.)

5 MR. SHUMWAY: Those opposed?

6 (No response.)

7 MR. SHUMWAY: The voting appears to be unanimous.

8 Next is the election of a vice chairperson. Are
9 there nominations?

10 MR. HALL: Mr. Chairman?

11 MR. SHUMWAY: Mr. Hall.

12 MR. HALL: I would nominate you as our vice
13 chairperson -- Norm Shumway.

14 MR. SHUMWAY: I hear no second.

15 (Laughter.)

16 MR. KIRK: I second it.

17 MR. SHUMWAY: Are there further nominations?

18 (No response.)

19 MR. SHUMWAY: Ominous silence.

20 There being no other nominations, the nominations
21 will be closed.

22 Those in favor of the nomination, please say aye.

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1 (Chorus of ayes.)

2 MR. SHUMWAY: Those opposed?

3 (No response.)

4 MR. SHUMWAY: The voting appears to be unanimous.
5 Mr. Chairman, I'll turn it back to you.

6 CHAIRMAN WITTGRAF: Thank you, Mr. Shumway.
7 Congratulations.

8 MR. SHUMWAY: Thank you. Same to you.

9 CHAIRMAN WITTGRAF: As we complete our journey
10 together, I suspect, over the next few months, I'll look
11 forward particularly to you joining me before your former
12 colleagues in the Senate and House Appropriations
13 Subcommittees, and trust that you'll be able to be very
14 persuasive with them on behalf of the needs of the Legal
15 Services community.

16 MR. SHUMWAY: I'll do my best.

17 CHAIRMAN WITTGRAF: Thank you. The next item of
18 business pertains to the Board's standing committees.

19 You'll recall that we have, during the past couple
20 of years, operated with four standing committees: Audit and
21 Appropriations; Provision for the Delivery of Legal Services,
22 referred to as "Provisions"; Operations and Regulations,

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1 referred to usually as "Operations"; and the Office of
2 Inspector General Oversight Committee. We've also had a
3 special committee -- that being concerned with
4 reauthorization legislation.

5 My suggestion this morning is that we forego, for
6 the time being at least, the creation of a Reauthorization
7 Committee, that we proceed with the four standing committees
8 with which we have been most familiar in the past, and which
9 have done the bulk of the Board's work over the last couple
10 of years -- Audit and Appropriations, Provisions, Operations,
11 and OIG Oversight.

12 At this time, for those of you who haven't met him,
13 let me introduce to you our distinguished colleague from the
14 great State of New Hampshire, Thomas D. Rath. Mr Rath, good
15 morning.

16 MR. HALL: It's cold outside.

17 CHAIRMAN WITTGRAF: Are you blushing with pride?

18 MR. RATH: It's just so nice to see such a
19 distinguished group.

20 CHAIRMAN WITTGRAF: Each one of these gatherings is
21 one of the few remaining, so enjoy the company of your
22 colleagues.

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1 Mr. Molinari has indicated that, while he continues
2 his service on the Board, he doesn't feel that he's able to
3 function actively as a member of any of the committees of the
4 Board. So if we have those four standing committees and if
5 each has five members, that's 20 slots, with each of the 10
6 Board members, then, serving on two of those four committees.

7 My suggestion is that the Audit and Appropriations
8 Committee be made up of Mr. Dana, Mr. Kirk, Mr. Rath, Mr.
9 Uddo as Chair, and Ms. Wolbeck; that the so-called Provisions
10 Committee be made up of Mr. Hall as Chair, Ms. Love, Mr.
11 Shumway, Mr. Wittgraf, and Ms. Wolbeck; that the Operations
12 and Regulations Committee be made up of Mr. Dana, Ms. Love,
13 Ms. Pullen, Mr. Rath as Chair, and Mr. Shumway; and, finally,
14 that the OIG Oversight Committee be made up of Mr. Hall, Mr.
15 Kirk as Chair, Ms. Pullen, Mr. Uddo, and Mr. Wittgraf.

16 As you prefer, we can act upon that recommendation
17 at this time or we can defer consideration until later in the
18 agenda, if you'd like to have an opportunity to consider it
19 more. I've tried to give most of you a chance to look at my
20 notes and have a sense of what my thinking is.

21 I'm prepared to either proceed to act on that
22 organizational recommendation or to defer until later in the

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1 meeting.

2 Mr. Dana?

3 M O T I O N

4 MR. DANA: I'd be happy to move it.

5 MR. SHUMWAY: I'll second.

6 CHAIRMAN WITTGRAF: It's been moved by Mr. Dana,
7 seconded by Mr. Shumway. Is there discussion?

8 (No response.)

9 CHAIRMAN WITTGRAF: Hearing none, those who are in
10 favor of the committee composition as recommended will
11 signify by saying aye.

12 (Chorus of ayes.)

13 CHAIRMAN WITTGRAF: Those opposed, nay.

14 (No response.)

15 CHAIRMAN WITTGRAF: The ayes appear to have it; the
16 ayes do have it. Those four standing committees are
17 constituted as proposed and, as far as the Chair is concerned
18 at least, unless you'd like further discussion, we'll simply
19 hold the matter of a so-called special Reauthorization
20 Committee or the constitution or any other special committees
21 until a later date.

22 Does anybody have any feeling otherwise?

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1 (No response.)

2 CHAIRMAN WITTGRAF: Hearing none, we'll proceed to
3 Agenda Item 6, that being a status report on the comparative
4 demonstration project or competition effort.

5 For that purpose, the Chair recognizes such of the
6 staff members as are prepared to report, and asks them, in so
7 doing, that they introduce themselves, both for the record
8 and for the assemblage.

9 The Chair understands, as well, that certain
10 members or representatives of the field will be participating
11 in the discussion and asks that they identify themselves as
12 well.

13 Ms. Smead?

14 MS. SMEAD: I'm Ellen Smead, and I'm the director
15 of the Office of Field Services, and I also am on the Staff
16 Committee that deals with competition and the comparative
17 demonstration project.

18 MS. de BETTENCOURT: I'm Kathleen de Bettencourt in
19 the Office of Field Services. I'm on the Staff Committee on
20 Competition.

21 MR. HOUSEMAN: I'm Alan Houseman. I'm director of
22 the Center for Law and Social Policy. I'm a member of the

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1 Advisory Group on the Comparative Demonstration Project, and
2 I'm here speaking on their behalf.

3 CHAIRMAN WITTGRAF: Ladies, gentlemen, thank you.
4 Ms. Smead?

5 MS. SMEAD: Thank you. We're going to be giving a
6 brief update on what's happening and what agreements we've
7 reached and what things we still need to do.

8 Most importantly, we held a meeting earlier this
9 month -- that being the Staff Committee and the Advisory
10 Committee -- at the beginning of January, and fleshed out
11 several issues, and there are ongoing discussions.

12 The most important thing to come out of that
13 meeting -- or one of the most important things to come out of
14 that meeting -- was that Kathy de Bettencourt was named
15 project manager for this project, and she will be handling
16 the day-to-day aspects of the project itself, and serving
17 as the coordinator.

18 With that, I'm going to turn it over to her so that
19 she can explain to you what the day-to-day activities are.

20 CHAIRMAN WITTGRAF: Ms. de Bettencourt.

21 MS. de BETTENCOURT: We met, as Ellen has said, on
22 January 6 with the Advisory Group, to discuss several issues

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1 that had been raised.

2 The first was that several members of the Advisory
3 Group -- and I'll let Alan speak to that in just a moment --
4 brought to our attention that, in various meetings with the
5 field, the NLADA convention, and some other meetings with
6 various program directors, that several program directors and
7 others had expressed the opinion that the performance
8 criteria that were developing in the demonstration project
9 might have a use for other things.

10 And, you know, if we do find that and refine the
11 performance criteria so that they are recognized as a
12 valuable way to measure performance, then the executive
13 directors and program directors in the field expressed the
14 desire, at this stage, to be able to have comment.

15 In other words, they had received a copy of the
16 performance criteria as a part of the solicitation, and the
17 annual meeting in Minneapolis was set up as a forum so that
18 there could be discussion of the criteria, but there had
19 never been a general mailing to the field and a request for
20 comment.

21 And we agreed. This mailing will hopefully go out
22 today with a letter, a joint letter from the LSC Attorney

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1 General and the Corporation, requesting comment.

2 Do you want to add something?

3 MR. HOUSEMAN: I'm not sure there's anything much
4 to add. Just so everybody's clear, though, the
5 solicitation -- the criteria that were used in the
6 solicitation have changed, not in major ways, but there have
7 been several different additions and some added factors to
8 them.

9 in Minneapolis, the criteria at that time were
10 handed out right at the beginning of the work session so that
11 nobody really had a chance to reflect on this, so that the
12 concern that was raised with me and others at the NLADA
13 convention in Toronto was that field programs had not had a
14 real opportunity to review the actual criteria that were
15 going to be the applicable criteria for this project, and
16 that they felt it was important, at this stage of the
17 project, to review it and get input.

18 A number of people made that comment to me.
19 Several of the SCLAID members made the comment to me, both
20 privately and publicly, and there were others. Dee and I and
21 a bunch of others were contacted at NLADA.

22 So the concern that we expressed by the Advisory

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1 Group members, other Advisory Group members -- Ramon, John,
2 and others were contacted as well -- was to try to put in
3 place some kind of a process that would do that.

4 MS. de BETTENCOURT: We decided that we could send
5 the criteria out for comment, at the same time that we
6 continue to proceed with development of all training
7 materials and other materials needed, and incorporate any
8 changes that are made after they come in.

9 In other words, we would proceed on a two-track
10 basis so that we could not delay development of the rest of
11 the project. And I think it will increase the acceptance of
12 whatever we learn from this project.

13 The other issue that was raised at the January 6
14 meeting was that we have four clusters of programs that will
15 be competing for a cash prize. However, it will be difficult
16 to assess how much change or how much improvement or lack of
17 improvement is due to the effect of a competition for cash
18 prize if you don't compare that to something else.

19 So we decided to compare the performance that we
20 observed in a fifth cluster, or comparison group, so that we
21 can see what happens when you have programs that are being
22 observed without competition and programs that are being

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1 observed who are competing, and that way you can have some
2 method of comparing what would happen.

3 CHAIRMAN WITTGRAF: Ms. de Bettencourt?

4 MS. de BETTENCOURT: Yes.

5 CHAIRMAN WITTGRAF: Maybe you could elaborate a
6 little bit upon who will be involved in that group and how it
7 will be selected and whether or not they'll even know that
8 they're --

9 MS. de BETTENCOURT: They've been observed?

10 CHAIRMAN WITTGRAF: Yes. Whether it's a two-way
11 mirror or a one-way mirror.

12 MS. de BETTENCOURT: No, we're just going to visit.
13 No. We decided that the best way to select the participants
14 within a fifth cluster, given the confines of budget and
15 time, would be to solicit from among those who indicated a
16 willingness to participate at the first level and to do a
17 lottery again and select four more participants.

18 Now, for ease of evaluation, we decided to pick two
19 programs that have -- actually, all four of the programs in
20 the fifth cluster will be from those two lottery groups that
21 had small service areas, so that, you know, it's just
22 logistically easier to evaluate those programs.

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1 However, we will select two programs with small
2 budget size and two programs from the large budget size.
3 It's not a perfect demonstration in a social science sense,
4 but it will give us some means of comparison.

5 CHAIRMAN WITTGRAF: Thank you. Mr. Kirk?

6 MR. KIRK: So this is kind of like the group that
7 takes the placebo?

8 MS. de BETTENCOURT: Yes.

9 MR. KIRK: I guess I'm having some difficulty in
10 understanding what we're going to gain from that. I mean, to
11 me it's pretty obvious that hey, if somebody thinks they're
12 being observed, then they probably will do better. But I
13 think, with time, that's going to, "Oh, God, it's another
14 monitoring team," or something like that. I just don't
15 understand the purpose of it.

16 MR. HOUSEMAN: Well, put in simple terms, the
17 purpose is how do we know that incentive competition was the
18 factor that made the difference, as opposed to the fact that
19 we did evaluations based on performance measures?

20 So that the theory is that we will learn more about
21 whether competition and incentive funding made a difference
22 if some programs are competing and others are not but they

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1 are otherwise going through the same evaluation with the same
2 performance measures.

3 There's no way you can weed out all the factors, as
4 you suggest. But the question is -- if we get to the end of
5 this, the question is -- "Well, what did you learn?" "Well,
6 we learned that, you know, competition made some difference."
7 "How do you know that, because you weren't comparing it to
8 anybody that wasn't competing?" That's the bottom line on
9 this.

10 MR. KIRK: Just my last comment is that I expect
11 that you're going to see a similar improvement in the other
12 group. I don't think the placebo group can really be
13 compared unless you do it for like five years and they say,
14 "Gee, I'm just tired of this," because I think anybody on a
15 one-year deal will probably do it.

16 So I'm expecting you won't see that great a
17 difference. But I would suspect that, after five years of
18 just being monitored or whatever -- we don't want to use that
19 word, but whatever word we do use -- that maybe it would drag
20 off a little here.

21 MR. HOUSEMAN: You may be right. But I still think
22 two things.

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1 One, I think you have to have some way of saying
2 that competition made a difference, or at least to look at
3 that to see if behavior was any different. So that's the
4 substantive response.

5 The process response is this issue was raised in
6 Minneapolis by, I think, all three of the groups, and pressed
7 upon us there. So the genesis of this idea started a while
8 back, and it started at Minneapolis from the process that
9 you-all put in place there, just in terms of process.

10 CHAIRMAN WITTGRAF: Mr. Shumway.

11 MR. SHUMWAY: Why wouldn't it be advantageous to
12 select the fifth group tacitly, without making a public
13 competition out of it and, therefore, the results might be
14 more objective as we use them for comparison purposes?

15 MR. HOUSEMAN: That's clearly one way to go. I
16 think the concern was that we didn't want the logistics of
17 the selection process to, you know, sort of slow things down;
18 and there were already programs that had indicated an
19 interest. There were boards that indicated an interest.
20 "Let's try to work with existing programs that had indicated
21 an interest." I mean, it was a much more practical kind of
22 concern.

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1 MR. SHUMWAY: But in terms of timing, I would think
2 that the fastest way would be for us to simply identify
3 similar programs and use them as the criteria.

4 MR. HOUSEMAN: Well, first you have to get some
5 cooperation from the programs, because you're going to come
6 in with a team and evaluate based on a set of criteria and
7 you're going to come back and evaluate based on a set of
8 criteria, and this is going to be somewhat disruptive and a
9 problem to the programs.

10 So there's that practical aspect of just sort of
11 randomly choosing four programs from those kind of clusters.
12 You may have some difficulty in cooperation.

13 Here, you had people already agreed that they were
14 willing to participate and their Boards had already agreed,
15 and it just seemed that was my understanding of the basis.
16 There was certainly not a strong feeling on the working group
17 that one way or the other was better or worse. We were
18 looking at practical implications.

19 CHAIRMAN WITTGRAF: Mr. Dana?

20 MR. DANA: My understanding of the inducement for
21 some of the people to participate is that every program that
22 participated was going to get something to start with,

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1 because they would have to, among other things, institute
2 measurement systems which they might not have.

