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LEGAL SERVICES CORPORATION

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MEETING OF THE BOARD OF DIRECTORS

- - -

Thursday, July 6, 1978

- - -

AFTERNOON SESSION
(First portion)

- - -

The Board of Directors met, pursuant to Notice, in Ravensworth Hall, Arlington Hyatt House, 1325 Wilson Boulevard, Arlington, Virginia, at 9:30 a.m., the Honorable Roger C. Cramton, Chairman, presiding.

- - -

IN ATTENDANCE:

Roger C. Cramton, Chairman
Thomas Ehrlich, President
J. Melville Broughton, Jr., Member
Steven Engelberg, Member
Cecelia D. Esquer, Member
Robert J. Kutak, Member
Revius O. Ortique, Jr., Member
Hillary Rodham, Member
Glee S. Smith, Jr., Member
Glenn C. Stophel, Member
Richard Trudell, Member
Josephine Worthy, Member

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P R O C E E D I N G S

4:15 p.m.

1
2
3 MR CRAMTON: Mr Ortique?

4 MR ORTIQUE: Yes. I was asked outside by one of the
5 -- one of my colleagues on the Board, was that a motion that I
6 had made, and Mr Kutak here, Mr Kutak had seconded, and I said
7 yes, I thought that's what I was doing. I would sort of say --
8 as a general understanding of what I was saying in my motion,
9 and I'd like to repeat it, and that is that we would continue
10 the Reginald Heber Smith contract with Howard University, for
11 a period of one year, that in those areas in which there is a
12 agreement that those agreements would be incorporated in the
13 contract that will be presently negotiated, that not later than
14 six months from now that the staff would be directed to --
15 through our president -- to report to us as to whether the
16 grantee and the Corporation are prepared to enter into a con-
17 tract for a longer period of time, that inherent in all of this
18 must be the independence of the grantee upon those duties that
19 are integral to such independence, and that the Board Committee
20 on Provision of Legal Services would have the opportunity to
21 assist in the development of the report to the Board at the end
22 of that six-months period. We're talking about by the end of
23 the calendar year.

24 That's my motion, and I trust that that's what Mr
25 Kutak was indicating that --

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1 MR CRAMTON: Is that the motion you seconded, Mr
2 Kutak?

3 MR KUTAK: That's certainly the substance of it, and
4 I'll take the words too.

5 MR CRAMTON: Is there a discussion on the motion? Mr
6 Engelberg?

7 MR ENGELBERG: I would like -- I think you answered
8 this, Dean Branton, but if in fact the Board adopted that mo-
9 tion, do you feel that that would give Howard the kind of open-
10 ing -- you know, enough to get going in terms of stability you
11 need? Obviously I know you would prefer a two-year contract.

12 MR BRANTON: I think it would, Mr Engelberg.

13 MR STOPHEL: How are we going to avoid this prima
14 facie case under Title VII if one in fact exists? Are we run-
15 ning a minority recruiting program? Is that -- when Bob made
16 his dissertation here a minute ago he talked about a cadre of
17 quality lawyers committed to Legal Services. Is that the pro-
18 gram we're running? Is that the policy we're setting?

19 Or are we running a minority recruiting program, and
20 just calling it something else? How do you see that, Dean?
21 What do you think you're running?

22 MR BRANTON: I think I'm running a program of trying
23 to attract quality lawyers to work in the poverty sector.

24 You know, the majority of the Reggies are not going.

25 MR STOPHEL: I realize that, and that's why I'm --

1 MR BRANTON: And I refuse to concede that there's a
2 prima facie Title VII violation here.

3 MR STOPHEL: But you would maintain the records to
4 establish or not establish that. Do I understand that that is
5 a part of the arrangement, that the record keeping would be im-
6 proved in that regard?

7 MR BRANTON: We'll have to work out the details as to
8 what records we would want, and it has been suggested that we
9 ought to keep records by race. If there's no violation of any
10 Federal laws in that regard, we would maintain those also.

11 MR STOPHEL: But you don't see it as a minority re-
12 cruiting program.

13 MR BRANTON: No, but I see it as a program, a part of
14 which is to try and attract some minorities, but as a part of
15 an overall goal. You know, we are --

16 MR CRAMTON: Because they're the most highly quali-
17 fied.

18 MR BRANTON: Because what's the most highly qualified?

19 MR CRAMTON: Because the black lawyers are the most
20 highly qualified for legal services positions.

21 MR BRANTON: No, I wouldn't even say that.

22 MR CRAMTON: I mean the ones who get the fellowships
23 of those who apply.

24 MR BRANTON: Of those who apply, yes.

25 MR CRAMTON: Yes.

1 MR BROUGHTON: Could I ask Mr Ortique a couple of
2 questions?

3 Number one, I tried to write this down as you were
4 giving it. You said that the agreements being incorporated in
5 the contract -- do you mean those items upon which there is
6 agreement on the checklist furnished by Mr Bamberger?

7 MR ORTIQUE: Yes.

8 MR BROUGHTON: Now do you also mean the same funding
9 level and the same lump-sum forty percent of overhead?

10 MR ORTIQUE: I understood that they were -- that that
11 was an area -- the forty percent overhead was an area in which
12 there was negotiations being carried out. Is that not right?

13 MR BROUGHTON: Well, it's not on the checklist, so
14 I --

15 MR BRANTON: That's an area for additional negotia-
16 tions which would involve the vice-president for finance at --

17 MR BROUGHTON: Well, was there a determination in the
18 Robertson Report as to whether or not this was a realistic fig-
19 ure or whether the legal services program would get value re-
20 ceived for what it was paying out?

21 MR ROBERTSON: May I speak to that, sir?

22 MR BROUGHTON: Yes, I --

23 MR ROBERTSON: What's come to be known as the Robert-
24 son Report really asks more questions than it answers, and the
25 questions that it asks have to do with the relationship of

1 overhead paid in the past for services rendered by Howard in
2 the past.

3 As I understand the future, as it is contemplated by
4 the stick sheets, there will be substantially greater involve-
5 ment of Howard University, and I would think that the indirect
6 cost aspect of the contract would be negotiated with those sub-
7 stantially increased services in mind, and really, it doesn't
8 make -- to my mind -- any sense to limit the future overhead or
9 indirect cost payment based on the past, because the services
10 are going to be different in the future.

11 MR BROUGHTON: Well then it's your idea and your
12 motion to leave that to the staff as to what that figure should
13 be.

14 MR ORTIQUE: Yes. I think that the indirect costs
15 should be negotiated. I think that the suggestion has been
16 made -- and I'm sure it's inherent in Jim's statement -- that
17 the direct costs of the -- would be the thing that we'd be
18 really concerned about as to whether we're getting value for
19 -- or whether they're putting in the types of innovations and
20 changes that we deem are important, as opposed to whether those
21 are labeled direct costs or indirect costs. I think that that's
22 something that can be worked out.

23 What we want to make sure is that the program does
24 what we want it to do.

25 MR CRAMTON: And what do we want it to do?

1 MR BROUGHTON: I'm still groping for that.

2 MS RODHAM: Mr Chairman? Mr Chairman, can I say
3 something? I've been remarkably quiet in all this, to educate
4 myself.

5 MR CRAMTON: Ms Rodham.

6 MS RODHAM: I am probably going to end up supporting
7 Mr Ortique's motion, because I see it as a sort of possible way
8 out of an extraordinarily difficult dilemma that confronts the
9 Board -- certainly the members who have spoken and the members
10 with whom I have spoken, both during lunch and afterwords.

11 But I do have some comments that I'd like to just make
12 as we go ahead and probably do pass this motion, and as the staff
13 and other concerned persons continue the negotiations.

14 My support for the motion, particularly as to the con-
15 tinuation of the relationship between the Corporation and Howard,
16 is based principally on the assumption of the Deanship by Dean
17 Branton.

18 I do not find, in Mr Robertson's Report, the kind of
19 conclusory statement that Mr Carter used when he said, in the
20 first sentence of the second paragraph, that the program should
21 be retained with Howard as the grantee.

22 My reading of Mr Robertson's report suggests that the
23 position of Howard should be considered and considered most
24 favorably in determining who should be the grantee, but that
25 that was not the conclusion of Mr Robertson's report, and mere-

1 ly a statement that he made in his discussion of the various
2 recommendations that he reached after studying the program.

3 Consequently, I think that all of us are concerned
4 and disturbed at the past history, and that's behind us and
5 we've gone over it and are looking to the future, but it's a
6 future that as yet is uncharted, which is the reason that I
7 fully am in agreement with Miss Esquer's comment that we not
8 go forward with anything more than a year, and why I will sup-
9 port Mr Ortique's motion, why I'm also of the opinion that the
10 Board perhaps in this area does have a greater role to play
11 than is ordinarily expected of it or is proper, in the consider-
12 ation of contracts.

13 Because of the importance of the program and the dif-
14 ficulty of its current position, and really the extraordinary
15 burden that we are placing on Dean Branton to turn around a
16 program and to make it worthy of the name and the prestige that
17 it holds, and to really stand for something in the future.

18 So I guess much of the discussion that's gone on for
19 the last two and a half hours really reflects that kind of dis-
20 turbance, because there's so many different strains running
21 through it.

22 Yes, we do have momentum, and we have momentum be-
23 cause we've got two very reasonable and forward looking people
24 negotiating on behalf of the program, on behalf of the Law
25 School and the Corporation. We have an excellent report that

1 was prepared at great energy and time and expense in order to
2 bring us up to date on what the Reggie program looks like and
3 what it will look like in the future, but we also have a lot
4 of legitimate concerns, which is why we can't just say at this
5 point that the way the Reggie program has operated in the past,
6 with modifications -- as Mr Carter states in his memorandum --
7 and relying on the work done by Mr Robertson, will be sufficient
8 to make it the kind of program that we will continue to support.

9 And so although I will support Mr Ortique's motion,
10 I will do so with the belief that we will come up with a pro-
11 gram under Dean Branton's leadership and under the Corporation's
12 leadership, that is going to be one that will go forward and
13 will be everything we want it to be.

14 And Clint told me that one of the first things that
15 he and Dean Branton ever talked about was that we wanted people
16 to continue to be able to say that they're proud to be Reggies,
17 and that does sound, you know, kind of -- I suppose idealistic,
18 but I know both Dick Trudell and I want that to be the case,
19 that we want it to be a prestigious program, we want it to be
20 one for which there's competition, because people want to get
21 into that program, they want to be Reggies, they want to turn
22 down other opportunities to be Reggies, they want to get the
23 kind of training and guidance that they could get in many other
24 places, but are doing in the public sector in poverty law, and
25 that's what we want.

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1 And we can't say at this point, sitting here, that
2 that's what we'll get, unless we've got an opportunity to see
3 how it operates under new leadership and under new directions.

