

LEGAL SERVICES CORPORATION

BOARD OF DIRECTORS
AUDIT AND APPROPRIATIONS COMMITTEE MEETING

May 24, 1993

9:20 a.m.

The Legal Services Corporation
750 First Street, N.E., 11th Floor
The Board Room
Washington, D.C. 20002

Board Members Present:

Basile J. Uddo, Chairman
J. Blakeley Hall
Jo Betts Love
Penny L. Pullen
Norman D. Shumway
George W. Wittgraf
Jeanine E. Wolbeck

Staff Present:

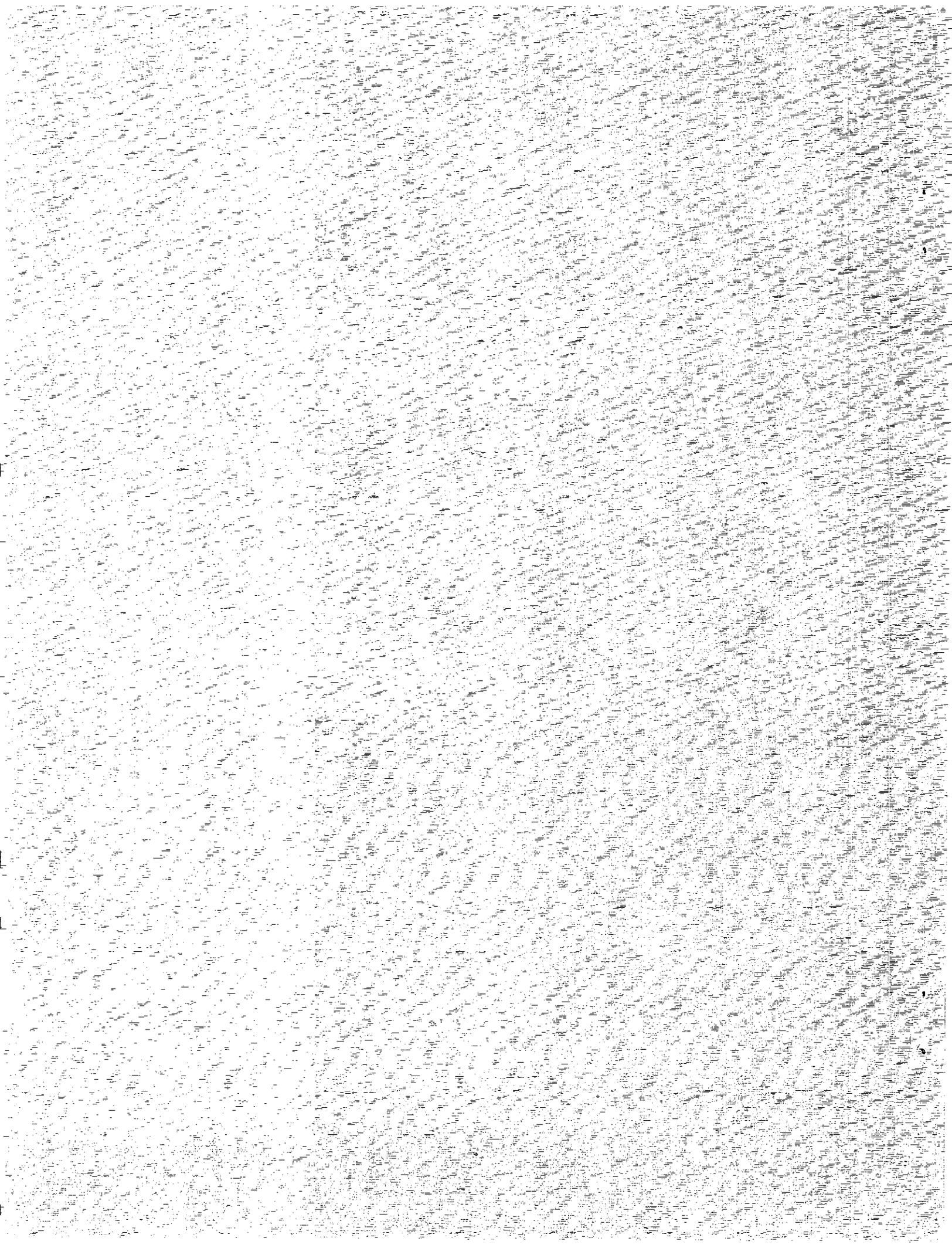
John P. O'Hara, President
Emilia DiSanto, Vice President
David Richardson, Treasurer & Comptroller
Victor Fortuno, General Counsel
Patricia Batie, Secretary
Ellen Smead, Director of OFS
Kenneth Boehm, Assistant to the President & Counsel to the
Board