3 Will the placebo programs get that initial payment?

4 MR. HOUSEMAN: Yes.

5 MR. DANA: So that they will have that -- that will
6 be their inducement for playing?

7 MS. de BETTENCOURT: Right.

8 MR. DANA: They won't get a reward if they win?

9 MS. de BETTENCOURT: No.

10 MR. DANA: Thank you.

11 CHAIRMAN WITTGRAF: Mr. Kirk.

12 MR. KIRK: Since the competition was sort of my
13 pusher, just to go over historically what's occurred so that
14 we all understand, you know, my concept of competition was
15 not just to have a carrot, but to have a stick as well. It
16 evolved into a prize situation and, you know, I understand
17 that's what's happened.

18 But to say that I'm the only person that thinks
19 that reviews and evaluations are going to be effective is --
20 I'm not the only one. And there are other people out there
21 that think just the process of being reviewed and having
22 people look at you, itself would improve performance without

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1 the carrot or the stick.

2 I think that is the fourth aspect that's being
3 thrown into what was -- and I'm not objecting -- I'm just
4 saying it was initially something more simple than that.

5 So we no longer have the stick, we have the carrot.
6 And now we have the carrot versus just the fact of
7 evaluation. And I think that I agree that the people are
8 going to respond just to being evaluated, but my concern is
9 that it may only be a short-term response and, long-term, it
10 may not be there.

11 But I just wanted to say that so that people
12 understood where we were and how I evaluated it.

13 CHAIRMAN WITTGRAF: Ms. de Bettencourt.

14 MS. de BETTENCOURT: One other item that we
15 discussed and decided at the January 6 meeting was that we
16 added a test site.

17 We were going to have the training of the peer
18 reviewers based on the performance criteria that we've
19 developed and then, you know, I think as one members says, to
20 protect our investment, we're going to send a team of peer
21 reviewers out to a program just to see if the training and
22 the materials work -- in other words, if the process works --

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1 so that we can refine the process, the measurement process,
2 before we send 20 peer reviewers out to, you know, 20
3 programs.

4 So we are still negotiating what the test site will
5 be. But we have one particular test site in mind. But if,
6 for some reason, they decide not to do it, we will solicit a
7 volunteer from among those that have indicated a willingness.

8 CHAIRMAN WITTGRAF: Can we assume that the
9 timetable we've discussed previously remains in place, even
10 with the addition of the fifth group as the base or placebo
11 group?

12 MS. de BETTENCOURT: Yes. We will visit that fifth
13 group at the same time that we're visiting the other four
14 clusters. So that will not add time. They will just be
15 scheduled within the peer review period.

16 Tentatively, we hope to finish all design issues
17 within the next few weeks. Then we will begin developing
18 training materials in March. Peer review training and the
19 test sites are scheduled in April and May and then, in
20 approximately late May and through the summer, we will be
21 visiting the programs for the on-site visits.

22 CHAIRMAN WITTGRAF: Further discussion?

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1 (No response.)

2 CHAIRMAN WITTGRAF: Thank you to all three of you.
3 I think we, as Board members, very much appreciate periodic
4 reports on the status of this, and we'll look forward to them
5 in the future.

6 Regardless of whether it's this Board or another
7 Board, I would like to think -- and I think most of my
8 colleagues do -- that this effort has a lot to do with
9 building broad-based congressional support to facilitate
10 reauthorization and increased funding in the future.

11 And I think we, and anybody who succeeds us,
12 continue to view this effort as very important. Thank you.

13 At this time, the Chair is pleased to recognize two
14 guests who appeared before the Audit and Appropriations
15 Committee meeting yesterday and who would like to appear
16 before the whole Board at this time to make brief
17 presentations regarding funding for law school clinical
18 programs.

19 If Professors Berger and Cole would come forward
20 and introduce themselves again, we'd be most appreciative.

21 Good morning.

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1 PRESENTATION OF CURTIS BERGER, PRESIDENT,
2 ASSOCIATION OF AMERICAN LAW SCHOOLS AND
3 LIZ RYAN COLE, PRESIDENT, CLINICAL LEGAL EDUCATION
4 ASSOCIATION

5 MR. BERGER: Good morning, Mr. Wittgraf and members
6 of the Board. Thank you for having us here this morning.

7 I am Curtis Berger. I'm the Wein Professor of Law
8 at Columbia Law School and I am the incumbent president of
9 the Association of American Law Schools.

10 MS. COLE: I'm Liz Ryan Cole. I think only Mr.
11 Rath wasn't here yesterday. I teach at Vermont Law School
12 and I'm the president of the Clinical Legal Education
13 Association. And we promise to be brief.

14 CHAIRMAN WITTGRAF: Let me say before you begin --
15 and I don't, by so doing, mean to cut into your time at
16 all -- that, while the Audit and Appropriations Committee was
17 not overly receptive to your request yesterday to reconsider
18 and to reauthorize future funding for fiscal year '94 and
19 beyond for Legal Services Corporation monies for law school
20 clinical programs, you did help us focus upon an important
21 matter.

22 That was some uncertainty that had remained within

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1 the Corporation between Board and staff over the utilization
2 of fiscal year '93 monies -- \$1.2 million -- for law school
3 clinical programs. Because we had -- at Board meetings in
4 October and December as well as a committee meeting in
5 November -- some discussion about seeking supplemental
6 appropriation or revised appropriation from the Congress, the
7 staff was uncertain.

8 But I think it's clear now, in light of yesterday's
9 discussion with you, and then internally among ourselves,
10 that, as quickly as possible, President O'Hara, Ms. Smead,
11 director of the Office of Field Services and their staffs,
12 will put a solicitation out for proposals for law school
13 grant applications for what will be your coming academic
14 year -- the '93-94 academic year -- utilizing the fiscal year
15 '93 money.

16 So those monies will be spent in that way, and the
17 staff will move forward expeditiously to that end. So we do
18 thank you for having helped us focus clearly upon some
19 uncertainty that had remained in our own minds.

20 Thank you.

21 MR. BERGER: Thank you, Mr. Wittgraf. We're very
22 pleased to hear that.

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1 Yesterday, at the conclusion of the meeting of the
2 Audit Committee, Mr. Dana invited us to take an appeal to the
3 full Board.

4 CHAIRMAN WITTGRAF: Mr. Dana is obsessed with this
5 notion of appeals. I don't quite understand why.

6 (Laughter.)

7 MR. BERGER: Yes.

8 CHAIRMAN WITTGRAF: He may be more obsessed with
9 that notion than the rest of us.

10 MR. BERGER: Yes, I understand that. And he,
11 probably better than any of us, understands that there is no
12 more forlorn position for a petitioner to be in than to be
13 seeking appeal from a denial of a motion to reconsider.

14 CHAIRMAN WITTGRAF: One more forlorn thing, maybe:
15 perhaps having to go from an advocate to a judge and having
16 to go from verbalization to contemplation. Some of us are
17 anxious to see how that evolution will proceed as well.
18 Hopefully not too forlornly.

19 (Laughter.)

20 MR. BERGER: We're not going to rehearse our
21 argument yesterday. I would like to make one point or make
22 it somewhat differently this morning from the way in which I

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1 tried to make it yesterday.

2 I would like you to think about the importance of
3 the law school clinical program somewhat differently from the
4 way in which I think many or most of you now regard that
5 program.

6 I full share your priority in spending money for
7 the delivery of legal services. And, to the extent that you
8 regard the clinical programs not as delivery programs, but as
9 educational programs which could be funded just as well by
10 the Department of Education, I want to underline the
11 importance of the delivery aspect of these programs and,
12 perhaps, in a way that you haven't considered it.

13 Every year, for the last seven or eight years, the
14 Corporation has funded roughly eight or ten new clinical
15 programs. When you think about the way in which a new
16 clinical program comes into being at a law school, it often
17 happens something like this -- and I'll use the Yale
18 experience.

19 I don't know if this is what happened at Yale, but
20 I bet it's not too far from the mark. Some students at Yale,
21 a clinical director at Yale, had this great idea. They
22 wanted to start a clinic whose clients would be HIV-positive

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1 persons.

2 And they go to the dean -- Dean Calabrese -- and
3 they say, "Guido, we would like to start this clinic." And
4 Calabrese says "What is it going to cost?" And they say
5 "\$150,000 the first year."

6 And Calabrese says, "Well, \$150,000 will buy us a
7 new commercial law instructor or two or three more faculty
8 secretaries or computers for every faculty member's offices.
9 I have to make choices. I'll tell you what I'll do. If you
10 can raise \$75,000 from the Legal Services Corporation, we'll
11 contribute the balance."

12 An application is made, and it's an intriguing
13 idea, and your Corporation approves the grant and the clinic
14 gets underway. It operates for a year or two and, at that
15 point, LSC cuts off the funding.

16 Yesterday, Professor Uddo said that he doesn't know
17 of any clinic originally funded by LSC that hasn't remained
18 in service after the funding ends. Well, I think that's
19 probably wrong. In fact, I know that's wrong.

20 But many clinics do remain operative after the
21 funding comes to an end, and the law school steps in and says
22 "This has been a great clinic; it's providing valuable

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1 services; and we believe now that it's appropriate for us to
2 make up the difference."

3 Now, there are probably -- and I think it would be
4 valuable to make this study -- there are probably 30 to 40
5 clinics operating in American law schools today that were
6 originally funded by LSC seed monies and are now funded
7 entirely by school monies or by monies from other sources.

8 Those 35 or 40 clinics -- and I'm saying 35 or 45 a
9 year for seven or eight years -- are providing legal services
10 to the poor, representing thousands of clients every year,
11 without a nickel of LSC money going into those programs.

12 So to the extent that this program seeds those
13 clinics, which then sprout and grow and continue to furnish
14 legal services after the funding ends, I think that this is
15 an important and valuable program.

16 CHAIRMAN WITTGRAF: Thank you, Professor Berger.
17 Professor Cole?

18 MS. COLE: I was trying to imagine sitting on the
19 other side of the table. And it would be very natural for
20 the Board to think that we're coming saying "You're taking
21 our money away; please give us our share."

22 But I'd like to suggest that you should think about

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1 this as a win-win or a lose-lose situation. If you continue
2 to fund clinics -- if you keep them in the '94 budget line or
3 beyond -- you will be benefitting the clients who you are
4 here to serve and you will be furthering the relationship
5 between law schools and clinics.

6 If you cut the money out, you will be damaging the
7 clients you are here to serve if, in fact, the information
8 you need to gather -- and, as I said yesterday, I don't
9 believe you have sufficient information yet -- if the
10 information supports my premise that the clinics are
11 providing an effective alternative way to address some of the
12 legal needs of the poor.

13 So I'm going to ask you a question and leave you
14 with an offer:

15 The question is, for each member of the board, is
16 there any information that we could provide you as
17 individuals that would persuade you, or might be inclined to
18 persuade you, that it's important to keep a line item in the
19 budget for clinics?

20 I don't know if I can answer any questions you have
21 now, but I would ask you to think about that, because it may
22 be that there is no way that this Board or any member of the

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1 Board would ever support a line item for clinics, in which
2 case -- I think about my father -- you wouldn't want to be
3 confused with the facts. I'm not sure that's the situation.
4 But if there are facts we can provide you --

5 CHAIRMAN WITTGRAF: The history of our actions
6 would suggest otherwise.

7 MS. COLE: Exactly. So my offer is, if gathering
8 more information or creating a study would be helpful, I'm
9 confident that there are people in the world of Clinical
10 Legal Education who would like very much to work with people
11 in the field and people in the Corporation to gather
12 information and to put together a proposal that would serve
13 the clients Legal Services Corporation is here to serve.

14 MR. DANA: Mr. Chairman?

15 CHAIRMAN WITTGRAF: Mr. Dana.

16 MR. DANA: My position on this issue is not likely
17 to change in the near term. But the point that Professor
18 Berger just made, I think, is an interesting one.

19 I believe we've asked our staff if they had it
20 within their knowledge to determine the extent to which our
21 funding in prior years has stuck, and I don't think we have
22 that information, because it would require reports from

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1 grantees after they ceased to be grantees.

2 It does seem to me that, if a case could be made
3 that Clinical Legal Education slots have remained at
4 institutions after our money was withdrawn and no other
5 money, other than their own money, or no other federal money
6 took its place, that that would be a powerful incentive for
7 the point he was making, and it might well move Congress
8 and/or this Board or its successors to reinstate this
9 program, really, to accomplish the seeding of the idea, as
10 opposed to sustaining it.

11 CHAIRMAN WITTGRAF: Mr. Hall.

12 MR. HALL: Mr. Chairman, another goal of the
13 clinics has been our hopes that the students who have gone
14 through them will continue on in poverty law. And that may
15 be a difficult thing to find out. It seems to be perhaps the
16 only goal that the clinics haven't met, at least from what
17 the staff has told us.

18 I don't know if there's any way to find that out or
19 not. LSC-funded clinical programs, since '87, seems to apply
20 to about 1,000 students. I don't know if you would identify
21 those 1,000 and call them and see where they are. I don't
22 know how you'd go about doing that. If there's any

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1 information on it, that might be something that would be
2 helpful.

3 CHAIRMAN WITTGRAF: Mr. Rath.

4 MR. RATH: Mr. Chairman, I was not at the Audit and
5 Appropriations meeting -- a luxury which, I gather, will no
6 longer be accorded me. Do I understand correctly it is the
7 posture that whatever '93 dollars were in there for the next
8 academic year, on the basis of your comment, remain?

9 CHAIRMAN WITTGRAF: Yes.

10 MR. RATH: And the issue is a prospective issue as
11 the '94 dollars?

12 CHAIRMAN WITTGRAF: Yes. Our recommendation to the
13 Congress --

14 MR. RATH: The chairman is saying no, or the
15 committee is saying no?

16 CHAIRMAN WITTGRAF: The only action at the moment
17 taken by the Board regarding these monies is for fiscal year
18 1994. The elimination of such a line item from the Audit and
19 Appropriations Committee recommended budget mark, the fiscal
20 '93 line item of some \$1.2 million, is in place and exists,
21 and a solicitation for requests for grant proposals will be
22 made momentarily, as I indicated earlier.

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1 Mr. Dana.

2 MR. DANA: But, Mr. Chairman, at the last meeting
3 we voted to go to Congress promptly and seek their permission
4 to use those monies for something else this year. In effect,
5 the money is this-year money, but it's spent for the next
6 fiscal year, so that we have voted to seek congressional
7 authorization to de-appropriate -- or I forget the right
8 word --

9 MR. UDDO: Reprogram.

10 MR. DANA: -- reprogram \$1.2 million. And that, I
11 think, is what the witnesses are asking us to reconsider, in
12 part.

13 MR. RATH: I need to stipulate to some degree of
14 confusion.

15 CHAIRMAN WITTGRAF: There is a contradiction there,
16 but I think the reality is that, because as each day passes,
17 realizing what the Congress said the monies are to be spent
18 on -- and Mr. Dana has often lectured us on the significance
19 of the congressional line items, and I would recall his
20 attention to that fact at this time -- that we need to move
21 forward. And, especially as Professor Berger and Professor
22 Cole indicated yesterday, time is a 'wastin'.

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1 We do need to go out, at the time we're looking to
2 the Congress for either reprogramming or supplemental
3 appropriation help -- reprogramming would be inconsistent
4 with the utilization of those monies in that way. But I
5 don't think we're in a position not to move forward in light
6 of the congressional action taken in the appropriation for
7 fiscal year '93.