4 So that's why I think you see so much confusion and
5 uncertainty amongst the Board members. We're all for it, we're
6 all for the Reggie program, and we're all in favor of going for-
7 ward and seeing what can be made out of it, but we're not about
8 to write a three-year contract and then at the end of three
9 years find ourselves faced with a program that has made some
10 modifications, but doesn't yet present what it could in terms
11 of the possibilities that the program -- I think -- holds.

12 That's my speech, and now I can't even think of any-
13 thing to say from Rousseau.

14 (Laughter.)

15 MR BROUGHTON: Mr Chairman, I can't recall in the
16 three years that I've been on the Board that we've had a dis-
17 cussion of this importance and this long that we have not had
18 a request from somebody from the PAG to speak, and I'm not sug-
19 gesting that you speak, but I do make that observation.

20 But I do think this is setting a precedent if you
21 do not say anything of importance.

22 (Laughter.)

23 MR BROUGHTON: Let the record show that there's silence
24 from the audience.

25 MR CRAMTON: One aspect of the pending motion that I

1 guess -- at least I'm not clear on, is this talk about the in-
2 dependence of the grantee on all items integral to the program.

3 It doesn't seem to me that that leaves the parties
4 sufficient incentive to continue the process of negotiation
5 that's now going on, if Howard knows that it's going to win on
6 all the contested points. It seems to me to be the implication
7 of your -- or is it? Am I incorrect?

8 MR ORTIQUE: I don't think that that's -- you see,
9 there's no --

10 MR CRAMTON: Are you talking about independence in
11 the form that Robertson was talking about it, about the ultim-
12 ate selection of fellows is going to be by Howard, and that's
13 conceded by -- and that's what we mean by independence?

14 MR ORTIQUE: I have no hidden agenda in this matter.
15 I'm not sure that the -- just as the Dean pointed out that
16 there were two areas that he, at first blush, had thought that
17 he could not be moved on, he investigated further and he fam-
18 iliarized himself further with the problems. He has taken a
19 different attitude -- not a total turnaround, but at least a
20 different attitude.

21 I am not sure that there aren't some other areas in
22 which the non-agreement might not take some turnaround. I'm
23 not prepared to say what the parameters of independence are,
24 but I know that Jim Robertson says that it ought to be an in-
25 dependent program. I know that Miss Esquer has talked about

1 that; Dick Trudell has talked about the independent nature of
2 the program.

3 I don't think that we need to define that independence
4 at this moment to get these people moving, and we will take
5 this look in six months to see what those matters are, and the
6 Committee will stand ready to assist the staff in developing --
7 if we can -- a report to this Board in six months.

8 MR CRAMTON: The staff has heard this discussion also,
9 and the president and the executive vice-president are not un-
10 yielding and they're very reasonable people.

11 Now I don't understand why we can't authorize them,
12 in the light of the discussion, to continue the negotiations
13 with Howard and authorize them -- if they reach agreement -- to
14 enter into a one-year agreement and then come back after six
15 months, but not this -- by language about independence, inte-
16 grals of the program, essentially make it a jug-handed deal in
17 which Howard gets the contract for a year without regard to
18 whether they are able to work out with our president and execu-
19 tive vice-president contract terms which are agreeable to the
20 president and executive vice-president.

21 MR KUTAK: I'm sure that's the spirit of it.

22 MR CRAMTON: Isn't that what you seconded?

23 MR KUTAK: Well, that was the spirit --

24 MR ORTIQUE: You didn't hear what I said. I said
25 that specifically, Mr Chairman.

1 MR CRAMTON: All right, well then we're not --

2 MR ORTIQUE: That they would include those areas in
3 which there were agreement, and I incorporated the notions of --

4 MR CRAMTON: Are you directing the staff to enter in-
5 to an agreement in which all of the areas in which there are
6 not agreement, Howard wins?

7 MR KUTAK: No.

8 MR ORTIQUE: No.

9 MR CRAMTON: All right, well then I fully understand.
10 In other words, you're authorizing the president to enter into
11 an arrangement with Howard, provided they're able to reach
12 agreement on its terms, and in six months they report back --
13 we assume that they will reach agreement on terms. In six
14 months they report in terms of possibilities for a longer term.

15 MR ORTIQUE: That's what we meant.

16 MR CRAMTON: All right, then I've clarified your mo-
17 tion.

18 MR BROUGHTON: But the staff is setting the policy,
19 not the Board, from what you said.

20 MR ORTIQUE: I thought we had set -- we had set cer-
21 tain parameters. We're not going to enter into --

22 MR BROUGHTON: Well I don't know what the parameters
23 are. That's what I'm asking.

24 MR BAMBERGER: Well let me say -- I thought I had my
25 arm behind my back. I asked Dean Branton if he heard you say

1 no, and that at least got my arm back to my side, and I think
2 the Dean and I will sit down and work this out.

3 MR KUTAK: I think so too.

4 MR CRAMTON: Do you think you've got both hands free --

5 MR BAMBERGER: I've been crippled a little bit by
6 this discussion, but I think I'll recover.

7 MR KUTAK: Oh, I think so.

8 MR BROUGHTON: Mr Robertson, you didn't exclude the
9 possibility of another law school, so far as the question of
10 independence is concerned, which you dwelt on, handling this,
11 did you? I mean you're not saying that.

12 MR ROBERTSON: No, I'm not saying that. The report
13 says that the question -- I think this is almost verbatim. The
14 report says something like the question of what law school
15 ought to receive the grant is one that bears periodic re-examina-
16 tion, but that so long as one of the central purposes of the
17 Reggie program is to try to assist the Corporation in improving
18 the minority hiring picture of the Corporation -- which I think
19 it is -- that Howard lays great claim to having that -- to hav-
20 ing prime consideration for the contract.

21 MR STOPHEL: Mr Robertson, the --

22 MR ROBERTSON: That was my consideration.

23 MR STOPHEL: -- dean said he didn't consider it a
24 minority hiring program.

25 MR ROBERTSON: Well, I don't consider it a minority

1 hiring program either, Mr Stophel, but I think that the program
2 has in the past -- and I would hope that in the future it would
3 continue to succeed in attracting and selecting a substantial
4 number of minority lawyers for the Legal Services program.

5 MR STOPHEL: What other --

6 MR ROBERTSON: I think that's part of its stated goal.

7 MR STOPHEL: What other schools have you considered
8 that might have a history in this area of legal services, clinical
9 programs, that sort of thing, that might be interested?

10 MR ROBERTSON: Well, I didn't really make a survey
11 of law schools that might be interested in running the program.

12 MR STOPHEL: But are you aware of any that might have
13 a history that would indicate that they might be interested?

14 MR ROBERTSON: I -- the only one that ever comes to
15 my mind when I think about this -- and only because of a particular
16 concern of a much more recent nature, by the way, than
17 Howard's, which has been at it for a long, long time -- would
18 be Rutgers, but I don't know that Rutgers is interested and I
19 don't know that Rutgers is in any position to handle this, and
20 I think --

21 MR BROUGHTON: We really wouldn't know, unless we put
22 out a request for proposal, would we?

23 MR ROBERTSON: I think that's right, but I don't see
24 in the --

25 MR BROUGHTON: To Rutgers and maybe some others.

1 MR ROBERTSON: -- present circumstances any reason to
2 do that.

3 MR CRAMTON: Well we have a motion that's pending
4 before us. It's been clarified, I think, by Mr Ortique's com-
5 ments, I hope, and the question is are there further discussions
6 of it.

7 MR STOPHEL: Are you satisfied that the policy ques-
8 tion has at least been discussed?

9 MR CRAMTON: If you're asking my personal opinion, I
10 think that we've heard quite a bit in the way that -- in the
11 sense that this -- not being a minority recruitment program,
12 which is race-conscious to a degree that is violative of law or
13 I think desirable policy, it's certainly that the Corporation
14 is on an affirmative action policy, and it is going to be con-
15 cerned about recruiting the best-qualified attorneys for the
16 legal services program, and that's takes into account a wide
17 range of factors in terms of ability to communicate with poor
18 people and the commitment to them and ability to serve them
19 well.

20 And these are job-related criteria, and if the selec-
21 tions are going to be made on a job-related basis, if I under-
22 stood you correctly, Dean Branton.

23 MR BRANTON: That's correct.

24 MR BROUGHTON: But we are leaving it up to staff to
25 work out the details of the contract, and to that extent we are

1 delegating policy to the staff, as I see it, if we pass this
2 motion.

3 MR ORTIQUE: I don't think that that delegates policy
4 to the staff.

5 MS RODHAM: I move the question.

6 MR CRAMTON: It's a matter of who pays out the checks,
7 as being policy. I guess --

8 MR BROUGHTON: Well, you've got some areas here that
9 the Dean said were very basic and your discussion started out by
10 saying these are four areas, and I understood they were basic,
11 and I had the feeling at the beginning that there was no retreat
12 so far as Howard is concerned in this area.

13 Now maybe as the discussion has gone along, maybe it
14 is some retreat, and I understood that Mr Bamberger said that
15 these were basic areas so far as the Corporation is concerned,
16 and there were four upon which there was disagreement.

17 MR BAMBERGER: The Dean and I are flexibly rigid in
18 all our discussions.

19 MR CRAMTON: Is there further discussion on the pend-
20 ing motion?

21 (No response.)

22 MR CRAMTON: Are you prepared for the question?

23 (No response.)

24 MR CRAMTON: All those in favor of the motion, please
25 say aye.

1 (Ayes.)

2 MR CRAMTON: Opposed?

3 MR BROUGHTON: No.

4 MR CRAMTON: Let's have a show of hands. All those
5 in favor of the motion, please say aye, or raise your hand.
6 Ms Rodham, Mr Smith, Mr Kutak, Mr Cramton, Mr Trudell, Ms Es-
7 quer, Mr Engelberg, Ms Worthy, Mr Ortique.

8 Those opposed? Mr Broughton. And Mr Stophel is ab-
9 staining.

10 The motion is carried.

11 Does that complete the report on this item, Mr Or-
12 tique?

13 MR ORTIQUE: That completes the report on this item.
14 Now we move to the matter of the --

15 MR STOPHEL: Mr Chairman, before we leave this item,
16 I would like to express appreciation to Mr Robertson for the
17 completeness and thoroughness of his report and the incisive
18 comments that he's been able to give to the Board here today.

19 MR CRAMTON: I think we've been very much aided by
20 your services and those of your assistant, and certainly by
21 Dean Branton's comments today, and we're very, very apprecia-
22 tive of all that you did on a difficult and vexing issue.

23 MR EHRLICH: And I know the Board joins me in the hope
24 that we can keep on engaging Jim and his many talents and those
25 of his associate.

1 MR ORTIQUE: We didn't hear the name of your asso-
2 ciate, either.

3 MR ROBERTSON: I'm sorry, this is Townsend Robinson,
4 also of the firm of Wilmer, Cutler & Pickering, who's been very
5 helpful to me, and I'm glad to have the opportunity to intro-
6 duce him. Thank you, Mr Ortique.