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P R O C E E D I N G S

1
2 CHAIRMAN UDDO: I would call to order the meeting
3 of the Audit and Appropriations Committee of the Board of the
4 Legal Services Corporation, starting about 9:20 on the 24th
5 here.

A P P R O V A L O F T H E A G E N D A

6
7 CHAIRMAN UDDO: The first item that we have to deal
8 with is the approval of the agenda, to which I would like to
9 make a change. The agenda was previously amended, and I
10 don't think it made it into the previous forms, but was
11 previously amended to add item 9, consideration of report on
12 review of guidelines governing Board travel. I want to take
13 that off of the agenda. We're not going to get into that.
14 So I would appreciate a motion and a second to amend the
15 agenda accordingly.

M O T I O N

16
17 MS. WOLBECK: So moved.

18 CHAIRMAN UDDO: Moved by Ms. Wolbeck. You're the
19 only person that can second it. There's just the three of
20 us.

21 MS. LOVE: Second.

22 CHAIRMAN UDDO: It's seconded by Ms. Love. All

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1 those in favor signify by saying aye.

2 (A chorus of ayes.)

3 CHAIRMAN UDDO: Opposed nay.

4 (No response.)

5 CHAIRMAN UDDO: The ayes have it. The agenda is
6 approved. Let me step back a second here and say that three
7 members of the committee are here. In addition to myself,
8 Ms. Love and Ms. Wolbeck are both present. Other Board
9 members not on the committee, Mr. Hall, Chairman Wittgraf,
10 Mr. Shumway, and the president of the Corporation, Jack
11 O'Hara is here with us also.

12 APPROVAL OF THE MINUTES OF APRIL 25, 1993

13 CHAIRMAN UDDO: The next item on the agenda is
14 approval of the draft minutes of the April 25th meeting.
15 Assuming that we've had adequate time to review those, I
16 would entertain a motion to approve those minutes.

17 M O T I O N

18 MS. LOVE: So moved.

19 MS. WOLBECK: Second.

20 CHAIRMAN UDDO: It's moved by Ms. Love, seconded by
21 Ms. Wolbeck. All those in favor of approving the minutes of
22 the April 25th meeting signify by saying aye.

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1 (A chorus of ayes.)

2 CHAIRMAN UDDO: All those opposed nay.

3 (No response.)

4 CHAIRMAN UDDO: The ayes have it. The minutes of
5 the April 25th meeting are approved. Agenda item no. 3,
6 consideration and review of budget and expenses for the
7 six-month period of October 1, 1992, to March 31, 1993. For
8 that, I ask David Richardson if he would come to the
9 microphone, identify himself, and make that report, please.

10 CONSIDERATION AND REVIEW OF BUDGET AND EXPENSES FOR THE
11 SIX-MONTH PERIOD OF OCTOBER 1, 1992 - MARCH 31, 1993

12 MR. RICHARDSON: Thank you. Good morning. My name
13 is David Richardson. I'm the treasurer and comptroller of
14 the Corporation. The information that I'll be referring to
15 is on pages 53 through 58 in the Board book.