8 Mr. Dana.

9 MR. DANA: The chairman is absolutely correct,
10 because we don't know whether Congress will accede to our
11 request in the short term to permit that reprogramming, but
12 it was our objective or our vote, basically, to ask Congress
13 to reprogram these funds in the next two or three months.

14 And if we're not successful in getting an
15 affirmative vote out of Congress in the short term, the
16 chairman is correct. We should undertake to carry out the
17 Congress's directive and launch this program as we have in
18 the past.

19 But we are proceeding on two tracks, and if
20 Congress speaks to our request before we have to issue those
21 grants, we won't issue the grants.

22 CHAIRMAN WITTGRAF: Mr. Rath.

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1 MR. RATH: Just so I can understand, again -- so
2 that what we're asking the prospective grantees to do, in
3 effect, is to apply conditionally. In other words, if the
4 request for deprogramming is not acted upon in a timely
5 fashion, there is nothing that we would do unilaterally to
6 prohibit them from going forward with these programs.

7 MR. DANA: No. And I think we have an obligation,
8 and I think, within the next two weeks, we will be issuing
9 requests for proposals from schools that normally this is
10 about the time we would normally have done it, or maybe that
11 time has passed.

12 But it's about this time that we normally put those
13 out, and schools make application -- in some cases, many of
14 them -- and sometime in May, typically, a few of them hear
15 positively and, therefore, have enough time to secure faculty
16 for the program the following year.

17 Until May, no one knows they're going to get
18 anything, but they know that there's a program.

19 MR. RATH: When will we know -- if I could, Mr.
20 Chairman -- from the Congress, "yea," "nay," or "maybe" about
21 what we are supposed to tell these schools?

22 MR. DANA: Well, my understanding is that the staff

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1 has made a tentative approach to the staff of the House
2 committee that would deal with this matter, has not made a
3 similar approach to the Senate, but they would have to move
4 with some dispatch in order to accomplish that this year.

5 And when we will know -- in the order of things,
6 you either hear nothing or you get some indication that maybe
7 it will happen. But we haven't heard anything yet.

8 CHAIRMAN WITTGRAF: Before I recognize Mr. Kirk and
9 go back to Mr. Rath, let me leaven Mr. Dana's comments with
10 one of my own.

11 And that is that the staff we're talking about, of
12 course, is for the House Appropriations Subcommittee chaired
13 by Congressman Smith, who initiated this effort in fiscal
14 year '84 or '85, who also has been one of the prime movers
15 behind the now nearly \$10 million spent through the
16 Department of Education.

17 I don't happen to think it's going to happen --
18 that this deprogramming or reprogramming is going to happen
19 at all. So again, I feel it would be irresponsible not to
20 move forward.

21 Mr. Kirk?

22 MR. KIRK: Isn't there a third alternative? And

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1 that is that we can decide this money really needs to go into
2 another line, and ignore that?

3 MR. DANA: No.

4 MR. UDDO: For '94.

5 CHAIRMAN WITTGRAF: Mr. Dana.

6 MR. DANA: Yes. My understanding is -- and we can
7 seek guidance from general counsel -- but my understanding is
8 that that is a congressional line. And to wipe out a
9 congressional line, which is what we'd be doing, requires
10 congressional consent.

11 Otherwise, we have to go forward and spend the
12 money on what we asked them for it for and what they gave us
13 the money to do.

14 CHAIRMAN WITTGRAF: Mr. Kirk.

15 MR. KIRK: May I go ahead and respond to the
16 Professor's question?

17 CHAIRMAN WITTGRAF: Sure.

18 MR. KIRK: I didn't mention this yesterday, but I
19 think that we look at the law school clinic program and we
20 say, "What does it do? It serves poor people."

21 Even with matching funds, it's my gut feeling, and
22 I think the feeling of a lot of people in the field, that we

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1 get less bang for the buck through a law school program than
2 we do if we gave the money to a field program and let them
3 hire a couple lawyers to do it. I don't know that that's an
4 incorrect assumption. I believe it is correct.

5 The second is that it's good experience and
6 training for the young law student. And I debated that a bit
7 with Professor Berger. But if we assume that's true, that's
8 really not our obligation. Our obligation is to help the
9 poverty population of the United States.

10 The third thing seems to be that you're going to
11 expose the law student to poverty law and you're going to get
12 more people interested in it.

13 Mr. Hall says we don't know if that's true, and I
14 would respond that I'm not moved by it, mainly because we're
15 cranking out so many lawyers I think that it's a matter of
16 communication in letting them know about the jobs that are
17 here, rather than going to the expense of exposing them in
18 this manner.

19 So I'm not trying to create a debate. I'm just
20 saying that's my position and, no, I am not likely to change.
21 But I did want to share those views with you.

22 CHAIRMAN WITTGRAF: Further discussion?

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1 (No response.)

2 CHAIRMAN WITTGRAF: Professor Berger, responding to
3 your point -- which, for me, at least, was telling -- the
4 notion of having been the catalyst with Legal Services
5 Corporation monies in creating some clinical programs, and
6 the need perhaps at the law schools, where such programs
7 still have not evolved or been developed to be available to
8 plant the seed for those programs -- even if we have a budget
9 with no line item for Legal Services clinical, and even if
10 Congressman Smith accedes to that notion -- which, in my
11 mind, is questionable, anyway -- and that may be the more
12 relevant court of appeals, is the House Appropriations
13 Committee and its chair.

14 But even if that happens, the Corporation usually
15 has some monies for what we had the last couple of years,
16 often referred to as "innovative and meritorious grants." If
17 you look at the proposal adopted by the Audit and
18 Appropriations Committee of the Board yesterday, it happens
19 to include \$500,000 -- half a million dollars -- for Board
20 initiatives. And this could involve this sort of thing.

21 I guess, as one Board member, I'm looking toward,
22 now, a rifle rather than a shotgun approach. And if it would

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1 make the difference between starting a program or not
2 starting a program at Law School X, then I would think it
3 significant.

4 In this regard, I also wonder whether or not the
5 nearly \$10 million available through the Department of
6 Education could not also be used to seed such a program,
7 rather than Legal Services Corporation monies.

8 I don't know that either of you happen to have the
9 answer to that. But that continues to be a question in my
10 mind: are we really the source of last resort or aren't
11 those monies possibly available through the Department of
12 Education, especially with the substantial increases that the
13 Congress has been giving to that line item in the Department
14 of Education budget?

15 Professor?

16 MR. BERGER: With respect to the rifle rather than
17 the shotgun, or blunderbuss, is there some way for law
18 schools to learn about these discretionary monies that are
19 available for innovative programs?

20 CHAIRMAN WITTGRAF: I think that's probably going
21 to await congressional action on the fiscal year '94 budget
22 and our dealing with that.

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1 Unfortunately, there is a possibility, I suppose,
2 that the Congress could give us neither law school monies nor
3 Board initiative or Board flexible monies, in which case
4 there would be no purpose in saying anything to anyone.

5 I think the answer to your question awaits
6 congressional action.

7 MR. BERGER: With respect to the large monies that
8 the Department of Education now has to spend on law school
9 clinics 00 notwithstanding the enormous increase in those
10 funds from roughly \$1 million 10 years ago to \$8-or-9 million
11 today -- I noticed in your December, 1992 report that the
12 Department of Education today is able to fund only about half
13 of the grant applications that are made to it.

14 So there is still out there, notwithstanding that
15 funding, an enormous unmet demand. And the Department of
16 Education programs are not, as your program is, targeted for
17 the delivery of legal services to the poor.

18 CHAIRMAN WITTGRAF: And that's certainly an
19 important point. I would be curious to know, going back to
20 Professor Cole's offer, what clinical programs --
21 particularly those that are geared toward legal services for
22 the poor -- have been started with incubatory funds from the

1 Legal Services Corporation, if you're able to tell us that
2 and what, if any, need exists, or if you're able to determine
3 in any way what schools haven't developed clinical programs
4 particularly geared toward legal services for the poor, and
5 are contemplating, or might be doing so in the future.

6 The number of law schools is roughly static. The
7 number of law students is dynamic, but I guess the number of
8 law schools is roughly static. So is it not possible to get
9 something of a handle on the schools that don't yet have
10 clinical programs, those that might be looking at them, and
11 what the need is, what the potential is -- keeping in mind,
12 as Professor Berger suggests, particularly, legal services
13 through clinical programs for the poor, and not broadly?

14 MR. BERGER: Well, I'm sure that together the
15 Clinical Legal Education Association and the Association of
16 American Law Schools will try to put together as much
17 information as we can that would be helpful to the
18 Corporation.

19 CHAIRMAN WITTGRAF: I think it would be helpful to
20 us, to any successor Board, and it may particularly be
21 helpful as well to the House and Senate Appropriations
22 Committee members and their staffs, to know that. Because I

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1 think this reflects a noble undertaking, a good purpose. But
2 I don't know that there's very much information.

3 Just as Professor Cole has cited some of the
4 shortcomings perhaps in the study that was done hurriedly for
5 us as a Board, there is an absence of data; and, to answer
6 your question, Professor Cole, of how can you help or what
7 can you give us -- that kind of data, I think, would help us
8 and would help the people on the Hill.

9 MR. BERGER: Thank you.

10 CHAIRMAN WITTGRAF: Mr. Uddo.

11 MR. UDDO: Mr. Chairman, I think in light of Mr.
12 Dana's explanation of what action we took on the '93 funds,
13 the RFP ought to indicate that that is a possibility, that
14 the grants might not be available if Congress reprograms the
15 money.

16 CHAIRMAN WITTGRAF: Thank you, Mr. Uddo. Mr. Dana.

17 MR. DANA: Yes. Some wise person has suggested to
18 me that if we do go forward with this RFP, as we should, and
19 if we get to the point where we're actually making awards, we
20 might want to consider skewing the awards to those law
21 schools that are in areas where the poverty population has
22 grown significantly, so as to help with equalization. It

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1 seems to me that is an excellent suggestion.

2 CHAIRMAN WITTGRAF: And I think Ms. Smead heard you
3 make that comment.

4 Professor Cole.

5 MS. COLE: Let me just say we will work together to
6 try and gather that information on the short term. It will
7 take a little while, because information on clinics is not
8 easy to gather; but we can get some preliminary information.

9 I did want to say, though, that even in the law
10 schools where they haven't continued the clinics, you can
11 feel that your dollars were well-spent, because you have
12 created, if nothing else, an appreciation of the need so
13 that, even in a tuition-driven law school, such as Vermont
14 Law School, there is a perception that we need to do this and
15 we continue to seek funds to accomplish with the LSC funds
16 did accomplish.

17 Thank you.

18 CHAIRMAN WITTGRAF: Thank you both for having taken
19 time, both yesterday afternoon and this morning, to be with
20 us. We do appreciate it.

21 MR. BERGER: Thank you.

22 CHAIRMAN WITTGRAF: And I think it's been

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1 worthwhile, even if you haven't gotten all that you hoped
2 for.

3 MS. COLE: Thank you.

4 CHAIRMAN WITTGRAF: At this time, the Chair
5 recognizes one more guest presenter, who also appeared
6 yesterday before the Audit and Appropriations Committee of
7 the Board. That's Mary Burdick, the director of the Western
8 Center on Law and Poverty in Los Angeles.

9 At least in the near term, Ms. Burdick and her
10 colleagues at the regional training centers received a much
11 more favorable response from Mr. Uddo and his colleagues on
12 the Audit and Appropriations Committee. But if you've got
13 just a couple of comments, Ms. Burdick, please.

14 PRESENTATION OF MARY BURDICK, EXECUTIVE DIRECTOR,
15 WESTERN CENTER ON LAW AND POVERTY IN LOS ANGELES

16 MS. BURDICK: Yes, thank you. I am Mary Burdick,
17 director of Western Center on Law and Poverty in Los Angeles,
18 the largest state support center that you fund and the
19 smallest of the five regional training centers.

20 Most of you heard me yesterday. Today, I will keep
21 my remarks very brief. I appeared yesterday because of the
22 concern of the regional training centers that the only

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1 budgets for 1994 before you for consideration until yesterday
2 eliminated the regional training centers entirely.

3 We were concerned that prior studies showed the
4 importance of decentralizing training, and we feel that we
5 can make a good case for our continued existence as a vital
6 component of the training delivery system for legal services.

7 Yesterday, Mr. Uddo amended his proposed budget and
8 re-inserted the regional training centers with the same
9 proportionate increase as the other components of support,
10 and we appreciate that very much.

11 I'm here today only to reiterate what I said
12 yesterday. We would be happy to cooperate in all efforts of
13 the Corporation to better understand the training delivery
14 system and to improve it and, in the meantime, we appreciate
15 the continued funding of the regional training centers and
16 all the components of support. And I think that our
17 existence will be justified by future analysis.

18 CHAIRMAN WITTGRAF: Thank you, Ms. Burdick.
19 Questions, comments for Ms. Burdick?

20 (No response.)

21 CHAIRMAN WITTGRAF: I would say to you and --
22 they've left now, but the two presenters ahead of you --

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1 Professors Berger and Cole, that I don't think any of us
2 comes unsympathetic to the works being done by the law school
3 clinical programs or by the regional training centers.

4 What we're concerned with, I think -- all of us in
5 our own ways -- is the great unmet need through our regular
6 grantees for the provision of civil legal services for the
7 poor, and we're concerned with helping represent poor people
8 who have legal needs -- civil legal needs -- in getting the
9 monies out to the field and giving the monies to them.

10 And that spurs our looking, I think, at different
11 items in the budget as we go to the Congress, make
12 recommendations to the Congress. Are there some changes that
13 could and should be made to get more monies into direct
14 service?

15 And I suspect that we and our successors will
16 continue to do that, and you and your colleagues can be
17 helpful in helping us analyze how best training monies can be
18 spent.

19 Again, in large part, because of the interest of
20 the House Appropriations Subcommittee Chair, Congressman
21 Smith, a national training center is being developed at the
22 Drake University Law School in Des Moines and that, too,

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1 needs to be fitted into the training picture.

2 So we really do need your help, and our successors
3 will need your help, in describing what the training needs
4 are and helping figure out how best to meet those needs and,
5 if at all possible, how to not spend any more than necessary
6 so as much money as possible can go into direct delivery of
7 legal services for the poor.

8 Mr. Rath, did I see you? No. Thank you, Ms.
9 Burdick.

10 MS. BURDICK: Thank you.

11 CHAIRMAN WITTGRAF: We'll proceed, at this time, to
12 Agenda Item 8 -- Chairman's and Members' Reports. I don't
13 believe I have anything to share with the Board, other than
14 to welcome Mr. Shumway back.

15 Because of the peculiarities of statutory and
16 constitutional provisions that govern our existence, he was
17 not a member of the Board when last we met regularly in
18 December in Orlando. He again is a member of the Board.
19 We're delighted to have him back.

20 MR. SHUMWAY: For now.

21 CHAIRMAN WITTGRAF: For the time being. And we're
22 all on short leashes at this point.

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1 Mr. Kirk.

2 MR. KIRK: Mr. Chairman, this would be part of your
3 report. And I just wanted you to know that I've decided to
4 abandon my opposition to having so many meetings and out-of-
5 town meetings.

6 I was thinking, since this is kind of the end of
7 our reign, if we might squeeze in a Hawaii meeting in between
8 the San Diego meeting, and we could just go directly from San
9 Diego there, and maybe there could be like a little party at
10 a resort for us, and some Rolex watches or something like
11 that, that would be appropriate.