7 MR ORTIQUE: All right, we thank you too.

8 MR CRAMTON: Thank you very much. And thank you,
9 Dean Branton. We appreciate it.

10 All right, now the next report -- Mr Ortique.

11 MR ORTIQUE: The next report from our committee is
12 a report on the proposal from Gary Bellow. All of you have had
13 the opportunity to have that report also.

14 This is not before us for any action today. This is
15 to have the whole Board have an appreciation for the proposal
16 that is being submitted to us by Gary. We invite you, Gary, to
17 come forward to the table.

18 MR CRAMTON: Mr Ehrlich? Welcome Gary.

19 MR EHRLICH: One of the inevitable problems of this
20 organization, which has a Board that only meets from time to
21 time, has been that sometimes in the past I know we as the
22 staff have presented you with matters and said the clock has
23 essentially run out and you've got to resolve them now or
24 there's a real problem.

25 And it seemed to us that whenever we can we ought to

1 try to avoid that, this being an occasion we could have a dis-
2 cussion about a matter that I view as very important and very
3 exciting, worthy of substantial and continued discussion, with-
4 out resolving it, now, rather the notion of having a resolution
5 in October. That would be a busy session.

6 The background, essentially, was the following: for
7 some time, a general sense among a number in legal services
8 that a variety of kinds of efforts ought to be developed in the
9 training sphere, in particular, and in the support sphere more
10 generally.

11 We're now going forward, as I'll describe in more de-
12 tail tomorrow, with a variety of planning efforts you've seen
13 concerning the support arena, and ideally we would come to you
14 with our own judgments about how this fits into the future of
15 the Board activities generally.

16 We can't do that yet, and won't be in a position until
17 after the regional meetings around the country where the next
18 steps -- papers can be discussed to do that.

19 In the interim, we do have a particular proposal that
20 comes for the Corporation to fund and the Legal Services to
21 institute through the legal services program in Boston. The
22 head of that program, Bill McNally, is here, as well as Gary
23 Bellow.

24 It seemed to us as a staff that we should do a varie-
25 ty of things in order to put you in a position to make the de-

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1 cision next fall, one of which is to get as wide set of judg-
2 ments about this as we possibly could from as many different
3 people as we can, and we've sent out an array of letters and
4 we'll keep asking for judgments and try to present you with the
5 responses as fairly as we can.

6 At the same time, here was a chance, it seemed to us,
7 at this meeting for you to discuss the proposal, ask questions,
8 get some sense of what it was and what it wasn't, and perhaps
9 give us some guidance on a preliminary basis of where you think
10 we should be going on it, or asking Gary to come in on it, and
11 will say only that I've also discussed the matter in general
12 terms with Dean Al Sacks of Harvard, and this is a somewhat
13 different than usual arrangement, in that another institutuion
14 -- Harvard Law School -- has, subject to final approval by its
15 faculty, indicated a very strong interest in making a very
16 significant contribution -- financially -- to this enterprise.

17 And viewing it in some sense apart, because of that
18 very potentially substantial commitment by Harvard. Not that
19 all the students would be from Harvard. They wouldn't. They
20 would be from Harvard and Northeastern and potentially from
21 others as well, but that Harvard has indicated, subject to final
22 approval by the faculty, an interest in contributing very hea-
23 vily to it.

24 With that, by way of background, and with your per-
25 mission, I think it might be helpful if Gary spelled out the

1 enterprise, and maybe you can ask him what questions you have,
2 knowing that this would be a part of the Boston program and
3 integrated into it.

4 MR BELLOW: Okay. I'm sure I won't upset anybody by
5 being brief. People have the proposal, and I will not go through
6 it in any kind of detail.

7 It essentially proposes a neighborhood office school,
8 and I think it raises for the Board three questions, substan-
9 tively, besides the procedural questions.

10 One, does the Board want to go further than it already
11 has in funding education for recent graduates going into the
12 legal services system?

13 Two, if the answer to that is in the affirmative, does
14 it make sense to do so in the form of the kind of institute the
15 proposal contemplates?

16 And then three, does the Board want to fund this par-
17 ticular institute?

18 I've said to Tom that I believe that there ought to
19 be as many as four or five over the next ten years.

20 Now I won't speak to the last question, because ob-
21 viously that's a question for detailed consideration of the
22 parameters of the proposal, but I would like to say a few words
23 about the first two.

24 First, the question of the Board's commitment to edu-
25 cation of recent graduates. I believe -- and I hope you'll

1 agree with me -- that I think that a good deal of the Corpora-
2 tion's time and energy and resources ought to be devoted to
3 this aspect of legal services training and support, because one
4 -- as I've written about and I'll be glad to elaborate on --
5 I believe that many of the deepest problems in delivery of legal
6 services in the country -- retention of staff, client accoun-
7 tability, the problem of bureaucratization, -- are rooted in the
8 transition of lawyers from law schools that do not adequately
9 prepare lawyers to a very, very difficult kind of generalist
10 practice legal services practices.

11 Two, because I believe that our younger lawyers need
12 more than skill training -- although of course we need a good
13 deal of that as well. Market analysis, political theory, psy-
14 chological and sociological knowledge -- that is they need edu-
15 cation, if they are going to stay for a long time in this kind
16 of work and maximize their effectiveness in this kind of work.

17 And thirdly, I believe that the legal services system
18 needs not only management training and skill, but it needs the
19 kind of openness to risk, the kind of empirical orientation, the
20 kind of willingness to look at itself that comes from the best
21 examples of education, and so I've talked to Mr Ortique's sub-
22 committee and to Tom about what I believe is a needed commit-
23 ment to education, to a concern for personal growth and develop-
24 ment within the legal services system in ways that the Corpora-
25 tion has only begun to think through.

1 Now, if one agrees with that, and that's a long dis-
2 cussion in itself, does it make sense to do it in the institute
3 form that I've proposed? That's a much harder question. That
4 is there are obviously many other ways to do it.

5 One could begin to fund law schools. One could deep-
6 en the -- enlarge the staff -- the training capacity of the Cor-
7 poration itself. One can fund training at a statewide level or
8 in individual programs. But I think in balance -- and that's
9 why I think Tom wanted to have a discussion on this -- I think
10 in balance turning the third year of law school into the first
11 year of practice, with a long-term commitment to a legal services
12 career, in a legal services setting -- that is within a neigh-
13 borhood office of a program -- offers enormous advantages over
14 all the other options.

15 It wouldn't be inconsistent with the other things. I
16 would hope the Corporation would do those as well. But the net
17 work of such institutes, neighborhood based, but educationally
18 oriented and concerned, I think give you some of the following:

19 One, you would begin to have a cluster of laboratories
20 for experimenting with ways of training and developing young
21 lawyers, including ways that require having the entire environ-
22 ment of the office, not merely training programs or the advent
23 of a particular individual.

24 Two, you would be sending into the system -- if there
25 were as many as four and five -- a cluster of new lawyers who

1 would be hopefully, have foundation, but would themselves be
2 trained in a system which would in turn help to train others,
3 and although the numbers aren't large, I believe that an infu-
4 sion of people trained in that way will make a difference in the
5 on-going dialog on how we're going to keep, maintain, and improve
6 quality of the program.

7 And thirdly, I -- and maybe most important to me -- I
8 think you would have education, which I believe deeply is needed
9 within our own system. You'd have education which would be able
10 to guarantee much more client accountability than either the
11 medical schools have or I think the law schools would, if the
12 legal services system chose not to have control over the way it
13 educates its own young lawyers.

14 Now, what I'm proposing is an experiment -- that is,
15 one such institute. But what I have in mind, to be honest with
16 the Board -- and I've told Tom I wanted to be explicit about
17 this -- I believe that what you ought to consider is a network
18 of such institutes in different parts of the country.

19 Now, obviously this is new, and we're not sure that
20 we can actually make it work, and one ought to press hard on
21 what its possibilities are and one ought to be sceptical about
22 the degree to which what is done in one place could be trans-
23 ferred to others, but on that I feel quite comfortable. That
24 is, I think that new ideas -- particularly educational ideas in
25 a system -- don't come from measuring outputs, they come from

1 legitimating particular ways of doing things by making them
2 sufficiently accessible that they can be tried by other people,
3 and most of all, because they make sense, and I think that in a
4 very short time education -- that is concern for our major re-
5 source, the growth and development of our staff -- will be a
6 major priority of every project director in the country.

7 And I believe that an educational infrastructure --
8 as a friend of mine called it -- that is a network of our own
9 educational programs, will be seen in a short time as making
10 sense for any long-range approach, to keeping a massive legal
11 services system viable and accountable, and I hope you agree
12 with me.

13 MR ORTIQUE: I take it that we've all read the pro-
14 posal, which was sent to you some time ago. Are there any ques-
15 tions that you want to raise with Gary?

16 MR BROUGHTON: Does your colleague there want to say
17 anything?

18 MR McNALLY: Not really. I didn't really plan to.
19 I support it very much, the sense of what Gary's proposed here
20 and what he has said, and additionally there are some advanta-
21 ges to my program offices with the affiliation with the insti-
22 tute, but I think there was tremendous significance to the Bos-
23 ton program. Those advantages are fairly obvious, both in
24 terms of increased contacts with Gary and the opportunity to
25 spread immediately within our program the lessons learned from

1 the institute, and beyond that there isn't a lot to say.

2 I guess I also think that there are tremendous effi-
3 ciencies to the proposal, really, to do it within an existing
4 program, that deserves some mention, such as the existence of
5 a Board with a client population and that board, the existence
6 of eligibility guidelines and mechanisms, the existence of hir-
7 ing mechanisms, and just all the things that any on-going pro-
8 gram already has in place that it makes no sense for the insti-
9 tute to go out and do on its own.

10 Except for noting those, Gary's very much --

11 MR EHRLICH: It also makes their life much harder, in
12 some ways, and it's important to at least get that on the table.
13 I think this would be in some sense a much easlier thing to do
14 -- very hard, but easier, I believe, if it were done with a
15 whole new operation and weren't part of an on-going legal ser-
16 vices program.

17 As Gary was the first one to say, there ought to be a
18 continuing tension between an existing program and his insti-
19 tute, and to make it work the way we're talking about, it has
20 to operate that way.

21 I think that's a very exciting possibility, but one
22 reason I think it's important to have funding -- if it is fun-
23 ded at all through the legal services program -- is to assure
24 that it is a part of and treated like an office of the legal
25 service program, that knows responsibility, whose clients look

1 him right in the eye, and make all the same demands that are
2 made in other programs around the country.

3 MR BELLOW: Let me say a word about that.

4 Schools tend to push for more theory than makes sense
5 in a clinically-based, service-oriented educational program.
6 Programs tend, I think, to forget how important theory is to
7 the on-going development of practitioners, and the tension is
8 crucial.

9 So it makes it hard for me, but it also makes it hard
10 for Bill, and everybody else.

11 MR STOPHEL: The proposal, as I understand it, is
12 basically for a law office representing clients.

13 MR BELLOW: That's right.

14 MR STOPHEL: And added to that is the educational com-
15 ponent -- perhaps not added to it, but integral with it, the
16 educational component that you would hope would be both sub-
17 stantive and procedural or mechanical or skill training. Am I
18 correct?

19 MR BELLOW: That's right.

20 MR STOPHEL: And this is a concept of these things
21 come as you are representing a specific client and a specific
22 problem, then your training occurs.

23 MR BELLOW: That's right.

24 MR STOPHEL: Rather than going out in the Never-Never
25 Land of the theory, here is a potential case that we might --

1 if we had a client -- bring some day.

2 MR BELLOW: That's right, that is cases are discussed,
3 skills are talked about against what lawyers are shown not to
4 know, clients are asked to evaluate their own attorneys, and
5 this is a way of teaching which I believe could be done through-
6 out the system, but we need a lot of time to work on it.

7 MR ENGELBERG: You -- the proposal talks a lot about
8 -- which I think is fascinating -- talks a lot about the sort
9 of experimentation that would help other legal services programs,
10 and in your oral remarks you stress the education aspects, the
11 training of young lawyers. I mean do you also -- I mean how
12 do you see the other aspect -- that is, you know, developing
13 systems and procedures, that sort of thing?

14 MR BELLOW: Well I think that this is a very useful
15 laboratory for both testing out modes of training, new materi-
16 als, forms, and a variety of other things that I believe are
17 needed in the system, as well as developing them.

18 There's some difference of opinion, I think, in the
19 legal service community as to how much help that will be, and
20 I can't categorically say that I'm sure. I believe that what's
21 needed in our training materials is less of the kind of materi-
22 als that support the large case, and more of the kind of thing
23 that you need at a desk, and that's the kind of thing that
24 needs to be developed on a day-to-day basis.

25 On the other hand, it may be so idiosyncratic to each

1 individual program that all you can generate from a particular
2 institute like this are models.

3 If you can ask me to guess, I would say that the ins-
4 titute will produce a lot of material which will be adapted
5 quite immediately to legal services programs around the country,
6 that its methods particularly -- because we plan to write about
7 it -- will be used a lot.

8 But that depends on a lot of other things that go on
9 in the system. That is, if programs don't have adequate re-
10 sources, if there isn't a commitment to education and training
11 in those programs, if they are so overburdened with cases they
12 can't pay attention to those sorts of things, then you won't
13 get the transfer, so that it is in part a dual question that
14 depends a lot on the next few years.

15 MR ENGELBERG: Well let me follow that up, and maybe
16 this should be directed to you, Tom.

17 I mean I think -- I mean I agree with what you're say-
18 ing. I mean my impression is that the development of these --
19 the less -- the more mundane cases there, and there may -- I
20 don't know how much of this is in the field and I don't -- how
21 much, for example, is the Corporation's training office doing
22 in the way of developing the kind of thing that the Bellow Re-
23 port talks about?

24 I think that's very important. I guess I'm looking
25 for -- is it duplicative? I mean are we doing that already?

1 Or what?

2 MR EHRLICH: The answer now is not very much. I can
3 go over with you in detail, because there are some materials
4 coming out.

5 Two further points, though, that I'd like to make.
6 One is we do have complete review of all support activities now
7 going on. That's what we'll come back to you in the fall with,
8 a plan, out of the next steps -- process -- this kind of strong
9 sense all over the country of a lot that should be going on and
10 should be going on locally and regionally, as opposed to cen-
11 trally.

12 So even though there is a fair amount going on now,
13 it may be that more of it ought to be transferred to different
14 kinds of ways.

15 The second point is -- and this is a much more per-
16 sonal one in terms of my own views, shared by some of the staff
17 -- I do view this honestly primarily as a training approach,
18 and my own sense is that ought to be the key to whether you
19 decide as a Board it's worth doing, or not.

20 I'm excited about it, and I'll go on at some length,
21 but I am excited about it and it is in those terms. I do think
22 there are some important secondary benefits from it, and they
23 are real benefits, and God knows, every program needs all the
24 help it can get.

25 My instinct says that most of those kinds of benefits

1 will be probably reasonably regionally -- maybe even statewide
2 -- rooted in Massachusetts, New England, as opposed to national,
3 but in all events, that it ought to be viewed as a training ef-
4 fort with possible secondary benefits, rather than thinking you
5 can get all those other things too, because I'm at least much
6 more dubious, and those in general to whom I've talked about it
7 have been much more dubious that those will come.

8 Maybe they will, but that isn't the focus of it.

9 MR BELLOW: There is much more material currently
10 available from the office of program support than most people
11 think. One of the issues is to figure out why lawyers don't
12 use it more. That's an educational, as well as a materials,
13 question, because it sits in libraries or it's not used as ef-
14 fectively as it might be.

15 MR KUTAK: Mr Chairman, also, the other side of the
16 coin, which those -- some even say I have a little experience
17 with that as the actual practice, but very few -- and that
18 would be that the -- you know, there's an intellectual process
19 to this thing which is very healthy, to intellectualize the
20 Legal Services Corporation process is terribly important.

21 What I see about this, of course, is to -- is that
22 there not just be -- that it doesn't come through as a course
23 in developing certain applied sciences, but there is an intel-
24 lectual phase to it that -- what I think is terribly important,
25 as I heard Gary say, as I hope, frankly, I can learn from in

1 the practice, you know, how to keep not only lawyers' skills
2 up, but how to keep lawyers intellectually alive and to keep
3 them thinking and rethinking and not simply accepting by expe-
4 diency or by pressure or by necessity to shortcut actions, but
5 by constantly asking themselves why, and --

6 You know, I don't know in terms of the program, be-
7 cause obviously I leave that to others, but I can say this,
8 and certainly the most important thing we need to do is to
9 bring terribly exciting intellectual effort into our milieu,
10 and I submit that's guaranteed by this sort of approach.

11 MR STOPHEL: You talk about law enforcement. We've
12 heard that from you now for a little while, because that's a
13 concept that you dwell on.

14 In one of your statements you said the present sharp
15 separation between individual and, quote, "test cases," end
16 quote, seems to foster neither reform nor adequate service,
17 and then you expand on that a little bit. But would you go into
18 that? How do you see the sharp separation that you see at pre-
19 sent in our programs, between what are sometimes called test
20 cases and representing an individual client, as diminishing the
21 value of the services being rendered, which I gather is the im-
22 port of your statement.

23 MR BELLOW: Well, that's begun to change, you know.
24 That is, I think that we had a period in which the day-to-day
25 work began to be downgraded in ways that exhausted the lawyers

1 and overwhelmed them and gave them the sense that the only way
2 they would go was to be in some more protected environment.

3 At the same time, a good of publicity and exposure
4 was given to cases that went after various rules.

5 Now I don't want to be misunderstood. I believe that
6 there are a great number of rules that desperately need chang-
7 ing and that courts are appropriate places to change some of
8 them, but I think that a legal services system works best where
9 those cases come naturally out of the day-to-day cases that are
10 being handled and out of the groups and individuals that are
11 being contacted by the individual office, partly because I
12 think that's the most effective way to produce the results that
13 we want, and partly because it doesn't create in the office a
14 hierarchy between lawyers who do big cases and lawyers who do
15 ordinary cases.

16 I believe our most important resource are the lawyers
17 who are day-to-day handling clients. I also believe that the
18 greatest potential for change in the program comes from the
19 kind of energy and creativity that those lawyers bring to the
20 task, and I think if we focus that way that there will be both
21 test cases and individual cases, with much less of a split.

22 MR STOPHEL: Which will arise out of the normal prac-
23 tice, just as they do in real life.

24 MR ORTIQUE: Or the other world.

25 (Laughter.)

1 MR STOPHEL: Never Never Land, I call it.

2 MR ORTIQUE: Are there any further questions?

3 MR CRAMTON: I've got a few questions.

4 The proposal is premised on an assumption that some
5 of the structural problems of delivering quality legal services
6 are due to deficiencies in legal education or the relationship
7 of law schools and law school graduates to legal services pro-
8 grams. I've read your articles on that, I guess I'm persuaded
9 that there's some force to it.

10 On the other hand, there's so many other factors in-
11 volved that I'm not sure that the others aren't overwhelmingly
12 more important -- the pressure, the volume of cases, the other
13 factors that -- the institutional arrangements that exist in a
14 legal services office.

15 Do you have confidence that the small stream of grad-
16 uates that come of an institute like this will somehow have
17 an effect on that? You're talking about twelve people the first
18 year, I guess, and a stream of 25 thereafter, and Christmas --
19 where they won't be just -- they'll only be one year older and
20 have one year more experience. Will they be more resistant to
21 the conditions they find? Will they -- how were you so confi-
22 dent that the cause of the problems that you see is related to
23 deficiencies of the legal education, and then secondly, that
24 this infusion of this bit of yeast somehow will accomplish such
25 dramatic changes?

1 MR BELLOW: Well, you be careful not to confuse my
2 energy with my confidence.

3 I don't -- I'm not confident. I'm not sure. I think
4 it's obvious that law school education is oriented a particular
5 way, that there are real structural problems when a mode of
6 education designed essentially to train people for entry level
7 jobs in firms, is used to train people who go into general prac-
8 tice.

9 I don't think that one year of the sort we do will
10 have much impact, unless a variety of other things also take
11 place. That is, nobody I think can come to the Board with a
12 single proposal that in any way can begin to get at the enor-
13 mous complexity of the problem of delivering over a long period
14 of time effective, aggressive legal services for people without
15 funds.

16 I believe that things would have -- structural changes
17 would have to be made in the offices, salaries would have to be
18 looked at again, management and management ideas would have to
19 be linked to ways of training and education within the offices
20 themselves, the law schools would have to be convinced to do
21 some changes, even though this doesn't operate within the law
22 school educational system, and we would have to look very hard
23 at the results of even a small number of graduates, and my hunch
24 is that will make some difference, but not a great difference.

25 What I think it does, however, is focuses attention

1 on a very real problem, that we are leaving our newest lawyers
2 much too vulnerable to the pressures of practice. And there's
3 two ways to deal with that. Either reduce the pressures, or to
4 help the lawyers cope with it, and we should do both.

5 MR KUTAK: Roger, I -- relating it to the private
6 practice, I noticed among our litigators a different package
7 of values that one who has been a law clerk for a year has from
8 a person who may very well have just tried to run their law
9 practice under a lawyer who may or may not be that skilled.