12 I just wanted you to know that you'd brought me
13 over, and I'm on your side now.

14 (Laughter.)

15 CHAIRMAN WITGRAF: I think you've now moved ahead
16 of me, at least, Mr. Kirk. There may be some who are
17 prepared to join you, but I'm not one of them, I don't
18 believe.

19 I was thinking perhaps you'd suggest Japan -- you
20 being quite familiar with the customs and the legal system
21 there -- and that we might be able, as a Board, to learn some
22 things that we could bring back to the Congress and to the

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1 field to help them.

2 MR. KIRK: They only have about 400 lawyers total
3 over there. And I've tried to find out how to talk to them,
4 but I couldn't.

5 CHAIRMAN WITTGRAF: Well, the 1990 Census certainly
6 supports your notion that there are lots of law students and
7 lawyers. I think we find a 49 percent increase in the number
8 of lawyers in society in the United States over the last 10
9 years. So there does seem to be no shortage here.

10 Is there any particular support for Mr. Kirk's
11 suggestion?

12 (Laughter.)

13 MR. KIRK: That's not necessary.

14 CHAIRMAN WITTGRAF: All right. Further reports or
15 comments by members of the Board at this time?

16 (No response.)

17 CHAIRMAN WITTGRAF: Hearing none, we will proceed
18 to Agenda Item 9, that being the report of the Operations and
19 Regulations Committee. For that purpose, the Chair
20 recognizes Mr. Rath. Mr. Rath?

21 MR. RATH: I'm glad the Chair recognizes Mr. Rath.
22 I'm not prepared to offer a report. We did not have a

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1 meeting, as I understood, in the last two days, and I was not
2 at the meeting in December, so I have not been active in the
3 work of the committee.

4 CHAIRMAN WITTGRAF: Even in your absence, I think
5 some of your committee members and the Board and the
6 Corporation staff and its friends in the field have been
7 quite active.

8 The Chair is prepared to let you move forward on
9 behalf of your committee to consideration of Agenda Items
10 9(a) and 9(b), unless you'd prefer to have me do that.

11 MR. RATH: I have no problem with that. I have not
12 been part of the discussions on these, and would defer to
13 others. If you want a motion to that regard, to accept them
14 as I gather they have been circulated, I will be glad to be
15 the maker of the motion, but I cannot speak to it.

16 CHAIRMAN WITTGRAF: Mr. Shumway?

17 MR. SHUMWAY: Mr. Chairman, I should have raised
18 this point earlier, but I'm curious as to why 9(a) is on the
19 agenda. It seemed to me, reading the minutes of the Florida
20 meeting, that 1610 and 1611 were disposed of by a vote of the
21 Board. 1612, I think, was held over. But we've listed all
22 three parts. Is that appropriate?

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1 CHAIRMAN WITTGRAF: Mr. Dana.

2 MR. DANA: My recollection, I think, is that 1610
3 and 11 were disposed of because of a concern that this
4 somehow would impact the Board's longstanding opposition to
5 abortion matters and that we were unclear, and when someone
6 raised that issue, it was enough to send the Board into great
7 indecision.

8 We have since received a memo from our staff
9 assuring us that, with respect to 1610 and 11, the proposals,
10 that it does not impact on abortion. And previously, both
11 the staff and CLASP were in agreement that -- and the
12 committee had, I think, unanimously approved the proposed
13 vote which, as I recall, is that -- which appears as the
14 motion set forth on the top of Page 2 of the memorandum of
15 December 2, 1992.

16 So, given the fact of the reason for defeating it,
17 I think it is appropriate to bring it up, since our concern
18 was an abortion-related concern. I think I'm correct.

19 MR. UDDO: Mr. Chairman?

20 CHAIRMAN WITTGRAF: Mr. Uddo.

21 MR. UDDO: I think that was my concern. And I
22 don't recall whether a vote was taken or not taken in

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1 Orlando. I seem to recall that it might have been voted on
2 before I raised the concern about the impact on abortion-
3 related representation. I don't know.

4 What I do know is that the memorandum that I have
5 now from the general counsel's office assures me that 1610
6 and 1611 don't affect the abortion-neutral policy and that
7 1612, with the addition of a phrase at the end of 1612.2,
8 would not affect the abortion-neutral policy.

9 So I would propose that amendment to 1612. But I
10 don't know the current status of 1610 and 1611.

11 Mr. Shumway, what do you recall the action to be?
12 I don't recall.

13 MR. SHUMWAY: I wasn't there. I simply read the
14 minutes. It seemed to me -- and I am speaking from
15 recollection -- that there was a discussion of the abortion
16 issue before the vote was taken, and the vote seemed to me to
17 be dispositive of the 1610, 1611 issue, and I didn't see any
18 further referenced that it should be brought back for another
19 consideration in this Board meeting.

20 But again, those that were there can speak with
21 better knowledge than I.

22 CHAIRMAN WITTGRAF: I think Mr. Shumway is probably

1 correct, at least in terms of the minutes on Pages 24 and 25
2 of the multi-meeting Board book. I think it would be
3 possible, Mr. Uddo, for you, having been on the prevailing
4 side, to move to reconsider that action, if that's your
5 desire.

6 MR. UDDO: My only problem is, I don't remember the
7 vote and I don't remember what side I was on. I remember a
8 discussion, and I thought we didn't vote because I had raised
9 the question of not being sure how this impacted abortion-
10 related activity, and I didn't recall a vote on any of the
11 provisions. But the minutes reflect differently. So I'm at
12 a loss.

13 CHAIRMAN WITTGRAF: The Chair is prepared to --
14 unless there's objection -- carry the consideration of Agenda
15 Item 9(a) to the next regular Board meeting and proceed,
16 then, to consideration of Agenda Item 9(b), the proposed
17 changes to Part 1612.

18 MR. UDDO: You're carrying 9(a) for purposes of
19 determining from the transcript what actually happened?

20 CHAIRMAN WITTGRAF: Yes. And it may be that
21 there's been dispositive action taken, in which case, a
22 motion to reconsider would be in order or, in which case, no

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1 action would be necessary at all.

2 Mr. Dana.

3 MR. DANA: May I make the suggestion that if the
4 Chair's disposition is to put it off to the next meeting,
5 that I ask that the matter be placed on the agenda for the
6 next meeting and, in the meantime, we can find out what our
7 concerns were the last time? But I'd like to have the matter
8 come up, if possible.

9 CHAIRMAN WITTGRAF: I hoped that that was implicit
10 in what I was doing and, to the extent it wasn't, it should
11 have been, and that will be on the agenda.

12 Mr. Rath, at this time, is it your expectation to
13 be able to participate at and about the time of the next
14 Board meeting?

15 MR. RATH: Given that the schedule has not changed.

16 CHAIRMAN WITTGRAF: It hasn't yet.

17 MR. RATH: February 22 in Phoenix?

18 CHAIRMAN WITTGRAF: Yes. It may be appropriate,
19 then, that perhaps early that Monday morning -- the morning
20 of the 22nd of February -- that your committee would meet and
21 try to bring some light out of the heat here.

22 MR. RATH: It's always hard to do.

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1 CHAIRMAN WITTGRAF: The Chair is prepared, then, to
2 move to consideration of Agenda Item 9(b), unless it's
3 similarly the desire of the leadership and members of that
4 committee to carry consideration of that agenda item to the
5 next Board meeting as well so that the committee can meet
6 prior thereto.

7 Mr. Kirk?

8 MR. KIRK: I would prefer to wait on that -- mainly
9 because most of the comments were by Ms. Pullen and Ms.
10 Pullen, apparently, at the last minute, was unable to be
11 here, and I'm not sure that her views would be adequately
12 represented -- unless there's some pressing need for this;
13 and I understand there really is no pressing need, except
14 that Mr. Houseman has shown up again to present to us.

15 CHAIRMAN WITTGRAF: Perhaps Mr. Houseman would be
16 able to be in Phoenix. It's not Honolulu, but it's Phoenix.

17 MR. HOUSEMAN: Well, if it's Honolulu, yes. One of
18 us will be there, yes.

19 CHAIRMAN WITTGRAF: Okay. Unless there's
20 objection, the Chair will ask that Board Agenda Items 9(a)
21 and 9(b) be made a part of the Board's agenda for its next
22 regularly-scheduled meeting February 22.

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1 MR. KIRK: And I never said Honolulu. I had Maui
2 or someplace like that in mind.

3 (Laughter.)

4 CHAIRMAN WITTGRAF: Perhaps you'd like to put that
5 in writing, Mr. Kirk, so that we'll understand fully the
6 particulars of your suggestion.

7 Mr. Houseman.

8 MR. HOUSEMAN: Yes. There is a technical matter,
9 since we're on this technical detail. At the last --
10 according to the transcript, I wasn't there, either.

11 The committee didn't adopt one of the proposals
12 that we had jointly agreed upon, which we've raised in this
13 memo. So if the committee is going to meet, I think it
14 should take up the proposal, which was on organizing, that
15 was not agreed to by the committee, failed on a tie vote --

16 MR. KIRK: Tie vote, yes.

17 MR. HOUSEMAN: -- as well as the proposal that
18 failed at the Board meeting. Actually, it was a proposal to
19 table the motion so it can be sent back to committee without
20 a problem.

21 CHAIRMAN WITTGRAF: Thank you, Mr. Houseman. It
22 sounds as if we're going to test Mr. Rath's powers of

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1 parliamentary as well as regulatory procedure, and we'll look
2 forward to putting him to the test next month.

3 That being the case, we'll proceed to consideration
4 of Agenda Item 10, that being the report of the Office of
5 Inspector General Oversight Committee. For that purpose, the
6 Chair recognizes Mr. Kirk.

7 MR. KIRK: The committee did not meet this month.
8 The inspector general has submitted a report, and I think
9 it's in everyone's hands, and he will be giving that report
10 later.

11 CHAIRMAN WITTGRAF: Thank you, Mr. Kirk. Any
12 questions or comments for Mr. Kirk?

13 (No response.)

14 CHAIRMAN WITTGRAF: Hearing none, the Chair turns
15 to Agenda Item 11, that being the report of the Committee for
16 the Provision for the Delivery of Legal Services. For that
17 purpose, the Chair recognizes Mr. Hall.

18 MR. HALL: Thank you, Mr. Chairman. We did meet
19 yesterday, talked about two items on the agenda.

20 First, attorney recruitment and retention. We
21 heard a report from Lester Russell that he had attended a law
22 career day at Georgetown University, and he told us a little

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1 bit about that, and the effect that the LSC's presence on
2 campus had so far as recruiting efforts.

3 He reported that there were maybe 14 or 15 service
4 providers there as well, and he felt it was a very positive
5 and cost-efficient thing for us to have done.

6 We heard a report from Ellen Smead on recruitment
7 and retention. I think what we heard was that, at this
8 point, we really don't know what the field is doing in
9 recruitment and retention. We really don't know what problem
10 they're having. We really don't know what priority they give
11 to this.

12 To learn those things, and to go forward with
13 anything LSC may want to do in that regard, a survey has been
14 prepared. It will ask basically four questions:

15 First, it will ask about attorney recruitment and
16 retention problems and concerns.

17 Secondly, it will ask about the current recruitment
18 and retention activities and the different mechanisms and
19 programs that the programs may or may not have.

20 Third, it will ask the programs to describe
21 themselves -- how large they are, how many lawyers they have,
22 their funding, and so forth -- so we can make some comparison

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1 between that and the problems they may be having.

2 Fourth, it asks the programs what they want the
3 Legal Services Corporation to do in this area, and what help
4 they need from us, if any.

5 The sending out of that survey has been delayed
6 somewhat to avoid overloading the program with paperwork as
7 funding applications and things have gone out, but we expect
8 to have that back by March 15, and I'm not sure how long it
9 will take to process that data. But the committee will do
10 that and hear back from that, and move forward on that in the
11 near future.

12 We heard some brief mention of other suggestions in
13 the area, and I just wanted to bring the Board up to date on
14 those.

15 We discussed, in the past, loan forgiveness on a
16 federal level and how that would be at no cost to the
17 Corporation. I understand that our president has, in the
18 past, met with certain Members of Congress who have pushed
19 similar bills in other areas and, as soon as all the
20 committees are formed, particularly in the Senate, he'll be
21 meeting with those members again and we'll be pursuing that.

22 I believe that we'll be looking at the tax aspects

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1 of loans that are forgiven and whether or not that should be
2 considered as taxable income.

3 Those are a couple of things that we'll report on
4 in the future.

5 The other item on the agenda was about the Proteus
6 project there in your home state. And, as everyone here
7 knows, there was a meeting on December 17 among different
8 representatives of the field and this Board and the Proteus
9 folks. I think the staff has tried to see whether or not we
10 could use that as a model to resolve some of the migrant farm
11 worker problems that we've heard about in the past

12 Our Office of General Counsel reported that there's
13 maybe a few problem with the Proteus model, such as there's a
14 question of whether or not all the services that the Proteus
15 mediators provided could be considered legal services under
16 the Act, and whether or not there was always an attorney-
17 client relationship and whether or not there was always an
18 eligible client being served.

19 I understand the Office of General Counsel is going
20 to continue to try to mesh those two items together, and
21 we'll be reporting on that more in the future.

22 Do other committee members have anything to add to

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1 that?

2 CHAIRMAN WITTGRAF: Mr. Hall, I had an opportunity
3 to meet with Ms. Glasgow, as you did, from the general
4 counsel's office yesterday. She had not had benefit of
5 participating in the meeting in Des Moines in December, had
6 some of the materials that were distributed there available
7 to her, I think, in light of the discussion in your
8 committee's meeting yesterday, has a better sense of what
9 we're trying to accomplish.

10 And I think she, together with Ellen Smead and her
11 staff, is still working on a possible solicitation for
12 requests for funding or for grants from the field, if there
13 is anything that either law schools or other entities, or
14 even regular LSC grantees can do to experiment further with
15 the ombudsman concept in the migrant area, and I believe that
16 some result from that further effort will be available to
17 your committee and, in turn, to the Board when we meet next
18 month.

19 MR. HALL: There was a resolution that was not
20 adopted or moved that was floating around, that suggested
21 perhaps that we should petition Congress to amend the Act to
22 allow us to engage in, I guess you would term it, more

1 general ADR-type of programs. I know this member felt it may
2 be a little premature to offer that and perhaps we will look
3 at that in the future as well. That concludes my report,
4 Mr. Chairman.

5 CHAIRMAN WITTGRAF: I would note for the members of
6 the Board that the survey to which Mr. Hall referred
7 regarding grantees' concerns with attorney recruitment and
8 retention has been distributed. If you haven't obtained a
9 copy of it already, there should be some more copies
10 available. If you take a look at it and have any questions
11 or concerns, you probably should bring those as quickly as
12 possible to the attention of President O'Hara or Ms. Smead,
13 because it is my understanding from the committee's
14 discussions yesterday that Ms. Smead and her staff plan to
15 put this into the field as soon as possible.

16 Further questions or comments for Mr. Hall?

17 (No response.)

18 CHAIRMAN WITTGRAF: Thank you, Mr. Hall.

19 At this time, the Chair recognizes Mr. Dana for the
20 purpose of the report of the Audit and Appropriations
21 Committee. Mr. Dana.