10 I would think the exposure, the process itself, would
11 equip that individual with the values that unless he's worn
12 down by not having that opportunity for self-renewal, that would
13 nevertheless just give him that much more of a head start, be-
14 cause he would be exposed to a package of values that sur-
15 prisingly -- particularly for a young lawyer -- would be amaz-
16 ingly enduring -- endearing, too -- and that I think we all see
17 that in observing -- not to mention comparing -- our relative
18 experiences with others who have had unique experiences working
19 with extraordinary people, whether it be in the judicial system
20 or in some other post-graduate experience, before they have
21 gone into the practice.

22 MR CRAMTON: Well I have no quarrel at all with you,
23 Bob. I'm being a devil's advocate here in a sense anyway. I
24 have no quarrel at all that I think this is a good idea and
25 would be a marvelous experience for the 25 students.

1 I think the question is alternative uses of the same
2 funds, and -- you know, there are all kinds of good things that
3 we can do in this world and all kinds of wonderful ways the
4 Legal Services Corporation could spend money in terms of im-
5 proving legal education, but the question is alternative uses
6 of the same funds, and the proposal -- as I understand it --
7 calls for a three to five-year commitment on the part of the
8 Corporation for approximately 500,000 a year.

9 Harvard put in 250,000 a year, or something like that,
10 and maybe another 250,000 obtained from other sources, and it's
11 about a million dollar program, of which half of the funding
12 would come from the Corporation. As I cost that out per stu-
13 dent -- I mean one of the problems of why there's some deficien-
14 cies about legal education is we're teaching people at 2500
15 to \$5,000 per student per year, and this program is being run
16 on a basis of forty to fifty thousand dollars per student a
17 year. That's quite a different amount of -- if I had 25 stu-
18 dents it would be a million dollars.

19 It's \$40,000 per student per year, which is a very --
20 it's an expense that starts approximating that in which the
21 medical schools spend money, to train doctors.

22 MR BELLOW: But you can't deal with that, because you
23 have to deal with the costs of what it would cost to serve
24 that area. That is, a good two-thirds of that money would be
25 spent -- if you provided service for the people in that area

1 as well, and you'd have to talk about the opportunity costs of
2 what it would cost to train lawyers who were being paid sala-
3 ries. These are third-year law students who are paying tuition.

4 But in general, you're right. That is, this is more
5 expensive education than legal education generally, and too it
6 will not have an impact unless the Corporation has a general
7 vision of more such institutes and a much greater emphasis on
8 education and growth within the system.

9 I don't think you have to decide that all in one meet-
10 ing, or on this particular proposal, but my instinct would be
11 that I'm trying to persuade you to go down a larger path than
12 even this proposal suggests, and you have to make a judgment as
13 to alternative uses, certainly.

14 MR CRAMTON: I guess my assumption was that they were
15 going to have a hard time justifying the program to ourselves
16 in terms of provision of service to poor people in the Boston
17 area. It's going to be very high class service in an area that
18 we've already got at least technically covered, and second, that
19 we -- in some way, if we have trouble justifying it as a train-
20 ing program for 25 students, so that I think of it in terms of
21 the kind of example that it can give, and the development of
22 materials and the transfer of ability and --

23 Is it going to do things that will start having a
24 leverage effect, that will by the example that it gives in
25 terms of high-quality delivery of legal services, in terms of

1 materials, that then can be used elsewhere, start paying very
2 substantial dividends that weigh above the cost of training the
3 relatively small number of people involved.

4 MR McNALLY: I'd like to offer just one observation
5 on that.

6 We certainly think in the Boston program and the pro-
7 grams in Massachusetts that it will have an educational value,
8 in terms of how you practice law, well beyond the 25 students.
9 One of the things I'm excited about is the notion of formal
10 affiliation with the institute so that what it learns will be
11 transferred to the other \$2 million worth of legal services that
12 go on elsewhere in Boston area.

13 MR CRAMTON: Dick Trudell?

14 MR TRUDELL: You know, the first Board meeting we
15 attended we had a panel of law school deans that were making a
16 pitch for assistance with their clinical programs, and I would
17 assume that they're going to come again at some point in time
18 for more, and I guess it's my understanding -- and maybe I'm
19 incorrect -- but I guess there are two law schools presently
20 receiving some kind of grant from the Corporation, Antioch and
21 another?

22 MR CRAMTON: Tennessee.

23 MR TRUDELL: Because I mean I agree with everything
24 that's been said in terms of the concept being good, and I
25 guess it's analogous to children. I mean if all disadvantaged

1 children had a decent education at the appropriate time they
2 wouldn't have the problems later in life and later, you know,
3 in the education process.

4 But what Roger is pointing out, I guess, is a rela-
5 tively tough decision in terms of that amount of money that's
6 being requested over a period of years, you know, is going to
7 be hard to answer, regardless how good the concept is.

8 And I know it's a beginning, and you can't get star-
9 ted unless there's a beginning.

10 I guess, then, do you contemplate any problems with
11 the schools in the Boston area allowing students to do their
12 third year in a clinical program, in terms of passing up maybe
13 some of the core courses or the staple course they may be re-
14 quired to take? I'm not acquainted with the schools in the Bos-
15 ton area, but I mean does that present a problem?

16 MR BELLOW: Well it did. I'm very encouraged. That
17 is I thought that was a major sticking point, because it asked
18 the schools to give up the entire third year and give a degree,
19 although those students won't return again.

20 It also alters a basic principle in legal education
21 that no programs offered to students are conditional on career
22 choices. This requires that everybody who go into it make a
23 four-year commitment after that to remain in legal services.

24 Northeastern has already decided to do it. I've
25 every reason to believe that Harvard will as well. We expect

1 to try to invite a large number of schools. That is, North-
2 eastern and Harvard will sponsor it, and therefore give the
3 other schools some assurance about educational quality, but we're
4 not going to limit it to that.

5 That is, the more schools we can get to send a few
6 students, the more the principle of giving degrees are esta-
7 blished, the easier it will be to do it in other places.

8 I'm surprised, Dick, at how responsive they are, and
9 they're responsive on the issue that they ought to be doing
10 something about helping poor people.

11 That is, I do not go to them and say, "This is good,
12 this is obviously terrific for your school," because they do
13 not get grant money for it, and in fact, to no school are we
14 offering very many slots, and that's very encouraging.

15 MR TRUDELL: I guess it became a reality in terms of
16 students in other areas of the country, some schools allowing
17 students who at least spend a semester away. You know, I
18 guess -- have you given any thought to, you know, somewhere along
19 the line where students could participate between their second
20 and third year, during the summer months, and then maybe do
21 their fall semester and then return, you know, to the area of
22 the country where they're from?

23 MR BELLOW: Well right now we're thinking about a year.
24 Now that's the kind of thing that we're flexible about. We
25 want people to come from other parts of the country. We also

1 want them to come under arrangements where they know what legal
2 service program they're going to when they start, so that when
3 we begin to do their training in the third year, we will know
4 where they're going. If someone is going to a place that's
5 heavy in problems of landlord-tenant law, we might emphasize
6 for that student that particular area or that student may write
7 in that area.

8 Whether or not they should in their last semester go
9 back to their program, I'm open to. That will depend on what
10 programs want, that will depend on what the schools want.

11 Right now it looks to us like a year is needed, and
12 it's, you know, an eleven-month year, but I'm not -- that de-
13 pends on a variety of other things. It may be necessary to be
14 more flexible on that to get schools from other parts of the
15 country.

16 MR TRUDELL: Will the school have full autonomy, or
17 will it be like Howard? There will be strings attached?

18 (Laughter.)

19 MR CRAMTON: Well I gather one of the reasons it is
20 contemplated to make -- to have us set this up in terms of Har-
21 vard being the institution that would kind of run it and ad-
22 ministrated it, is partly to insure educational autonomy and
23 control of the education.

24 MR BELLOW: Well Harvard and Northeastern will be
25 responsible for critiquing and evaluating the educational pro-

1 gram. That is, they're -- and that means looking at courses,
2 sitting in on classes. That's because we can't have visitors
3 from every -- from all the schools who participate, come.

4 But Greater Boston Legal Services will be -- will ad-
5 minister the program, and so we'll be subject to all the rules
6 of Greater Boston Legal Services.

7 MR CRAMTON: Mr Smith.

8 MR SMITH: Mr Chairman, as I understand it, we're not
9 to make a decision on this today anyway, but because of the pos-
10 sibility that I won't be here later when the decision is made
11 this fall, and maybe some of the rest of us won't be, I would
12 like to express my opinion on it, at least, at this point, to
13 say that I think it's a very exciting concept and is a very im-
14 portant thing for the Corporation to become involved in.

15 One of the reasons that I thought the delivery sys-
16 tems study was so important was that it emphasized that the
17 Corporation is looking for new ways to do things and do them
18 better and provide more and better services, legal services, to
19 poor people, and I think that we have to be imaginative and
20 innovative, and this is an exceptionally good opportunity to
21 demonstrate that commitment, I think.

22 And so I do hope that those of you who are on the
23 Board when the decision is made this fall will see fit to par-
24 ticipate in the program, because I think it would be an excit-
25 ing and very important thing for us to do.

1 MR CRAMTON: Mr Ray?

2 MR RAY: Let me begin by apologizing to Gary, because
3 I would feel much more comfortable standing here if I had talked
4 to you first, Gary had solicited my opinion. I hadn't had a
5 chance, it being a large document, to read it all in one fell
6 swoop. And I also didn't anticipate the speed with which this
7 would come before the Board. And having a very high regard
8 for Gary personally and professionally, please accept my apolo-
9 gy for your hearing what I've got to say for the first time
10 today.

11 I also would like to preface the points I want to
12 make with a couple of other observations. One is that I think
13 experimentation and innovation are very important, probably in
14 any aspect of life, but certainly in legal services, and there's
15 something which has been missing, a piece of the puzzle, which
16 because we've been so apparently underfunded, and since minimum
17 access is such, by definition, a kind of underfunded concept,
18 that we really haven't had the opportunity to do the kind of
19 brainstorming and experimentation that I would like to see built
20 in to some legal services funding.

21 Another observation that I want to make, and then I'll
22 get to the direct point.

23 We've had Gary and some of his proteges come to North
24 Carolina. One of them came on at least two occasions to a pro-
25 gram I operated in Durham, and is coming back with some other

1 people in the fall, and they did some really terrific things,
2 and many of those things are embodied in Gary's proposal.

3 However, I am experiencing some other feelings as I
4 stand here. One is a sense of envy, envy that you are consider-
5 ing in a vacuum the proposal.

6 One of you pointed out that the quality improvement
7 program, the investment income proposals, were kind of a pre-
8 dicate to what you're considering now, and that's true, but in
9 the course of coming up with ideas for those proposals -- and
10 my program, by the way, fared pretty well -- we deliberately --
11 and by we, my program -- and I know a number of other instances,
12 deliberately rejected various what I thought were exciting
13 ideas, simply because we felt that the amount of money that
14 those ideas would cost stood no chance whatsoever of being fun-
15 ded within the restrictions placed upon the terms for the sub-
16 mission of those applications.