22 MR. DANA: Mr. Chairman, your committee met

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1 yesterday afternoon, and it seems inevitable that every year
2 we focus on the M&A and neglect, when we finally pass an M&A
3 budget, to incorporate all of the other aspects of the
4 budget. So the committee's first recommendation is a formal
5 vote to adopt the consolidated operating budget that has been
6 distributed in a memo dated January 26, 1993. And we will
7 adopt as the COB for 1993 the attachment to that memo, which
8 is in three pages.

9 CHAIRMAN WITTGRAF: Does everyone have access to
10 the copy of Mr. Richardson's memorandum of January 26?

11 It's the Chair's understanding that the committee
12 has recommended that. The Chair takes that recommendation as
13 a motion having been made and seconded regarding the Fiscal
14 Year 1993 consolidated operating budget made a part of that
15 memorandum.

16 Is there discussion?

17 (No response.)

18 CHAIRMAN WITTGRAF: Hearing none, those who are in
19 favor of adoption of the Fiscal Year 1993 consolidated
20 operating budget as presented will signify by saying aye.

21 (Chorus of ayes.)

22 CHAIRMAN WITTGRAF: Those opposed, nay.

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1 (No response.)

2 CHAIRMAN WITTGRAF: The ayes appear to have it.
3 The ayes do have it. The motion is adopted.

4 Mr. Dana.

5 MR. DANA: Mr. Chairman, the next item that we
6 dealt with formally was the -- were various proposals to
7 represent the Corporation's request of Congress. Before you
8 are three proposals, Proposal B, C, and D.

9 Proposal B represents a request for \$399,930, and
10 represents --

11 MR. SNOW: Millions, isn't it?

12 MR. DANA: Excuse me?

13 MR. SNOW: Millions?

14 MR. DANA: Proposal B --

15 MR. SNOW: You said thousand. You mean million.

16 MR. DANA: I'm sorry, millions. I keep forgetting
17 I'm in Washington and not in Maine.

18 \$399,930,000, and that is the staff's proposal.
19 Proposal C we discussed, and it is for \$441,191,000, and that
20 has been described as Mr. Kirk's proposal. Proposal D before
21 you is Mr. Uddo's proposal, and with the addition of \$500,000
22 for an ADR study, similar to the \$500,000 study that is on

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1 Mr. Kirk's proposal and, I believe, the staff proposal, that
2 Proposal D is the unanimous committee recommendation to
3 become the Corporation's proposal for next year.

4 Since the author is Mr. Uddo, I would ask him if he
5 would like to describe the proposal and some of the thinking
6 that went into it.

7 MR. UDDO: Well, other than Mr. Rath, I think
8 everyone heard my explanation for my proposal yesterday. If
9 Mr. Rath would like me to give it to him, I will be happy to.

10 MR. RATH: I can imagine it.

11 MR. DANA: All right. With that, Mr. Chairman, I
12 would ask you to treat Proposal D as our recommendation, and
13 I defer to the Board.

14 CHAIRMAN WITTGRAF: Did either of you mention the
15 one addition that was made?

16 MR. UDDO: Yes. Mr. Dana did.

17 CHAIRMAN WITTGRAF: Okay. Thank you.

18 Discussion? Mr. Shumway.

19 MR. SHUMWAY: I guess this comes down to a matter
20 of tactics. I'm sure that we all realize that if we had a
21 lot more money, we could find a lot more valid deserving
22 programs to provide funding for. And I think probably the

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1 question we have to resolve here this morning is whether we
2 want to use one tactic or another.

3 When I served in the House of Representatives, I
4 was not on the Appropriations Committee. I nevertheless
5 understand the process that they go through. This year in
6 particular, I can well imagine the pressures that they are
7 going to be laboring under, with the new administration and a
8 fourth of the Congress being new and many of those having won
9 elections because they made campaign pledges to do something
10 about budget deficits.

11 I think this year, perhaps more than we've seen in
12 many years, budget priorities will escalate in their
13 importance, and there will be a very fine view taken of
14 budget requests. It seems to me that many of Congress'
15 favorite projects are going to have to be made somehow to
16 reduce. That will entail some gnashing of teeth and
17 suffering, and it just seems to me, on the part of the
18 Appropriations Committee members, that there would be some
19 natural resentment on their part if a proposal is presented
20 to them which would appear -- would appear to have been
21 shielded from that kind of suffering.

22 It just seems to me, therefore, that as a matter of

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1 tactics, it doesn't make a lot of sense to go to those
2 Appropriation Committees and say, "Here, we want \$525
3 million, a sizeable increase over the \$357 million that we
4 received in the last cycle."

5 I think that they would be inclined to say,
6 "Well, Legal Services Corporation has gotten along. Maybe
7 they haven't funded all of the good programs they should.
8 Maybe there still are unmet needs, but in a time of budget
9 crisis, we can't really give them that much more." And if we
10 ask them for that much more and do so with a straight face, I
11 would think that they would conclude that we really have not
12 gone through the paring process that they're going through.

13 So it just seems to me as a matter of tactics that
14 we would do better, we could present our proposal better if
15 we adopted a leaner budget. That's a position that I felt
16 last year. I feel it even more keenly this year.

17 CHAIRMAN WITTGRAF: Further discussion? Mr. Hall.

18 MR. HALL: Mr. Chairman, that's one of my concerns,
19 as well, but I think it's well known in Congress that Legal
20 Services Corporation has been underfunded for years. When
21 you compare it to the other agencies who have had increases
22 over the years, we really haven't. We've pared down over the

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1 last 10 years or more. I know there's others who can speak
2 to that better than I can. I just think that's a fact well
3 known to them, and I think that some of them may see this as
4 a pared-down budget.

5 I've always kind of been in favor of putting some
6 type of note or message at the bottom of these that may
7 explain some of that or say, you know, "These are what we
8 really need, if we can't get the other," but I'm sure we'll
9 be criticized for giving this, but I know there's others that
10 would think that this is not as much as we should be
11 submitting to them, and we may hear some speakers to that
12 effect.

13 But, I mean, I certainly can't argue with Norm.
14 He's been there, and he knows what he's talking about. I
15 just would hope that they would know that this, in my mind,
16 at least, is a pared-down budget.

17 CHAIRMAN WITTGRAF: Mr. Dana.

18 MR. DANA: Mr. Chairman, I have been, over the
19 years, on both sides of this issue. I have voted for budgets
20 that were -- where the increase was modest but we thought
21 perhaps obtainable, and we were trying to be politically
22 correct. But over time, I've come to the view that it is our

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1 function to -- one of our functions is to be advocates, and
2 to be advocates for the needs. And it is the Congress'
3 function to make those priority judgements. I think the
4 need, as everyone, I think, here does, the need is far
5 greater than what we are requesting. But I think that we
6 could effectively deal with an increase of 50 percent.

7 And I think that that -- and much more than that in
8 any one year, I think we could not effectively deal with, but
9 I think we could effectively deal with \$525 million. I think
10 it would be well used in the field, and I think it's
11 something that is needed. It may not be politically correct
12 to ask for it, but it is my sense that it is correct.

13 CHAIRMAN WITTGRAF: Mr. Kirk.

14 MR. KIRK: I think it's a little disparaging to
15 characterize -- to use the term politically correct to
16 describe giving a realistic budget -- a budget that we have a
17 realistic chance of getting. I don't believe that the
18 pejorative aspects of that term are really applicable to what
19 we are dealing with here.

20 In no way do I think that any reasonable person can
21 believe that we could absorb a 50 percent increase in one
22 year. I mean, the start-up time is unbelievable, and the

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1 commitment that you would have to make to be able to use up
2 all the money I don't think can be done. If there's a
3 history of federal agencies doing that, I would suspect
4 there's also a history of a lot of waste.

5 And to me, there really is no chance of going to
6 Congress and having Congress believe that we could really
7 absorb the 50 percent. It's just a difference of opinion, I
8 guess, with the Chairman of the A&A Committee.

9 We asked for \$525 million last year. We did it,
10 and we got a 2 percent increase -- I mean, certainly smaller
11 than we had gotten the year before. I have tried to come up
12 with a budget of 25 percent increase, which I do think could
13 probably be effectively absorbed. But I am moved by what
14 former Congressman Shumway has said, and also by the comments
15 of former Congressman Molinari last year and other
16 conversations I've had with him this year, that we stand a
17 much better chance of getting a reasonable increase if we
18 make a reasonable request.

19 I can see the handwriting on the wall, and I know
20 it's very easy for everybody to vote \$525 million, and you're
21 popular with everybody if you do. But I'm going to do the
22 unpopular thing, and I'm going to move to amend the

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1 recommendation of the committee and substitute, based on the
2 recommendation of Mr. Shumway, Proposal B, which I think will
3 have a much better chance of being accepted and not give us
4 the piddling 2 percent increase that the \$525 million got us
5 last year.

6 MS. WOLBECK: Mr. Chairman.

7 CHAIRMAN WITTGRAF: A motion has been made by Mr.
8 Kirk that Proposal C be substituted for Proposal D.

9 MR. KIRK: B.

10 CHAIRMAN WITTGRAF: Excuse me -- that B be
11 substituted for D. Is there a second?

12 MR. SHUMWAY: I'll second it.

13 CHAIRMAN WITTGRAF: B, the staff proposal?

14 MR. SHUMWAY: C for D, I guess.

15 CHAIRMAN WITTGRAF: Well, now wait. No, he said B.

16 MR. KIRK: I said B. I said the one, the \$399
17 million --

18 MR. SHUMWAY: Oh, I'm sorry. Yes, the staff
19 proposal.

20 CHAIRMAN WITTGRAF: The motion is to substitute
21 Proposal B for D. It's been made by Mr. Kirk and seconded by
22 Mr. Shumway, B for D.

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1 Ms. Wolbeck.

2 MS. WOLBECK: Mr. Chairman, if someone from the
3 audience from the field would be willing to respond, I keep
4 hearing this statement to the effect that the field can't use
5 that kind of an increase, you know, absorb it that quickly.
6 Can you respond to Mr. Kirk's comments on that, someone?

7 CHAIRMAN WITTGRAF: The Chair would be happy to
8 recognize Ms. Rogoff on behalf of the Project Advisory Group,
9 if she's willing -- and I've never known her to be reluctant
10 on such an occasion -- to respond to the inquiry from Ms.
11 Wolbeck.

12 Ms. Rogoff, why don't you introduce yourself for
13 the record?

14 MS. ROGOFF: My name is Regina Rogoff, and I am,
15 again, the executive of the Legal Aid Society of Central
16 Texas, and cochair of the Funding Criteria Committee of the
17 Project Advisory Group.

18 This year there are some programs that will be
19 absorbing very substantial increases because of the very
20 substantial increases in the poverty population. Actually,
21 that 2 percent increase is not going to be distributed as a 2
22 percent increase. It goes entirely to those programs that

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1 have had poverty population increases of over 28 percent, or
2 28 percent and higher.

3 In Texas, the Gulf Coast Legal Foundation will be
4 receiving, I believe, a million dollar increase. I guess
5 we'll be able to see if it's absorbable. At the same time,
6 these programs are losing substantial amounts of IOLTA funds.
7 And so I think that to talk about a 50 percent increase
8 really isn't a 50 percent increase. You'll be getting
9 something.

10 My program is fortunate in that our LSC increase,
11 because we have received, according to the census, a 40
12 percent increase in our poverty population, will almost
13 offset the decrease in IOLTA, the 38 percent increase that
14 we'll experience -- or 38 is an optimistic number, actually,
15 at this point; it may be more than that-- but assuming a 38
16 percent increase -- decrease in IOLTA. So I think that if
17 you're looking at it in a holistic perspective, it really
18 will not be that big an increase. It will be -- and it will
19 be targeting those areas where there have been the biggest
20 increases in poverty to start off with.

21 Other programs are looking to be laying off staff,
22 so that if there really was a possibility of achieving this,

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1 and programs could hold on to staff in time to receive the
2 increases, I don't think that there will be a problem
3 absorbing it, because I think what you will be seeing is that
4 programs will be using this money to offset the decreases in
5 IOLTA that they are experiencing this year and which are
6 anticipated to continue.

7 We're fortunate in Texas because, for LSC, we
8 operate on a calendar year. IOLTA operates on a different
9 fiscal year. So that in '93, I'm only absorbing half of the
10 loss of IOLTA funds. But in '94, I will have to deal with,
11 you know, twice as big a decrease.

12 And so it seems to me that this is the absolute
13 optimum time to be going to Congress. The combination of the
14 enormous increase in the poverty population, the difficulties
15 programs are having in dealing with declining revenues that
16 we've worked to generate over the years, the IOLTA in
17 particular.

18 But there aren't going to be increased state
19 revenues, generally. In Texas, the state bar was willing to
20 put forth a legislative package that included a filing fee
21 add-on which we don't have. We don't have state moneys, and
22 I've been questioned about that and what efforts were we

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1 doing locally to try to not just have -- I'm trying to
2 remember who actually put that question to me; maybe, you
3 know, Mr. Kirk -- what we were doing beside just going after
4 increased LSC funds, and we have been working to try to do
5 that.

6 But the Texas budget is such that education will
7 absorb any new money that they are able to generate through
8 revenue increases or cuts, and the likelihood of getting
9 state revenues passed this coming year is very, very slim.

10 I think our best case is at the federal level
11 because of the access aspect of this program and the impact
12 of the census and the need to equalize the funds, the impact
13 of declining IOLTA revenues, and my final point, I guess, is
14 that I don't think that it will be impossible or even that
15 difficult for programs to use this money effectively because,
16 to a large extent, it may be nearly offsetting losses in
17 other areas.

18 CHAIRMAN WITTGRAF: Ms. Wolbeck.

19 MS. WOLBECK: Thank you.

20 CHAIRMAN WITTGRAF: Mr. Kirk.

21 MR. KIRK: What is the total amount of funds you're
22 receiving this year from LSC?

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1 MS. ROGOFF: From my program?

2 MR. KIRK: Yes.

3 MS. ROGOFF: Oh, good question. I think it's about
4 \$1.4 million.

5 MR. KIRK: And what will be the amount of increase
6 next year as a result of the increased poverty population?

7 MS. ROGOFF: No, that's this year. That's '93,
8 this year. I don't know. It depends on what you ask for as
9 a mark and what Congress appropriates for next year.

10 CHAIRMAN WITTGRAF: She's talking about calendar
11 '93 for her, which is based on Fiscal Year '93 in Congress.

12 MS. ROGOFF: Okay. We are getting a \$124,000
13 increase as a result of the poverty population. We have
14 \$400,000 in IOLTA revenue and are looking to lose 38 or more
15 percent of that.

16 MR. KIRK: I'm sorry. What percentage -- I'm going
17 to ask you -- wait. Say that again.

18 MS. ROGOFF: For my program, it was a 9 percent
19 increase. Our LSC increase was 9 percent. The LSC increase
20 for my program in central Texas -- again, a 40 percent
21 increase in the poverty population, 190,000 poor people in 16
22 counties -- was \$124,000.

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1 MR. KIRK: But wasn't that supposed to be spread
2 over three years, the total increase of 40 percent?

3 MS. ROGOFF: No. What you're talking about was a
4 staff proposal to try to reach equalization over three years,
5 targeting different percentages of equalization in each year.
6 We are not anywhere near equalization. We are still way
7 below the \$9.98 that we, as a community, targeted as
8 equalization.