17 And so we didn't. Ironically, one of them down in
18 my own area was an idea that involved a consortium of three
19 law schools in the area. I don't know whether it was as good
20 as Gary's proposal or whether some of the proposals of somebody
21 from Portland, Oregon or Texas or wherever might have submitted
22 would have been as good.

23 The point, really, is that there has existed no pro-
24 cess which on the merits could make any comparison between this
25 proposal and other ideas.

1 I really think that's important. You've got a lot of
2 creative people. Gary happens to be one of the most creative.
3 But he's not alone, and creativity is not something which should
4 be confined. It should be encouraged.

5 The investment income proposals I think gave some
6 sense of where imagination could go, if we but had the opportu-
7 nity.

8 I would submit to you, therefore, that you should fos-
9 ter that opportunity, and if you're going to do it with a dif-
10 ferent magnitude of dollars, then perhaps you ought to allocate
11 in the budget a sum of money for unsolicited grant applications,
12 or whatever you want to term it, spell out what the terms are
13 for submitting an application, what the potential amounts of
14 money are, and in effect have at a higher level the same kind
15 of competition that you've had with the investment income money.

16 I think the results might surprise you, and you might
17 still end up funding Gary's proposal, but at least it wouldn't
18 be viewed in a vacuum. It would be viewed on the merits with
19 the kinds of considerations and trade-offs that Roger was re-
20 ferring to.

21 And there are some, I think, serious questions about
22 the proposal. I don't believe that Gary's proposal -- as good
23 as it is -- should have such compelling force that it should
24 intrinsically be accepted on the merits.

25 There are questions that were raised in my mind, for

1 example, with respect to it being a model for the legal services
2 programs, that they really haven't solved the question of cli-
3 ent demand, and they would be attempting to establish a program
4 that simply could not be replicated under the ordinary circum-
5 stances that exist in most neighborhood offices.

6 Also, clinical education is hardly a new concept with
7 respect to legal services programs. Gary has taken it to a
8 different dimension. That's good, but again, query whether the
9 dimension to which Gary wants to take it justifies the particu-
10 lar cost which is involved.

11 It's possible that if Gary could be reproduced, cloned
12 or something of the sort, or the people he has trained, such
13 as Mike Rice from California who's coming into North Carolina,
14 could take the same amount of money, and as teams, visit the
15 programs around the country and teach the kind of thing that
16 they do teach when they go in there about how you approach cli-
17 ent problems, but you would find that it would do far more good
18 than being able to graduate from Gary's program a relatively
19 small number of attorneys.

20 I don't wish to make any definitive statements on the
21 merits, because I think there's a great deal that's meritori-
22 ous in the proposal. I simply want to create the perspective
23 that from a budget process of allocating funds, and from the
24 standpoint of communicating to the legal services community
25 what you will consider, that those are two steps that ought to

1 be taken before any action is done with respect to Gary's pro-
2 posal.

3 Thanks.

4 MR CRAMTON: Mr Miller?

5 MR MILLER: I think Denny made a lot of the comments
6 that I was prepared to make. I would say that focusing speci-
7 fically on your responsibilities as a Board, you're -- either
8 now or in October -- I'm not entirely clear -- in one of those
9 times you face a choice of whether you're going to set a pre-
10 cedent of entertaining proposals on an ad hoc basis and dealing
11 with them on an ad hoc basis, or whether from a planning -- not
12 just a budgetary, but from an overall planning point of view,
13 from the point of view of setting the major directions for the
14 Corporation, you're going to debate the background hard issues
15 first, perhaps in form certainly stimulated by the creativity
16 of Gary's proposal, but not just respond to Gary's proposal.

17 Specifically, there are certainly other kinds of in-
18 novative grants that one could imagine that you could give out
19 to deal with a number of problems in the legal services communi-
20 ty. Question one, if you decide you're going to do some sort
21 of innovative grants, is which areas are priorities?

22 Second, Gary's -- as Roger pointed out earlier --
23 makes a series of assumptions we may or may not agree on in
24 terms of the major causes for people being unable to deal with
25 the pressures of the program, but those assumptions ought to be

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1 in a very thorough and systematic way, it seems to me, using
2 the best thinking, the best experience that you can draw on
3 in the legal services community to challenge. Gary, I think,
4 would not argue with that premise. I think he would welcome
5 that type of challenge.

6 But you've got question one, are we going to give in-
7 novative grants? Question two, if so, which areas and accord-
8 ing to what criteria? And then three, having answered those
9 two questions and how much you're going to give, I think you've
10 got to then begin to address the specific assumption, which is
11 really the question one in the three that Gary had laid out,
12 specific assumptions for maybe like his proposal, for why
13 training as a focus?

14 Then question four, my scheme, would be if training,
15 why an institute? And so I would urge you to take I think at
16 least two steps, as I count back, and I'm not suggesting any
17 particular kind of way of doing that. I think you've got to
18 do it.

19 The other -- if you don't do it, the signal you com-
20 municate to the legal services community, in Denny's terms, is
21 yes, we'll entertain them on an ad hoc basis. No, there's not
22 a particular system. No, there's not even an express commit-
23 ment or explicit commitment to innovative grants.

24 And it becomes, frankly, a bit of a free-for-all.
25 Keep in mind, be chastened by the fact, this is the

1 first time -- at least in my experience -- that the Corporation
2 will move away from formula funding, except for support kinds
3 of functions that have been set up in terms of statewide cen-
4 ters, away from formula funding, away from special need grants
5 to existing programs, and to something which has an explicit
6 other kind of purpose, and -- let me just finish.

7 You should know that PAG has for years urged the Cor-
8 poration to get into innovative grants. I do not want this
9 taken by anyone in this room as some sort of pump for, you know,
10 continuation of money to the programs and anti-innovation.
11 That's not what we're talking about. But we're saying you're at
12 a threshold, an important threshold. Recognize that as such,
13 deal with the big questions openly, involve us, let us have a
14 chance to deal with it with you.

15 Thank you.

16 MR EHRLICH: Mr President, I'm not in disagreement
17 with the kind of approach, in general terms, that they des-
18 cribed, and indeed underscored, and indeed to some extent work
19 together is like trying to work out a process of what should
20 happen first, and then see that followed through, and when we've
21 done that, it's the best.

22 Part of our problem here -- and I don't know how to
23 deal with it, other than to make it as clear as I can to you --
24 is that we're in a process now of reviewing our overall support
25 efforts and activities over the next several years for the Cor-

1 poration, and that's a process that's wide open as we can have
2 it, and ought to be. I mean I find it enormously exciting. And
3 I view this particular proposal as a support proposal, in the
4 context of support, as I'm using it, in this case, training.

5 We will be back to the Board in the fall, October, as
6 I said, with some suggestions based on all the regional discus-
7 sions that I hope you will be able to attend at least some of
8 over the summer, and the other kinds of activities on how we
9 will suggest support activities ought to be developed over the
10 next couple of years.

11 And ideally we ought to have all that and then be
12 able to say now, let's see how innovative grants fit into that,
13 and then for what? How does this measure up? And so forth.

14 Part of the problem here though is time, and that's
15 why it seemed to us important to bring this to you now in a
16 very preliminary way to get the kinds of thoughts you had,
17 time, because the proposal is to go forward, they hope, in
18 January of '79, with another institution committing a large
19 amount of their funds. And it isn't always possible.

20 One can say no, then you -- but that's a decision too,
21 and so we will do the best we can to get as much involvement on
22 the various kinds of issues and develop the process as fully as
23 we can, but I don't want to pretend to you that we'll have
24 worked through all aspects of support before the fall, because
25 we won't, and you're going to be faced in October with that

1 judgment.

2 And I think it's exciting. I mean I don't say that
3 as gee, what a terrible burden, but I think the contrary, it's
4 exhilarating, but that's -- those are the facts.

5 MR ORTIQUE: Any further comments?

6 (No response.)

7 MR ORTIQUE: Mr Chairman, that ends our report.

8 MR CRAMTON: I think Mr Engelberg has a comment.

9 MR ORTIQUE: Oh, sorry.

10 MR ENGELBERG: Well, first of all, I'd be interested
11 in Mr Bellow's reaction to the two gentlemen's comments.

12 MR BELLOW: Well, let me break them down.

13 There are no apologies necessary. I believe -- and
14 as the Board probably knows and has heard from me -- I think
15 there ought to be allocated money for discretionary grants,
16 that people ought to be encouraged to make application even when
17 it doesn't fit specifically into any category.

18 I think in the long run we run a danger if the -- if
19 funding is too formula-related, so that there is no room to
20 move flexibly, and we equally run a danger if the net effect of
21 discretionary grants is to divide them up into such small pie-
22 ces that there is no policy judgment around them, and I think
23 Mel and Denny agree with me on that.

24 On whether or not this proposal ought to wait, well,
25 let me be honest. This is what I do with my life. I'm not

1 going anyplace. I would do it, no matter when I got a chance
2 to do it, if I got a chance to do it.

3 The problem is that we have a lot of momentum built
4 up with other institutions that we've been negotiating with.

5 As I said to you, Dick, it is not easy to get these
6 faculties and schools to move as far as we've gotten them to
7 move, and I'm very anxious that if there is a pullback of this
8 schedule it will be either misinterpreted or taken as a chance
9 for people who are very sceptical about the general idea to go
10 against it, and I would hope that October would give other peo-
11 ple a chance -- if there are other proposals -- to express
12 their reservations on this, to express alternatives.

13 MR ENGELBERG: Well that leads to my next comment,
14 which -- I mean I think the process point is very important. I
15 mean I think there seems -- from the comments I've heard, there
16 seems to be a general excitement about the proposal. I feel
17 that way.

18 I am very concerned about the process point. I mean
19 I don't think -- you know, obviously this -- nobody planned it
20 this way, because a series of events -- as Mr Bellow says,
21 there's momentum, et cetera, et cetera.

22 I guess the key question for me would be is it prac-
23 tical, you know, for this Board either today or tomorrow --
24 maybe today -- to one, kind of decide on this whole question of
25 some kind of discretionary money, this kind of purpose, and

1 secondly, although maybe it sounds very difficult, to invite
2 some competing proposals.

3 I don't think Mr Bellow is afraid of competing, and
4 I -- maybe it's impractical. We don't have a lot of time, al-
5 though by the same token, this is no surprise. As I understand
6 it, the proposal has been floating around for some time, and
7 certainly institutions or other people that, you know, have some
8 ideas like that certainly would have gotten the tip-off, maybe,
9 that if they wanted some money from the Corporation they could
10 have come in.