9 MR. KIRK: So you picked up \$140,000 --

10 MS. ROGOFF: \$124,000.

11 MR. KIRK: \$124,000 -- and then you lost how much
12 in LSC -- I mean, in IOLTA funds?

13 MS. ROGOFF: IOLTA -- I am expecting to lose
14 \$140,000. I won't know until July.

15 MR. KIRK: So you would have a -- if it were a 50
16 percent increase in LSC funds, you would go from \$1.4 million
17 to \$2.1 million, less \$16,000.

18 MS. ROGOFF: No. You would have to double the
19 IOLTA decrease, because in year 2 -- in their first fiscal
20 year, '93, July '93 to June of '94, that's half of it. Next
21 year, we will experience the full decrease.

22 MR. KIRK: All right. So that would be \$280,000.

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1 Will you likewise get an anticipation of another \$124,000 in
2 additional equalization funds?

3 MS. ROGOFF: (Nodding)

4 MR. KIRK: So there will be a net of \$28,000. So
5 \$2,100,000 less \$28,000 is \$2,072,000 -- so there would be an
6 increase from \$1.4 million to \$2,072,000. I still maintain
7 that's a lot of money to increase in one year.

8 MS. ROGOFF: Given that we gave no cost of living
9 increase this year, we have added no positions, we have a
10 pension that I was only able to begin funding when we began
11 receiving IOLTA two years ago, that only contributes 4
12 percent -- what is the percentage that goes into the LSC
13 staff pensions? Six, eight? What is the federal -- seven?

14 We have committed to try to get our pension to at
15 least 6 percent, and that doesn't -- I have employees who
16 have been with the program 24 years -- actually, I say that
17 because a person I most recently hired as my assistant was
18 born the year that our senior secretary came to work for us.
19 There are lots of needs we have. We have a phone system that
20 is on its last legs, and we -- I have no problem in assuring
21 you that \$2 million to my program would be well spent very
22 quickly.

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1 We have service areas, needs in areas that -- we
2 shut down in office in the early '80s that still needs better
3 service. We own a building in part of our service area that
4 is designed to have as many as eight lawyers and has four
5 lawyers. I mean, I have office spaces for eight lawyers, and
6 I have four lawyers.

7 I guess I can't speak as specifically for all the
8 other programs in the country, but I don't think, in my
9 program, in my service area, given the increased number of
10 clients, that we would have any problem. I mean, we still
11 turn away 35 percent of the people who apply for services.

12 MR. KIRK: Ms. Rogoff, again, I know it's not to
13 fair to have called you up here like this.

14 MS. ROGOFF: Ny board does the same thing.

15 MR. KIRK: But, I mean, I must -- I just have to
16 not disagree with your conclusions, but just conceptually, to
17 go from \$1.4 million to \$2,072,000 is a big increase.

18 MS. ROGOFF: You see, I think you miscalculated on
19 the IOLTA cut. No, it would be -- we would expect to lose,
20 over the course of the two years, \$200,000. We have \$124,000
21 in the first year, and then you double that in the second
22 year.

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1 MR. KIRK: Well, so it would be \$280,000 the second
2 year?

3 MS. ROGOFF: Possibly. You know, it's obviously
4 speculation.

5 MR. KIRK: Well, then I may be \$120,000 off.

6 CHAIRMAN WITTGRAF: Ms. Wolbeck.

7 MS. WOLBECK: I'm sure everyone in this room but me
8 knows this answer, but would you tell me what's happening to
9 all the IOLTA money? Why are you losing so much IOLTA money?

10 MS. ROGOFF: Two main reasons. The most obvious
11 that people normally relay is the decline in interest rates.
12 At the peak of IOLTA distribution in Texas, they distributed
13 \$9.2 million. This coming year, they will be distributing \$6
14 million, and their revenues are still declining. They're
15 getting maybe 2.5 percent to 3 percent on the money that they
16 have. The entire program, it's name is "Interest On Lawyers
17 Trust Accounts," and if interest rates are low, their
18 revenues are low.

19 And in Texas because, even though we had a 40
20 percent increase in population and are well above the
21 national average, other areas of Texas, the state average was
22 47 percent. The Harris County area had a 70 percent

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1 increase. So we not only lose because of the decline in
2 interest rates, we lose because what moneys are available are
3 being shifted towards the places that have the biggest
4 increases in Texas.

5 Additionally, at least in Texas, where there has
6 been a Workers' reform, what I have been advised, is that
7 there is not as much money going through lawyers' accounts,
8 and that the foundation that distributes IOLTA money in Texas
9 does not anticipate that even a rebound in interest rates
10 will result in going back to the same high levels, because
11 lawyers no longer -- the practice of law has changed, and
12 lawyers no longer have as much money in their accounts, which
13 is why our state bar, Legal Services to the Poor and Civil
14 Matters Committee, on which I serve, has been spending a
15 considerable amount of time trying to identify other
16 potential revenue sources at the state level.

17 MS. WOLBECK: Thank you.

18 CHAIRMAN WITTGRAF: Further inquiry for Ms. Rogoff?

19 MS. ROGOFF: Now that you know everything about
20 Texas there is to know.

21 CHAIRMAN WITTGRAF: We've been there, and it's a
22 wonderful place, still growing --

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1 MS. ROGOFF: Not Honolulu, though.

2 MR. KIRK: Maui.

3 CHAIRMAN WITTGRAF: Some of us have never been to
4 either Maui or Honolulu.

5 MS. ROGOFF: I've never been to either of them,
6 either.

7 MR. KIRK: I'm trying to impress upon you, you
8 don't want to go to Honolulu.

9 MS. ROGOFF: Okay. Well, I'll take your advice.

10 CHAIRMAN WITTGRAF: It may be, Mr. Kirk, that
11 you're the only one among us who has been to those places and
12 can tell us about them.

13 MS. ROGOFF: Do you have slides?

14 CHAIRMAN WITTGRAF: Well, neither Ms. Rogoff nor I
15 have been to either of them. Thank you, Ms. Rogoff.

16 MS. ROGOFF: My pleasure.

17 CHAIRMAN WITTGRAF: There is a motion before the
18 Board. Further discussion?

19 The Chair, I guess will take an opportunity to make
20 a couple comments regarding his own views at this point, and
21 I speak respectfully in opposition to the motion made by Mr.
22 Kirk and seconded by Mr. Shumway.

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1 Like Mr. Kirk, I am concerned about Mr. Shumway's
2 comments and his involvement in the process. In fact,
3 perhaps over his better judgement, he has agreed and now been
4 given official responsibility to join me in appearing before
5 the House and Senate Appropriations Subcommittees to present
6 whatever the Board's position is regarding the fiscal year
7 1994 budget mark. And that's not a particularly pleasant
8 process.

9 In fact, while Mr. Kirk spoke of making friends --
10 and perhaps there are some in this room representing PAG and
11 NLADA and the ABA and other organizations who will appreciate
12 and do appreciate our support -- I can assure Mr. Kirk that
13 from my experience a year ago, there were certain people,
14 particularly my good Republican friend, Congressman Rogers,
15 who is also a much better friend of Mr. Shumway's, who didn't
16 appreciate at all our urging \$525,000 last year --

17 MR. SNOW: Million.

18 CHAIRMAN WITTGRAF: Million -- I'm like Mr. Dana.
19 I come from a small state, where we talk in thousands, not
20 millions. I have to adjust.

21 In fact, the way Mr. Rogers spoke to me during that
22 committee meeting was not the way any judge or client has

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1 ever spoken to me; only my sons, I think, would speak to me
2 the way that Mr. Rogers did that particular day. And I'm
3 prepared to be unpopular with Mr. Rogers if that's the case.
4 That, I guess, goes with the territory, and to me, the
5 territory is the key.

6 Certainly for Mr. Shumway, for Mr. Molinari, both
7 of whom I respect and both of whom I think are very important
8 to what we're doing, because they came as skeptics, to the
9 funding of federal funding of civil legal services for the
10 poor, and I think both of them, through their experience, are
11 far more supportive and far less skeptical than they were.
12 And I think that's vitally important, with their former
13 colleagues in the House and the Senate.

14 But we're not the members of Congress. We're not
15 the ones dividing up the pie. As suggested by Mr. Dana,
16 we're members of a board of directors. We have a fiduciary
17 responsibility to act in the interests of the people or the
18 program we represent. And it seems to me that in that
19 fiduciary capacity, we need to make the case that's to be
20 made, not the practicality case, but as Mr. Hall suggested,
21 the case for what really needs to be out there.

22 And to me, even before we get to the increase in

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1 the poverty population, the decrease in IOLTA funding, we've
2 got the simple fact, which Mr. Sundseth of our staff helped
3 me document a year ago and hopefully will again this year,
4 that the cut-backs in funding through the 1980s would be made
5 up with just the \$525 million, not taking into account
6 increases in poverty population, not taking into account
7 decreases in IOLTA funding, but only to get us to where we
8 would have been now more than a decade ago and to the
9 position as suggested by Mr. Hall where most federal
10 undertakings are, would we go to the \$525 million.

11 I can't help but think it's a little disingenuous
12 to argue about whether or not the folks would be able to
13 spend it in the programs locally, because I don't happen to
14 think that we're going to end up with \$525 million.

15 Ms. Rogoff has suggested that even if it was \$525
16 million, she and her colleagues certainly could spend it. I
17 don't think it will get to be that amount. But I think we're
18 obligated to make the case for that amount, because I think
19 it's probably that much or more that's needed, and I'm
20 prepared, again -- be it unpopular or popular, depending upon
21 the venue -- to make that case again.

22 I think to do anything less than to make that case

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1 is irresponsible for us as directors, and additionally,
2 bearing in mind that consistency is the last refuge of the
3 unimaginative, I'm reluctant to go back to the Congress and
4 say, "Well, last year, we thought we needed \$525 million, but
5 this year, we only need \$399 million. We were just kidding
6 last year. We weren't really serious. It wasn't true."

7 As Ms. Rogoff suggested, it's even more true for
8 Fiscal Year '94 than it was for Fiscal Year '93, and I think
9 to backslide, so to speak, as a Board, on behalf of the
10 Corporation, on behalf of the field, would be inappropriate
11 and would really weaken us far more than to try to be
12 practical with a \$399 million mark.

13 Mr. Kirk suggested that there was only a 2 percent
14 increase, \$350 million to \$357 million, and perhaps that was
15 because we had asked for so much. I understand that line of
16 thinking, but I don't share that line of thinking. I think
17 the reality is that other political considerations,
18 particularly on the Senate side with one of the key members
19 of the Senate Appropriations Subcommittee, were such that the
20 limited moneys available to that Appropriations Subcommittee
21 as a whole, House and Senate together, required increased
22 funding in other areas, law enforcement areas, and that put

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1 us at a disadvantage.

2 I think we're in a better position to get a
3 significant increase for Fiscal '94 than we were for Fiscal
4 '93, and I think we're obligated, as I said, to ask for at
5 least \$525 million. For those reasons, respectfully, I urge
6 you to vote against the motion.

7 Further discussion? Mr. Rath.

8 MR. RATH: Mr. Chairman, I'm going to vote against
9 the motion for the original proposal as put forth by the
10 committee, and I have great regard for the comments that
11 various people have made about the process. And I'm not sure
12 there's a right answer to that, because in the end the
13 process will evolve into a balancing by people other than us
14 of a whole set of considerations.

15 I think it's especially important for this Board,
16 at our point in time of our service to this Board, that we
17 use this moment in terms of setting a mark to make a
18 statement about where we see a need, and whoever sits in
19 these chairs when the next mark is set, I think, should have
20 the benefit of what we have learned over our service here, in
21 terms of the real and, in my judgement, compelling need to
22 advance access.

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1 In my part of the country, the recession has not
2 ended. It continues unabated. The demands for these
3 services from the programs in our region from people who
4 never needed those services from those programs is greater
5 than it has ever been. And I believe that the dollars can be
6 effectively used, were they to be forthcoming. I remember
7 prophesying here a couple years ago or a year and-a-half ago
8 that IOLTA would crumble, and it is. Banks in my area are
9 paying 2 or 3 percent -- you're lucky if you can find that.

10 And it seems to me important -- especially
11 important -- that given the change both at the executive
12 level, executive branch, and the number of new members in the
13 Congress, that we be an effective advocate for the people
14 that we represent here. And I really feel very strongly
15 about that. I'm very comfortable with this recommendation.

16 I just want to say finally that I intend to vote
17 for it, not because it is easy and not because it is popular,
18 but because I believe it is right.

19 CHAIRMAN WITTGRAF: Ms. Love.

20 MS. LOVE: Last year, I was criticized very highly
21 for voting for the \$525 million. And this year, I guess I'll
22 be criticized again, and I have to go with the \$525 million,

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1 because my heart is telling me to, because I'm on the
2 outside, and I can see. So I'll go with D, the \$525 million.

3 CHAIRMAN WITTGRAF: Mr. Kirk.

4 MR. KIRK: I think I speak for Mr. Shumway when I
5 reiterate that I think the needs are there, and I would like
6 to see more money here. My opinion is that a 22 percent
7 increase could be absorbed, and that was my recommendation.
8 I do hope that we get more, and I hope I'm wrong, and I hope
9 we don't end up with a \$525 million request and a 2 percent
10 increase like we got last year.

11 But we do recognize the need, and we're
12 recommending what we hope would be a reasonable amount, a
13 reasonable increase that would be accepted and in good faith.
14 And there really is no difference in what we think the needs
15 are. There may be a difference in what we think the
16 absorption rate is. But if anybody thinks that it's easy to
17 sit here and do the \$399 million, they're crazy.

18 CHAIRMAN WITTGRAF: Further discussion? Mr. Uddo.

19 MR. UDDO: Just one observation, and I tried to
20 make the point yesterday that -- and I respect Norm's insight
21 into how Congress works, but reading Congress is a very
22 difficult business, and last time I was on this Board, it was

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1 a Board that every year, with the exception of one year,
2 voted for a freeze budget of \$305 million. The one year that
3 the Board didn't support that, it asked for less than \$305
4 million.

5 I didn't vote for any of those budgets, but I
6 remember distinctly that that Board was roundly criticized by
7 members of Congress for not advocating what was really the
8 need of the Corporation, suggesting that the Board was not
9 doing its job to take cognizance of budget deficits, or
10 whatever, and to not put before Congress what the Corporation
11 conscientiously thought were the needs of the Legal Services
12 community.

13 So I guess what I'm saying is, there's all sorts of
14 voices in Congress, and pretty much no matter what you do,
15 there's going to be one chorus criticizing you, and one
16 chorus maybe supporting you. But when this Board proposed
17 what many thought was less than what was needed. many voices
18 in Congress said, "That's not your job. It's our job to
19 decide how the pie gets split up. You tell us what the
20 Corporation really needs." And that's a large measure of why
21 I proposed the budget that I did propose.

22 CHAIRMAN WITTGRAF: Further discussion?

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1 (No response.)

2 CHAIRMAN WITTGRAF: Before the Board is --

3 MS. WOLBECK: Mr. Chairman.

4 CHAIRMAN WITTGRAF: Ms. Wolbeck.

5 MS. WOLBECK: Just a couple comments. Last year I
6 went with minority budget because I thought that the things
7 that Mr. Shumway and Mr. Kirk -- all the things that they
8 said made sense, and I do think a lot of it makes sense.

9 But since that time, I've had some experiences with
10 our state legislators that have made me think differently,
11 and I think it's just time that this country prioritizes the
12 poor people, at least people -- just our country, our people.
13 That needs to be a priority, and I'm hoping that this
14 administration will look at that.

15 One of the experiences was our legislators finding
16 \$50,000 to deal with something that we're dealing with
17 personally, which is the stray voltage issue -- \$50,000 to
18 research that, and in the same graph, they gave us \$300,000
19 to feed the deer in Minnesota, so they wouldn't starve this
20 winter, so the hunters would have something to do.

21 Now, those kinds of priorities are -- there's
22 something wrong with that. And I'm hoping that maybe this

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1 issue is going to relate to that. We need to make our poor a
2 priority, and that's why I'm going to go with the higher
3 budget.

4 CHAIRMAN WITTGRAF: Further discussion?

5 (No response.)

6 CHAIRMAN WITTGRAF: Before us is the vote on the
7 motion to amend or to substitute Proposal B, a \$399,930,000
8 budget mark, for the committee recommendation of Proposal D,
9 \$525,515,000 budget mark. Those who are in favor of the
10 motion to substitute will signify by saying aye.

11 (Chorus of ayes.)

12 CHAIRMAN WITTGRAF: Those who are opposed, nay.

13 (Chorus of no.)

14 CHAIRMAN WITTGRAF: The nays appear to have it.
15 The nays do have it. The motion is defeated. Further
16 discussion on the motion, that being the recommendation of
17 the committee?

18 (No response.)

19 CHAIRMAN WITTGRAF: Hearing none, those who are in
20 favor of the motion, which is adoption of Proposal D, that
21 being the \$525,515,000 budget mark, will signify by saying
22 aye.

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1 (Chorus of ayes.)

2 CHAIRMAN WITTGRAF: Those who are opposed, nay.

3 (Chorus of no.)

4 CHAIRMAN WITTGRAF: The ayes appear to have it.

5 The ayes do have it. The motion is adopted.

6 Mr. Dana.

7 MR. DANA: Mr. Chairman, the last item, 12(C), we
8 basically tabled to obtain -- to give the members of the
9 Inspector General Oversight Committee an opportunity to
10 reflect on it and ask questions and come back with a
11 reaction. We would ask that that be a matter on the Board's
12 agenda for the next meeting.

13 CHAIRMAN WITTGRAF: It can and will be. I think
14 Ms. Batie heard your comment, your request.

15 Questions or comments for Mr. Dana regarding the
16 report of the Audit and Appropriations Committee?
17 Discussion?

18 MR. DANA: One final point.

19 CHAIRMAN WITTGRAF: Mr. Dana.

20 MR. DANA: Our committee, at the last meeting --
21 and the Board supported this on our recently maligned
22 recommendation that we terminate the law school clinics,

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1 effective this year. What we need to do is notify -- start
2 that process, and we have indicated that our intention is to
3 pull back, and sort of generally described in sort of very
4 broad terms what we would propose to do with those funds.

5 I would like permission to confer with members of
6 the committee and come back to you, perhaps later in the
7 meeting, with a proposal for allocating -- for specifically
8 indicating what our intention would be to where we would put
9 those funds, should Congress support our reprogramming. But
10 I don't have that as we speak. I would have to confer with
11 members of the committee.

12 CHAIRMAN WITTGRAF: Further discussion?

13 (No response.)

14 CHAIRMAN WITTGRAF: Hearing none, we'll move
15 forward to Agenda Item 13, consideration of any report by the
16 special Reauthorization Committee. For that purpose, the
17 Chair recognizes Mr. Uddo.

18 MR. UDDO: There is no report, Mr. Chairman, and I
19 assume that that won't be on future agendas, since there is
20 no such committee anymore.

21 CHAIRMAN WITTGRAF: That's correct.

22 MR. UDDO: Thank you.

1 CHAIRMAN WITTGRAF: Questions, comments for Mr.
2 Uddo?

3 MR. UDDO: I dare you.

4 (Laughter)

5 CHAIRMAN WITTGRAF: Before we move, then, to Agenda
6 Item 14, the Chair wants to take a moment on behalf of
7 himself and the Board and the president for some special
8 recognition. I think that you all know that in the course of
9 the year we evaluate and visit with the president of the
10 Corporation, we visit with and evaluate the inspector general
11 of the Corporation and, in so doing, enter into contracts
12 with them.

13 And I think, certain news reports notwithstanding,
14 that the only two employment contracts that Corporation has
15 in force and effect at this time are for the two individuals
16 hired directly by the Board, the president and the inspector
17 general.

18 The Board does have a special relationship with the
19 Corporation secretary, and we don't get to really evaluate
20 her, and we don't get to enter into a contract with her, but
21 I think I can speak for the Board and the president in saying
22 that our lives are made much easier by the Corporation

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1 secretary and the successful work that she and her staff
2 members do, and we appreciate that a great deal and want to
3 pass upon that fact at this organizational meeting of our
4 Board, and in so doing, the president and I have been
5 presumptuous enough to use one of those frames that Ms. Batie
6 had left over from last year's annual conference --

7 (Laughter)

8 CHAIRMAN WITTGRAF: -- to recognize her formally
9 but very seriously, and I will take a moment -- please
10 indulge me -- to read the recognition prepared by the
11 president and me on behalf of the Board. This is a letter
12 dated today, addressed to Ms. Batie.

13 "Dear Pat: You assumed the position of secretary
14 of the Legal Services Corporation on March 16, 1991, and
15 since that time have discharged your duties in that capacity
16 in such an exemplary fashion, with such grace and unstinting
17 devotion and extraordinary dedication, that it seems
18 appropriate that we take a moment to commend you for all of
19 your efforts. It seems particularly fitting that this be
20 done at the annual meeting of the Corporation's Board of
21 Directors.

22 "You came to the position you now hold with a long

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1 and distinguished record at the Legal Services Corporation
2 and have continued to distinguish yourself in your current
3 position. Your commitment to your work has very
4 significantly aided the Corporation's Board of Directors in
5 its work, and your wit, charm, and grace have enriched our
6 LSC experience.

7 "We are proud of and grateful for your Herculean
8 efforts in our behalf. The Legal Services Corporation is
9 fortunate indeed to have the services of so competent and
10 dedicated an officer as you, as we are delighted to pay you
11 this richly deserved tribute.

12 "Thank you so very much for all of your
13 extraordinary work, and please bear with us as we prepare to
14 start yet another year together. Again, we thank you.
15 Sincerely, Wittgraf and O'Hara."

16 If you would come forward, we would like to have --

17 (Applause)

18 CHAIRMAN WITTGRAF: And some of us are even
19 appreciative to you for having taught our spouses the
20 Electric Slide.

21 (Laughter)

22 CHAIRMAN WITTGRAF: Only time will tell how

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1 appreciative we should be.

2 MR. UDDO: We made need an explanation to that.

3 CHAIRMAN WITTGRAF: At another occasion, perhaps
4 Ms. Batie can show all of us the Electric Slide, but I don't
5 know that that's appropriate at this time.

6 MR. KIRK: I would have waited to do this at Maui.

7 CHAIRMAN WITTGRAF: At this time, then, the Chair
8 recognizes President O'Hara.

9 MR. O'HARA: Thank you, Mr. Chairman. I divided
10 the report into about nine or ten different items which I
11 want to leave with the Board.

12 First of all, we're continuing our in-house agenda
13 of reducing expenditures and holding down costs in all
14 categories. Employees who leave the Corporation are being
15 replaced only on a selective basis, very selective. Since
16 the December Board meeting, the personnel roster of the
17 Corporation has been reduced by five, and two additional
18 employees will be departing within the next two weeks; one by
19 retirement, and one by resignation to accept other employment
20 in the private sector.

21 Since the Board meeting in December, we have had
22 one furlough day, which was January 19th, and we sandwiched

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1 that in between the Inauguration and the Martin Luther King
2 holiday. And although I have not scheduled a second furlough
3 day at this time, we are still looking at that possibility.
4 It could take place in conjunction with the February
5 Presidents' holiday.

6 I know that there is some unhappiness with the
7 furlough days, but I believe that using this approach and
8 spreading the hurt amongst all of the employees is a lot
9 better than going through a reduction in force whereby we
10 would hurt a few people, and that we want to avoid. I
11 believe it's an equal sharing of what we're going through
12 right now.

13 I would like -- David or Alice, would you come up
14 to the table, please -- and Vic and Ken -- while I'm reading
15 through this next section.

16 As an additional temporary measure to assist in our
17 current financial situation, we are implementing another
18 measure, effective on the 1st of February, which is Monday.
19 This very simply requires our employees to use, between now
20 and September 30, any leave which they will earn during that
21 period. Very simply, what this does is reduce the
22 Corporation incurring any financial liability for days not

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1 taken. That is, we would have to show these days as an
2 account payable on the books of the Corporation at the end of
3 that time.

4 We will be holding brief meetings with all of our
5 employees on this. We have already met with the managers,
6 and I believe some of the employees have already met with
7 their managers on that. Should the Corporation's financial
8 situation improve by any means, this policy will be rescinded
9 immediately. I want to make that clear to the Board. This
10 is a temporary thing, and it will go out on September 30th,
11 or sooner.

12 Any leave that the employees have accrued up to
13 this time is theirs. We will honor that. We are not going
14 to make this retroactive to cover anything in the past.

15 MR. KIRK: Mr. Chairman, isn't there a limit on how
16 much leave they can accrue?

17 MR. O'HARA: There is, 240 --

18 MR. SHUMWAY: Hours or days?

19 MR. O'HARA: Hours. Thank you.

20 During December, the Corporation was visited by the
21 transition team for about two hours. Subsequent to that
22 time, they requested and were furnished information regarding

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1 staffing, and they were made aware of the present financial
2 shortfall in the management and administration budget. We
3 have had no contact with them in over a month, unless there's
4 somebody from the team that's here today listening to us, or
5 the new President's team.

6 I'm pleased to report that Ellen Smead, who is
7 director of the Office of Field Programs, issued all of the
8 program grants prior to the last holiday season, and I think
9 that's worthy of commendation that that was done by that
10 staff.

11 In recent weeks, I have furnished to you copies of
12 an article which appeared in the Legal Times by Terry Roach,
13 who is a former executive director of programs, and after
14 reading the article, decided that it presented such a
15 distorted view of the Corporation, and it should require a
16 response from the Corporation in the form of a letter to the
17 editor, which was also furnished to you.

18 While I look at letters which legitimately
19 criticize us as being acceptable -- and I think that's good.
20 I think that nobody is above criticism. I get my report card
21 from you every year. They employees get their report card
22 from me every day, once a week. But I think when somebody

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1 writes a letter that has distorted what the current Board has
2 been doing and the way the Corporation has dealt with our
3 field programs, I think a response is necessary. And I have
4 to say that the response was drafted by Ken Boehm at my
5 request, and that's just another example of the fine work
6 that he does.

7 You have also been furnished a copy of the new
8 Corporation travel guidelines, which is really one of a
9 number of products which have been under review and revision
10 since late 1991. Additionally, we will be issuing a new
11 Corporation employee handbook and a manual sometime in the
12 next few days -- Alice?

13 MS. DICKERSON: Next week.

14 MR. O'HARA: Next week.

15 MS. DICKERSON: We hope by the end of next week.

16 MR. O'HARA: By the end of next week, so that all
17 of our employees will have a handbook that they can refer to
18 from time to time.

19 Ken and I have had some meetings with Congressional
20 staff regarding our financial situation and have been met
21 with expressions of concern, especially regarding our
22 financial situation and the fact that we've had to furlough

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1 staff, and they have expressed a willingness to assist. As
2 you know, there has been kind of a slowness in organization
3 of some of these subcommittees on the Hill, shifting of
4 members from one committee to another, movement of members
5 from one subcommittee to another. So we have not -- our
6 efforts have not been as productive as I thought they would
7 be at this time.

8 Ken, would you like to bring us up to date on where
9 we sit right now?

10 MR. BOEHM: Sure. By way of a brief legislative
11 report, just to reiterate what Jack has said, they have been
12 a little slower than usual in getting organized. In part,
13 it's because this is the largest incoming class in some time.
14 I think it's since 1948. Approximately one-fourth of the
15 members are new. A lot of changes -- the Appropriations
16 Subcommittee in the Senate, for example, has not yet
17 organized. I did give a tentative report at the meeting on
18 some of the changes in our key committees.

19 On the House side, the Appropriations Subcommittee
20 remains the same. It's Congressman Neal Smith, chairman; Hal
21 Rogers, majority. On the Judiciary Subcommittee that handles
22 Legal Services reauthorization, there is a change that I

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1 mentioned at that point, and let me just state it briefly.
2 John Bryant of Texas has replaced Barney Frank, who left to
3 chair another subcommittee. George Gekas remains minority
4 there.

5 Over on the Senate subcommittee, that's one that
6 has not as yet met, unless they're doing it today. They
7 thought they were going to meet on the 21st. Fritz Hollings
8 will probably remain chairman of that. Since Mr. Rudman has
9 left, the expectation -- and that's all it is at this point
10 -- is that Senator Pete Domenici of New Mexico would be
11 ranking minority, replacing Senator Rudman.

12 On Labor and Human Resources, which is our
13 authorization committee in the Senate, Senator Kennedy will
14 remain as Chair. Senator Kassebaum, Nancy Kassebaum, would
15 probably -- is going to be the ranking minority there.

16 Also a couple of other quick notes of things that
17 -- there is a lot of change in the air. One thing that has
18 some bearing, perhaps, on future appropriations here, is that
19 there is a lot of talk now advocating that Congress adopt a
20 two-year appropriations cycle. It's something that we've
21 talked about here.

22 And, interestingly, our new ranking minority on the

1 Appropriations Subcommittee, Pete Domenici of New Mexico, is
2 one of the key advocates of that. In order to save time,
3 avoid getting into continuing resolutions, and so forth, this
4 is being considered by the Joint Committee on the
5 Organization of Congress. I don't know that there's any
6 decisions pending, but that is something that's under serious
7 consideration.

8 Going to the appropriations schedule, as you know,
9 because of the change of administrations, we have gotten a
10 delay in the normal appropriations cycle. Normally, the
11 President, through OMB, submits their budget in January.
12 Under legislative changes that took place in 1990, in years
13 when there's been a change of administration, as there is
14 now, that doesn't happen.

15 President Bush did send up a budget message. It
16 did not contain any figures in it vis-a-vis Legal Services.
17 I mean, Legal Services has always had bypass authority; we're
18 not strictly a federal agency, never had to go through OMB,
19 but we always reported to OMB, and OMB always, on their own
20 volition, penciled in a number. That didn't happen.

21 If you got a copy of the message that went up in
22 January, there is no mention of Legal Services. There is an

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1 administration budget message that's expected, and the exact
2 date is not known at this point to go forward, mid- to late
3 February. We can look to that to get maybe an early
4 indication as to what the budget number may be there.

5 And, again, you know, we're a special case in the
6 sense we have bypass authority. OMB may pencil in a number,
7 and if it does, we'll let the Board know as soon as possible
8 what that number is, and that would be seen as an early
9 indication maybe as to what might happen on some of our
10 funding.

11 Another point, getting back to what President
12 O'Hara had mentioned, our meetings with the Hill. One of the
13 points mentioned there and also reiterated by OMB is that,
14 with respect to our FY '94 budget request, if we're going to
15 be requesting reprogramming of '93 funds, in the case of the
16 law school clinic funds, they would both request that they be
17 included with our Fiscal Year '94 request. So when we send
18 our request as a courtesy, once this Board passes it, to OMB,
19 and when we submit it to the Congress prior to the House
20 subcommittee's hearings, they want to know in that document
21 what further adjustments we want.