11 And as Dick points out, we had already -- although
12 it's different -- some similar requests from law schools, which
13 again could be part of the same process.

14 MR BROUGHTON: Gary, when you speak of momentum and
15 the law schools -- which is Harvard and Northeastern, in the
16 immediate -- and maybe this is in your report. Are you also
17 speaking of contact you had with other --

18 MR BELLOW: Other schools?

19 MR BROUGHTON: -- law schools and other parts of the
20 country that have --

21 MR BELLOW: We also have people who have made tenta-
22 tive commitments to come --

23 MR BROUGHTON: -- that may be a participant at a lat-
24 er date in this type program. That's what I understood. Thank
25 you.

1 MR CRAMTON: Is there more discussion on this --

2 MR EHRLICH: Just on Steve's point. We can't -- I
3 would think it would be very hard for the Board to make an al-
4 location today or tomorrow of funds for innovative grants, ex-
5 cept in the context of the broader budget picture for '79,
6 which is going to hold off until the fall.

7 There's no reason why we can't -- indeed, part of the
8 reason for having the discussion now is to give as wide possi-
9 ble notice to the Board consideration as we can. And we'll do
10 anything else you think is appropriate to encourage others to
11 submit their own ideas -- not just comments, but their own dif-
12 ferent proposals.

13 But the trouble with it is, I think normally with QIP,
14 for example, you've allocated some funds and then you go out
15 and seek proposals. Here there hasn't been any allocation of
16 funds, and frankly, I'm suggesting I think they'll be hard-
17 pressed to allocate it before the fall.

18 MR TRUDELL: Well, I think -- what's the timetable
19 for these next steps meetings? When will the last one be held?

20 MR EHRLICH: The last regional meeting is the 18th to
21 20th of August, and then the -- and I and the NLDA and the ADA
22 groups planned a national session in September, and then of
23 course we've got to put it all together.

24 MR TRUDELL: Well the reason I asked, in terms of,
25 you know, those meetings, I guess the primary purpose is to

1 flush out new ideas and new thinking, and is being encouraged,
2 and what's going to happen if we're inundated with a lot of
3 requests that we've solicited?

4 MR EHRLICH: Well, I agree with you. That's a concern,
5 and there are all sorts of -- I don't want to pretend that these
6 are the only ideas in the support world. There are a lot of
7 them, a lot of different kinds of ones, and that's true. And
8 that's why I think it would be a big mistake not to make the
9 final decision about this, except in the overall context of sup-
10 port, and Gary began that way.

11 MR ENGELBERG: Tom, are you saying that basically --
12 I mean I understand we're not being asked to make the decision
13 today. You're saying in effect that you would -- as far as the
14 staff is concerned -- you would invite similar proposals, if
15 people want to make them, without asking that the Board allo-
16 cate -- or that they agree to fund anything or allocate any
17 money.

18 MR EHRLICH: Sure.

19 MR ENGELBERG: And then would obviously objectively
20 evaluate those proposals and then come to us in October and say
21 we now recommend the following -- either don't fund anything
22 or fund the Bellow proposal, or whatever. I mean is that what
23 you're outlining as a possible scenario?

24 MR EHRLICH: We can certainly do that. We can put a
25 notice, for example, in our newsletter that we have the Bellow

1 proposal, and if other similar kinds of proposals are desired
2 to be made, they should be made, and can have other kinds of
3 processes too.

4 There's a lot going on this summer, though. The only
5 reason I'm resisting going through -- I am going to resist going
6 through a lot is just because it's a very busy time.

7 MR ENGELBERG: I understand.

8 MR EHRLICH: We're going to do it in the context, in
9 terms of the overall support from -- I've already said how this
10 fits in will be part of that. I think that's very important,
11 how innovative grants in general, training potential in parti-
12 cular, fit in.

13 That ought to be, but I can't tell you what I think
14 if we crank up a whole new effort.

15 MR RAY: May I just make one more -- sentence -- com-
16 ment? I can understand your reluctance, sitting there, to have
17 the Board, you know, suddenly make a decision with respect to a
18 kind of a major policy undertaking of perceiving grant applica-
19 tions, et cetera, et cetera. But if, come October, you end up
20 say funding various proposals without there having been a soli-
21 citation, you will in effect have made a decision to allocate
22 at least about a million dollars, give or take, for something.

23 So I just don't think that the nature of the proposal
24 that is before you should end up dictating the process. It
25 really should be the other way around.

1 MR EHRLICH: I understand it. I don't think that one
2 can always develop the process and then receive the proposal.

3 MR STOPHEL: Is there any way of tying this -- it's
4 mentioned that these might be considered -- put out into the
5 programs as Reggies at some point in the institute program. Is
6 there a possibility of tying those two programs together and
7 perhaps making this last year of law school for the -- let's
8 call it a Reggie a minute -- as a -- some sort of a tie-in with
9 the Reggie program, sending them on out and tying them to us
10 for four years?

11 You'd have -- if you put that out, twelve Reggies at
12 15,000 a year would be \$180,000 of the half million that's
13 needed.

14 MR TRUDELL: Well I think, you know, the message is
15 that I think that under other business, or whatever, at some
16 point in time, the Board has to, you know, begin to discuss new
17 ways of dealing with these things.

18 I mean, you know, the Corporation has under way an
19 intern program this summer. It would seem to me that at least
20 they're trying to reach law students. I guess this is primari-
21 ly a recruitment effort, but, you know, hopefully as we become
22 more knowledgeable about the workings of the Corporation, and
23 especially the amount of money available, maybe there should be
24 some money for discretionary grants.

25 MR CRAMTON: Well, are we reaching a conclusion to

1 this topic, or should we carry it over to tomorrow morning?
2 You've been going for over eight hours, and personally, I'm
3 beginning to get a little weary.

4 MR BROUGHTON: I move we adjourn till tomorrow morn-
5 ing.

6 MR CRAMTON: But the question is -- we only have five
7 minutes. I know Gary Bellow may not be around tomorrow, and --

8 MR BROUGHTON: Oh, you're not going to be here to-
9 morrow?

10 MR BELLOW: I'll only be here if the Board wants me.

11 MR CRAMTON: But we seem to be very close to the con-
12 clusion on this particular report, which was a report and dis-
13 cussion, and the question is whether we can conclude it rela-
14 tively quickly.

15 MR ENGELBERG: My concern is -- well, I mean my con-
16 cern is I thought that the purpose of bringing us here was not
17 to make a decision, obviously, but to get some sort of -- sift,
18 for their planning purposes, for the staff's planning purposes.

19 MR CRAMTON: We start a ventilation process of think-
20 ing about it seriously.

21 MR ENGELBERG: Yes, but obviously if the consensus,
22 which is certainly wasn't, was all this is terrible, we're not
23 going to do it, that would tell me something.

24 I think the consensus is just the opposite.

25 My -- you know, again, I realize we can't make any de-

1 cisions now. My -- I think the PAG people, we'll call them,
2 have raised no legitimate process questions, which I think we
3 all agree is a legitimate process question.

4 Nobody blames anybody. It's just one of those things
5 that happens.

6 Frankly, my concern is that I -- we all know that
7 we're going to face a very limited budget situation, and my
8 concern is -- I don't know what signal we're getting. I mean
9 I don't know -- I mean if I were Gary Bellow -- what I would
10 leave here thinking.

11 And I frankly would like -- ideally would like to be
12 able to construct a system that would allow them to know that
13 there would be a possibility of getting funded, but that there
14 would be some process that would be fair, and that we could
15 meet their timetable, if they won the competition, but I real-
16 ize the problems.

17 MR STOPHEL: If you're honest, though, and look at
18 your priorities that we adopted this morning, improvement is
19 third in the list of priorities, after expansion, and given
20 the shortage of funds that are anticipated, it would be very
21 difficult, it seems to me, to squeeze out an allocation for
22 this, without taking it from somewhere else, some other program
23 that we've already said is an allocation that's basically set
24 up.

25 MR CRAMTON: Well we've got close to ten million in

1 the budget for support, and the president views this as part
2 of the support effort, and he may have a recommendation in
3 terms of how all that fits together and in terms of the fund
4 allocations.

5 I just think it's too early to reach that question.

6 MR STOPHEL: I agree. I'm not suggesting we reach
7 the question, but I'm just saying that in October, when the
8 staff and committee recommendations come on allocations, this
9 might be in it, at which time the Board will be faced with that
10 decision.

11 As Tom Ehrlich mentioned earlier, here it is, you
12 either accept it or you reject it.

13 MR EHRLICH: It does seem to me that we could -- and
14 that's what I would assume you would want us to do anyway, and
15 what I am expected to do. Tell me if there's more you want us
16 to do, to make it as widely known as we could, assuming the
17 Board doesn't say this is a ridiculous idea, which it hasn't,
18 that it was considering innovative grant proposal and that in
19 the context of that consideration it would be pleased to con-
20 sider other ones as well, that we would come to the Committee
21 on Provision of Legal Services, just as we came with this pro-
22 posal for this discussion, and say to the committee, here is
23 the response we got.

24 That won't do all. It really won't. Because it
25 won't, started -- predicated on the basic decision that we shall

1 have innovative grants. One.

2 And two, here's what they'd be for. It wouldn't do
3 that, and I don't want to minimize that, because that would be
4 a better way to do it, but it would get that message out and
5 get them back. I can't promise you that we'll get the kind of
6 absolute, exquisite, careful, handcrafted attention that the
7 QIP effort has gotten. We'll do the best we can, given the
8 converse.

9 MR ENGELBERG: Well no, I think that anyone that puts
10 as much time and effort into a proposal as these people have
11 obviously done -- which is a lot of time and effort -- you know,
12 deserve then to get the same consideration that they're giving,
13 in terms of -- they deserve the same evaluation.

14 And what you're outlining I find perfectly acceptable
15 and would strongly support, and certainly want to leave -- I
16 for one would very strongly support this type idea, but I too
17 would like to see it done consistently with as much of an open
18 process as we can have.

19 MR ORTIQUE: There are two things that I'd like to --
20 if that's going to be the mode, it seems to me that we ought
21 to do two things.

22 One, that the staff ought to look at the possibility
23 that every clinical legal program in the country can label his
24 program unique and send it in here for funding, if you ask for
25 that.

1 And two, what do we respond if we decide to do that?
2 Because Massachusetts is, I think, one of those areas where
3 we've got a lot of money tied up, and you get into the politi-
4 cal forest, people saying look, you've been talking about ac-
5 cess, and now you're pouring more money there.

6 Now I have no -- I told Gary that I like the idea.
7 I'm worried about this now opening the dikes. That's what both-
8 ers me.

9 MR EHRLICH: Well, I agree with you. And that's the
10 risk we'll run. I do not characterize this particular proposal
11 as a political educational proposal, anything like what we've
12 seen before, so I don't have any problem in dealing with that.