22 So that would be a good place have what was

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1 referenced earlier, what the Board's designation is for how
2 those funds would be spent, at what percentages. And that is
3 something that I understand will be taken up later in the
4 agenda.

5 Additional request -- additional item of interest
6 is Legal Services, and you may have seen it if you saw C-SPAN
7 or saw the news coverage during the confirmation hearing for
8 Zoe Baird as Attorney General. She was questioned by Senator
9 Kennedy, and Legal Services Corporation came up, and at that
10 point, she expressed a view of active involvement of the
11 Justice Department in Legal Services.

12 In the past, there's been liaison with the Justice
13 Department and Legal Services. In recent years, the liaison
14 for the executive branch has been the White House counsel's
15 office. If her comments reflect the policy decision within
16 the new administration that there would be more liaison at
17 the Department of Justice level, then that would be a change,
18 and that's nothing really formal in the sense that it's done
19 informally. But that may be one change to expect over the
20 coming months.

21 And the final item is, on our appropriation
22 schedule, because we got off to a little bit of a late start,

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1 the President's budget not going in January but in February,
2 Mr. Natcher, the new chairman of the Appropriations
3 Committee, however, has made it very clear that he is going
4 to stick very tightly to the normal schedule. Normal
5 schedule, as you know, we have our hearings in the spring,
6 but then by June the House has completely worked up the
7 budget and sent it over to the Senate. The budget bill is
8 always originated in the House.

9 So he is going to stick to the normal schedule,
10 conclude business in June. We were given a courtesy call by
11 the Appropriations Subcommittee staff, saying that things
12 will move very, very quickly once they start moving, and that
13 should not be a problem, given where we are in our schedule.
14 And they will try to stick to the normal schedule, and we
15 would then expect the Senate to deal with it during the
16 summer. Last year our Senate hearing, I believe, was in late
17 July. And then, you know, expect the budget by the time of
18 the new fiscal year, beginning October 1st.

19 So that's a brief legislative report of where we
20 are. Thank you.

21 MR. O'HARA: If any of the members have any
22 questions they want to ask Ken --

1 CHAIRMAN WITTGRAF: Mr. Boehm, I was thinking --
2 you said that the Senate Appropriations Subcommittee hearing
3 with us was in late July. I'm thinking it's probably in
4 April.

5 MR. BOEHM: No, I'm --

6 CHAIRMAN WITTGRAF: It was the reauthorization
7 hearing that was in July, I believe, because March and April
8 usually cover the House and Senate Appropriations
9 Subcommittee hearings, I believe.

10 MR. BOEHM: No, you're right. What I was thinking
11 was the Senate report on the appropriations came out July
12 23rd, and that's -- you're right. Our hearings will continue
13 to be much earlier. It's just that the report will be
14 mid-summer.

15 CHAIRMAN WITTGRAF: Mr. O'Hara.

16 MR. O'HARA: Thank you, Mr. Chairman. Thank you,
17 Ken. Mr. Kirk is leaving the room, so I feel safe in
18 discussing this next item.

19 Next week, our general counsel, Vic Fortuno, and
20 Bill Sulik, the assistant manager of the compliance office,
21 and I will meet with the Board of Directors of the Legal Aid
22 Society of Hawaii. However, I have to inform you that I am

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1 arriving at 12:30 noon on Tuesday and leaving at 7-something
2 the next morning, so it's not going to be much of a trip.

3 Our purpose in going down there is, we're going to
4 discuss and resolve with the board of directors of that
5 program the program's current funding situation, and I fully
6 expect that this meeting will be productive and friendly and
7 one which will correct an erroneous impression of the
8 Corporation which is now held by that board, and we hope that
9 this meeting will correct all of those views.

10 MR. KIRK: Jack, wouldn't it be a lot more
11 economical if you waited until the trip out to San Diego to
12 do this? Couldn't we save some money?

13 MR. O'HARA: We could save some money, but I think
14 that program would be losing money.

15 CHAIRMAN WITTGRAF: Perhaps it would be most
16 economical for Mr. Kirk just to go with you.

17 (Laughter)

18 MR. RATH: It would certainly shorten this meeting.

19 MR. O'HARA: On Friday, I will head back from
20 Hawaii, and Emilia DiSanto and I will attend the SCLAID
21 Committee meeting at the ABA's midyear meeting in Boston.

22 Finally, one item I discussed with the Board was a

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1 decision regarding the Pacific regional office and the
2 regional office in Atlanta. The regional office in Atlanta
3 has closed, and our staff person down there has decided to
4 retire. After meeting with the Pacific regional office staff
5 for about three and-a-half hours, I decided to hold that
6 decision in abeyance. There are some things that I discussed
7 with that staff and some uses that the Corporation can make
8 of them, which led to my decision to do that.

9 One of the things that I will tell the Board this
10 morning is that the three professional staff members in the
11 Pacific regional office in Oakland have had fairly extensive
12 Legal Service program experience, one having managed a
13 litigation program for a Legal Services program, another
14 having managed a Legal Services program, and the third
15 gentleman had been either executive director or assistant to
16 the executive director of a program. We're looking at
17 probably 15 or 18 years experience in Legal Services
18 programs.

19 After having met them and talked to them and
20 reviewing some of their work, I made the decision which I
21 have conveyed to the competition committee group, that these
22 three will represent the Corporation on the peer review

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1 teams. I think they will represent the Corporation well, and
2 I think they will work well with the peer reviewers that I
3 have selected from the programs around the country.

4 Mr. Chairman, that concludes my report, unless any
5 Board members have any questions.

6 CHAIRMAN WITTGRAF: Discussion?

7 (No response.)

8 CHAIRMAN WITTGRAF: Hearing none, we thank you. I
9 guess we can allow Ms. Dickerson and Mr. Fortuno and Mr.
10 Boehm to relax and retreat.

11 MR. FORTUNO: And for that, we thank you, Mr.
12 Chairman.

13 CHAIRMAN WITTGRAF: At this time, the Chair is
14 pleased to recognize the Corporation's inspector general,
15 Mr. Quatrevaux for the purpose of his report.

16 MR. QUATREVAUX: Thank you, Mr. Chairman. The
17 monthly activity summary for December that Mr. Kirk referred
18 to was mailed to you several weeks ago. As always, if you
19 have any questions, I am available at your convenience to
20 answer them.

21 The single most effective fraud deterrent tool is
22 publication of successful prosecutions. In December, a

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1 former vendor to an LSC recipient was convicted of five
2 counts of stealing federal funds totalling \$12,200. On
3 Monday of this week, he was sentenced to serve four months in
4 jail, six months confinement to his home, three years
5 probation, and was ordered to pay a fine of \$62,000.

6 That concludes my report, Mr. Chairman.

7 CHAIRMAN WITTGRAF: Mr. Quatrevaux, thank you. Let
8 me take a moment to call the Board's attention both to your
9 November report sent to us in mid-December, and your December
10 report sent to us in early January, and then also your two
11 formal reports, the limited review on travel and travel-
12 related policies and procedures, and your audit report
13 regarding the petty cash fund, in case any of the Board
14 members have any specific questions pertaining to them.

15 I have one question as I've looked at the two
16 monthly activity summaries, and I think it is very helpful,
17 at least for me as one Board member, to have these summaries.
18 The so-called hotline complaints really over the two months,
19 November and December, are only two in total. Is it too
20 early, or do you have some sense yet about the hotline and
21 its utilization or effectiveness?

22 MR. QUATREVAUX: I think it's premature, Mr.

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1 Chairman. The materials have just been distributed.

2 CHAIRMAN WITTGRAF: Further questions for Mr.
3 Quatrevaux?

4 (No response.)

5 CHAIRMAN WITTGRAF: Thank you.

6 At this time, the Chair recognizes Mr. Dana.

7 MR. DANA: Mr. Chairman, the -- yesterday and
8 today, this country has been saying good-bye to one of its
9 truly outstanding leaders, and since his life has really
10 embodied the values that this Corporation stands for, I think
11 it would be appropriate if we stood for a moment of silence
12 in honor of Thurgood Marshall.

13 (A moment of silence was observed.)

14 CHAIRMAN WITTGRAF: Thank you, Mr. Dana.

15 MR. DANA: Thank you.

16 CHAIRMAN WITTGRAF: The Chair is prepared to
17 proceed to Agenda Item 16, 17, 18, and 19, those to be
18 considered in executive session. We have attempted, for the
19 purposes of our staff members present and our guests, to put
20 those agenda items at the end of our overall agenda. It is
21 possible that we will need to ratify some action taken
22 tentatively by the Board in executive session, in open

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1 session.

2 It is also possible, I guess, as suggested earlier
3 by Mr. Dana, that he and the members of the Audit and
4 Appropriations Committee may have something further for the
5 Board to consider regarding the Fiscal Year 1993 budget, so
6 that I don't want our friends or staff members to feel that
7 we will do nothing when we reconvene.

8 But we will reconvene in approximately an hour,
9 approximately 1:15 p.m., after the conclusion of our
10 executive session. We will go right to any further business
11 that is to be conducted at that time. There may be some,
12 there may be none. I can't say for certain, other than to
13 project that time.

14 At this point, the Chair is prepared, consistent
15 with notice that has been given, to entertain a motion that
16 we proceed to executive or closed session for the purposes
17 delineated in the agenda and in the notice.

18 MR. DANA: So moved.

19 MR. SHUMWAY: Second.

20 CHAIRMAN WITTGRAF: It's been moved by Mr. Dana,
21 seconded by Mr. Shumway. Discussion?

22 (No response.)

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1 At this time, we are prepared to consider such
2 other business as any of the members of the Board or any
3 members of the public wish to bring before the Board.

4 The Chair turns first of all to Mr. Dana to
5 provide, on behalf of the Audit and Appropriations Committee
6 of the Board, his sense of where any reprogrammed moneys, as
7 the same were discussed with the Board in its last regular
8 meeting, would be utilized by the Corporation, should such a
9 reprogramming occur. Mr. Dana?

10 MR. DANA: Mr. Chairman, at our last meeting, we
11 recommended to the Board and the Board adopted the
12 recommendation concerning a reprogramming request. There was
13 some lack of specificity in that motion, but I am happy to
14 tell you that I can give you that the sense of the committee
15 at the time was and is now, that the moneys be allocated as
16 follows:

17 \$300,000 to M&A; \$200,000 to begin the development
18 and study and even implementation of an attorney recruitment,
19 retention, and/or loan forgiveness pilot project; and the
20 balance of the money, or \$754,000, would go to basic field
21 programs with the funds specifically to go towards
22 equalization of funding of field programs by raising the

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1 floor or minimum funding level on a per person basis.

2 That is the sense of the committee as to the
3 appropriate allocation of that reprogramming request.

4 CHAIRMAN WITTGRAF: Is that your understanding,
5 Mr. Uddo?

6 MR. UDDO: Yes, it is.

7 CHAIRMAN WITTGRAF: Is that your understanding, Ms.
8 Wolbeck?

9 MS. WOLBECK: Yes, it is.

10 CHAIRMAN WITTGRAF: Any further discussion in that
11 regard?

12 (No response.)

13 CHAIRMAN WITTGRAF: We do have a consensus, do we
14 not, among the Board and with the staff, President O'Hara and
15 his staff, that a solicitation for grant requests for law
16 school clinical programs will be processed as quickly as
17 possible, notwithstanding our December resolution and this
18 sense of the committee that you have just shared with us?

19 MR. DANA: That's correct, in that we feel that
20 Congress clearly has the power to directly or indirectly stop
21 us from carrying this through, and may, in fact. So we would
22 want to be in a position as a Corporation to carry out

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1 Congress' original intent and our original request, should
2 this change of signals not be approved.

3 CHAIRMAN WITTGRAF: Mr. Uddo.

4 MR. UDDO: With also the proviso that I mentioned
5 earlier, that I think that those RFPs should indicate that
6 this is in the works and it is possible that the money might
7 not be available through the grants, so that no one makes a
8 grant request on the assumption that the money is definitely
9 appropriated.

10 CHAIRMAN WITTGRAF: Mr. Dana.

11 MR. DANA: And the suggestion, I think, that should
12 the moneys be awarded, that we would tend to look with favor
13 on programs that are located in areas where there has been a
14 substantial increase in poverty population since the last
15 census.

16 CHAIRMAN WITTGRAF: Mr. Rath.

17 MR. RATH: In the interest of full disclosure,
18 maybe we should have an additional line in that RFP saying at
19 this time, there is no such line item for 1994.

20 CHAIRMAN WITTGRAF: Fine. Fine. That could affect
21 the thinking or the approach of some people, even to the
22 current proposal, although -- Mr. Dana.

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1 MR. DANA: The qualification should be included
2 that that is -- we're just speaking for the Board policy, and
3 Congress has the final say.

4 CHAIRMAN WITTGRAF: I don't know that -- Ms. Smead
5 is here. Mr. Moses is here from the Office of Field
6 Services, and of course President O'Hara. Hopefully they
7 understand, as the record will reflect, then, that that
8 solicitation would have those two caveats regarding the
9 Board's thinking and request for the current fiscal year's
10 appropriation and the Board's recommendation to the Congress
11 for the next fiscal year's appropriation.

12 Further discussion on this matter?

13 (No response.)

14 CHAIRMAN WITTGRAF: Thank you, Mr. Dana.

15 Further business to come before the Board at this
16 time?

17 Mr. Dana.

18 MR. DANA: I just want to be sure that the sense of
19 the committee is the sense of the Board, for purposes of this
20 allocation, should there be any question.

21 CHAIRMAN WITTGRAF: Does anyone, as a member of the
22 Board, take exception to the sense of the committee shared on

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1 behalf of the committee by Mr. Dana with the Board?

2 (No response.)

3 CHAIRMAN WITTGRAF: I believe not. Thank you.

4 Any further business to come before the Board?

5 (No response.)

6 CHAIRMAN WITTGRAF: Hearing none, the Chair is
7 prepared to ask one question first. That is that as
8 Ms. Batie works on the schedule for our meetings in Phoenix
9 next month and discusses with people in that area the
10 possibility of our visiting with representatives of Native
11 American programs or local LSC grantees, when would any such
12 meeting be best for members of the Board?

13 The Chair's thinking is that Sunday afternoon would
14 be best, that most people would be available, that committee
15 schedules would work around that, and that that would not
16 interfere with the formal Board deliberations on Monday, the
17 22nd. Does anybody see any problem with Ms. Batie keeping
18 that Sunday afternoon in mind?

19 (No response.)

20 CHAIRMAN WITTGRAF: We'll take acquiescence as
21 agreement, or silence as agreement -- silence as
22 acquiescence. The Chair is now prepared to entertain a

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1 motion to adjourn.

2 MR. RATH: So moved.

3 CHAIRMAN WITTGRAF: Mr. Rath.

4 MS. LOVE: Second.

5 CHAIRMAN WITTGRAF: Seconded by Ms. Love. Those

6 who are in favor will signify by saying aye.

7 (Chorus of ayes.)

8 CHAIRMAN WITTGRAF: Opposed, nay.

9 (No response.)

10 CHAIRMAN WITTGRAF: The ayes appear to have it.

11 The ayes do have it. The meeting is adjourned.

12 (Whereupon, at 1:35 p.m., the meeting was
13 adjourned.)

14 * * * * *

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