13 There is the other problem you mentioned.

14 MR CRAMTON: Mr Miller.

15 MR MILLER: I think that Tom's suggestion, following
16 up on Steve's comments, would be workable. I think that it may
17 be a start of a way of solving it, because you can still con-
18 sider at the October meeting what I describe as the ultimatum
19 first two questions and get views on those questions in the
20 meantime. So that's one way you can consider all them.

21 I just want to be very clear that I think it's very
22 important that you not cast those questions, the solicitations
23 too narrowly. This is one kind of proposal, the ultimate ques-
24 tion about what you fund, you know, and the solicitation ought
25 to make it clear that you're entertaining innovative grants.

1 It ought not just be similar to this proposal, but of any kind
2 of innovative --

3 MR ENGELBERG: We may find nothing.

4 MR MILLER: Sure.

5 MR EHREICH: Well, I mean we'll do the best we can
6 with it, but Revius's point was if you just say -- we got 532
7 proposals from QIP, and that was quite narrowly defined. Right?

8 You say we're going to receive independent proposals
9 about anything in the world, I guarantee you'll get it in the --

10 MR RAY: But isn't that terrific?

11 MS RODHAM: No. I disagree with that. I think it's
12 not terrific, and I think one of the issues that has been iden-
13 tified over and over and over again is the inadequacy of train-
14 ing and education for attorneys, both at the start up and the
15 continuation of their careers, and I think, Denny, the thing
16 that you said more than anything else convinced me that that's
17 the area that -- if we're going to be taking areas -- where we
18 perhaps should start. There are probably other areas which we
19 could also start with, but when you said that it would be ter-
20 rific if we could replicate Gary Bellow, that is in effect what
21 we're attempting to do, and I -- you know, that's not, certain-
22 ly, what he would say, but that's what I would say, that the
23 people who have been trained by his program and by him have
24 proven to be very helpful and successful in assisting legal
25 aid programs and in helping to train lawyers dedicated to legal

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1 assistance.

2 I think we already know, and I am tired of reinvent-
3 ing the wheel, that one of the things that we have to confront
4 and have to deal with is the training of lawyers.

5 We know that. We also know some other things, and
6 we will get to them as we are attempting to get to them,
7 through a variety of other means. But I believe that Steve is
8 correct, that we can go ahead and open up the program for some
9 other kinds of ideas about training, but I think we would be
10 wasting our time if we open up the door to just a number of new,
11 innovative proposals about anything.

12 I think that at some point we've got to draw a line
13 and say look, there are certain needs that we all have. Now
14 you may rank that need a little higher than I would, and I may
15 rank another need a little higher than you would, but by gosh
16 we've got to make some policy, and one of the -- and you know,
17 I'd be glad to move that one of our policies is that we want to
18 get better training for lawyers, and therefore, we want to con-
19 sider this kind of proposal, and therefore, any other kind of
20 proposal that might help implement that goal.

21 MR RAY: Yes. My statement, "Isn't that terrific,"
22 was only responding to getting 500 proposals. I know that's an
23 onerous kind of, you know, administrative nightmare to face,
24 but if you are really stimulating that kind of thinking, and
25 you have that kind of law of averages working for you in which

1 to make a selection, I think that is terrific.

2 Now you might want to confine it, as a policy matter,
3 to one area of concentration or another. That's a different
4 thing.

5 MS RODHAM: Okay.

6 MR CRAMTON: Mr Engelberg.

7 MR ENGELBERG: Yes, I would agree with Hillary's
8 comment, and I assume -- I think Denny indeed would agree with
9 that. I mean what I would ask is that you say we are consider-
10 ing an innovative training proposal, like the one we've re-
11 ceived, and we'd like, if anyone wants to submit other propo-
12 sals -- we still might get 500, but I think you have to at
13 least limit it to that.

14 MR EHRLICH: I don't want to tell you, in honesty,
15 that we can deal with -- I know what it takes to go through,
16 because I've watched it, now, with care, a substantial review
17 process that really does it justice. That's -- it is terrific,
18 in one sense, but that point is a very valid one, in general,
19 and in particular we're not going to be able to it, we'll just
20 have a lot of unfulfilled expectations from people who put a
21 lot of time and effort in on things that can't be done.

22 If there is a proposal for -- substantial training
23 proposal, it isn't just on the fringe, and it does frankly in-
24 volve a substantial commitment of funds from another institu-
25 tion, and I think that ought to be understood.

1 MR TRUDELL: I'd be interested in hearing from Jose-
2 phine, in terms of a client perspective, I mean.

3 MR CRAMTON: Ms Worthy?

4 MS WORTHY: I guess I've been trying to say something
5 to Jerry. I have some questions about the proposal, and I kind
6 of agree with Hillary. I think we should make it a definite
7 proposal, training.

8 As Tom has said, we have a lot of things ahead of
9 us. The questions I have for you, Jerry, maybe at some point,
10 concerning the proposal, we can sit down and talk about it,
11 and that question would be concerning how Harvard and clients
12 and -- how are you going to set that program up?

13 I'm also saying that I don't know if Steve definitely
14 wants us to make a kind of decision today or not, but I am not
15 ready, from reading the proposal and talking to people in the
16 Boston area concerning it.

17 So I would kind of agree with saying that we should
18 put it out, but say we want a definite proposal, something sim-
19 ilar to what we have, or whatever, and I know it is hard to go
20 through a lot of proposals like that -- and you'd probably get
21 500, but it may be something that we have to do in order to be
22 fair to everybody else and not say we've made a decision on one
23 proposal.

24 I just can't do that.

25 MR CRAMTON: Let me try to summarize where I think

1 we are and see if it's acceptable.

2 My understanding is that we've had an interesting and
3 informative discussion of this particular proposal which has
4 come to us in kind of an ad hoc fashion, that the president
5 plans that that provided Gary Bellow and others with some feed-
6 back in terms of both the questions about it and some excite-
7 ment and some enthusiasm, and given him some help in terms of
8 where he now is.

9 The president plans to publicize the fact that the --
10 this proposal has been received in the training and support
11 area, and it is being considered by the Corporation, along with
12 a very broad reconsideration of our support efforts which is
13 going on in connection with Task Force Studies this summer,
14 and that the matter will be reconsidered at later Board meet-
15 ings, that if others have innovative proposals in the same area,
16 we welcome their submission, but no funds have been allocated
17 for this, we make no guarantees that anything will be funded,
18 but if others have ideas, the staff is prepared to consider
19 them.

20 And we will revisit this question in October, or lat-
21 er, in light of recommendations that come to us through the
22 reconsideration of support and probably in connection with the
23 reallocation of the '79 budget.

24 Is that a --

25 MR ENGELBERG: I think that's fine, and maybe -- Tom,

1 I hate to meddle, but --

2 MR CRAMTON: You really can't tell by the action.
3 That's an extension of what we plan to do next.

4 MR ENGELBERG: No, I think that's a -- I totally
5 agree. The one thing I might add, Tom, that was when you --
6 whatever form you make the announcement, I think a two-sentence
7 description or summary of the proposal would be as much as you
8 can say about the commitment of these institutions.

9 In other words, to convey that this is pretty far
10 along, in other words, so it tells other people -- again, with-
11 out committing anybody to anything -- that these people have
12 done a lot of work and they've got some commitment, whatever
13 commitment we've got.

14 I think that would be helpful maybe, at least, in
15 deterring people that are very much still on the drawing range,
16 if there is indeed anybody.

17 MR EHRLICH: That's fair. I mean that's helpful.

18 MS ESQUER: I was not going to say something, at
19 least on one issue today, but I just have to.

20 I really support the statements made by the two gen-
21 tlemen in the audience, and I guess I really am concerned
22 about, you know, just the element of basic fairness in the way
23 that this was perceived, and I think I expressed that somewhat
24 at the committee meeting when we met last time, and I wish I
25 had had the foresight to suggest at that time that some publi-

1 cation take place.

2 It's obvious that any program that would be a pro-
3 posal involving training would not have the leading time that
4 the individuals who developed this -- I mean really exciting
5 and very creative -- proposal have had, and therefore, the qual-
6 ity of proposal that I anticipate we would be receiving would
7 not nearly meet, you know, the quality we have before us.

8 And in essence, you know, with Steve's statement,
9 what we're saying is others need not apply, is really my feel-
10 ing. And I really, you know, hate to put a damper on all this
11 effort, but maybe I would prefer that we look at this for may-
12 be the 1980 budget, and -- you know.

13 And we're still waiting for an appropriation, you
14 know, a definite sum of money to come from Congress. We have
15 a pretty good idea that we're not going to get the budget that
16 we requested, which would guarantee us the minimum access funds,
17 and you know, we're kind of creating a lot of ifs for a propos-
18 al that already has a lot of commitments attached to it.

19 And I'm concerned about that.

20 MR CRAMTON: Well, but that just doesn't -- that's a
21 personal statement, but it doesn't depart from the --

22 MS ESQUER: Oh, I think this is a great proposal.

23 MR CRAMTON: -- my summary of the discussion and of
24 next steps, without any decisions.

25 MS ESQUER: Well, I just wanted to -- well right,

1 but I think you were being maybe more optimistic, that there
2 was like unanimity of the Board, and I just wanted --

3 MR CRAMTON: You provided Mr Bellow with some addi-
4 tional input that's useful to him.

5 MR SMITH: Mr Chairman, what time do we meet in the
6 morning?

7 MR CRAMTON: Well, the agenda says 9:30.

8 MR SMITH: Can't we meet at 8:30, maybe? Or is it --

9 MR CRAMTON: I don't think at 8:30. I'd be willing
10 to move back to 9:00. Is there general agreement that we all
11 be here at 9:00 o'clock? And then I think we might be able to
12 -- would we be able to arrange 9:00 o'clock?

13 (General agreement.)

14 MR CRAMTON: All right, then we will meet here at
15 9:00 o'clock in the morning, and I don't know how long it will
16 take, but I would hope that it -- we certainly will be through
17 before lunch.

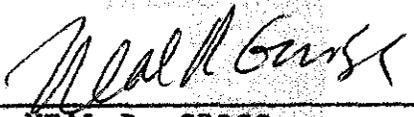
18 MR SMITH: I move we adjourn till 9:00 o'clock tomor-
19 row morning.

20 MR CRAMTON: Yes, I will accept that.

21 (Whereupon, at 5:59 p.m. the meeting was adjourned.)
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C E R T I F I C A T I O N

1
 2 This is to certify that the attached proceedings, in
 3 the matter of the second portion of the afternoon session of
 4 the meeting of the Board of Directors of the Legal Services
 5 Corporation, held on Thursday, July 6, 1978, in Ravensworth
 6 Hall, Arlington Hyatt House, 1325 Wilson Boulevard, Arlington,
 7 Virginia, were had as herein appears, and this is the original
 8 transcript thereof.

9
 10 

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