16 We have two items before us in dealing with the
17 budget. One is the expense review through March, and then
18 the handout that you were given this morning is the
19 projection of expenses through the final six months. Then,
20 we do have a budget reallocation that was necessitated
21 because of the equivalent of the six furlough days spread to
22 each budget, and then some internal budgetary adjustments

1 just to reflect better operating position at this point.

2 On page 53, we look at the delivery of legal
3 assistance. The budget for the grants in this area was
4 \$328,130,000. We have spent to date \$322,186,000. The
5 remaining funds is \$5,944,000. They are captioned by the
6 basic field category with a budget of \$305,000. We have
7 expended \$302,000 for a remaining \$3 million. Most all that
8 money is for the month-to-month grantees.

9 We do have, which is identified in the other
10 packet, about \$83,000 in contingencies. We'll discuss those
11 in the next caption on the agenda.

12 In the Native American, we have \$8 million
13 budgeted. We have spent \$7.7 million. So there's just under
14 \$300,000 remaining on that line.

15 In the migrant component, we had a budget of \$11.4
16 million. We spent \$10.8 million. So the remaining \$500,000
17 there is for month-to-month grantees.

18 Special emergencies, we've spent \$95,000 to date,
19 remaining \$73,000. There is a Hawaiian grant that was
20 \$52,000. That money has gone out and will be subtracted from
21 the next report.

22 The program development is the timekeeping money

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1 that you discussed in the prior meeting. Three hundred
2 thousand remains there until the proposals and the awarding
3 of that money.

4 In the supplemental service, we have the law school
5 monies, the \$1.254 million. None of that money has been
6 spent to date. The RFP has been submitted, and many of those
7 are back.

8 In the supplemental field program, we had a budget
9 of approximately \$1.2 million, and all that money has been
10 spent.

11 As far as II, the support for delivery of legal
12 assistance, we have a budget of \$20 million, almost \$21
13 million. We spent \$19 million to date, so there's over a
14 million dollars left. That's broken up by the regional
15 training centers which has a budget of \$770,000. We spent
16 \$600,000. So the \$170,000 that's remaining is for
17 month-to-month grantees.

18 The National Resource Training Center, \$450,000,
19 none of that money has been spent to date. In the other
20 support, national support centers, we had a budget of \$8.4
21 million. We spent \$8.26 million. So there's approximately
22 \$140,000 remaining there.

1 State support, a budget of \$9.7 million, contracted
2 to date spent, \$8.9 million. So there's approximately
3 \$800,000 left there.

4 The clearinghouse budget was \$985,000. That money
5 has been awarded, so there's no remaining funds there. In
6 the CALR, we have \$616,000. We've awarded \$517,000. So
7 there's approximately \$98,000, \$99,000, that's remaining
8 that's for month-to-month grantees.

9 When we go to caption 3, we look at the corporate
10 management and administration. Let me move down to b, c, and
11 d first because those are dealing with --

12 CHAIRMAN UDDO: Before you do that, David, let me
13 just ask if any members of the committee have any questions
14 about the first part of the expense report. Any members of
15 the committee have any questions of Mr. Richardson on the
16 first part?

17 (No response.)

18 CHAIRMAN UDDO: Any questions from members of the
19 Board?

20 (No response.)

21 CHAIRMAN UDDO: Thank you. David?

22 MR. RICHARDSON: The accrued rent is the money that

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1 we're, of course, not spending but it's money that has to be
2 recognized as expense in this year. We had a budget of
3 \$860,000, and there's two months remaining of those expenses.
4 So there's approximately \$216,000 remaining there.

5 The Board initiatives, this is your competition
6 initiative. They have a budget of \$1.027 million. There's
7 only been \$3,000 spent to date. That's for some travel. So
8 the balance is \$1.23 million.

9 In the meritorious grants, there remains a \$10,000
10 contingency for a program in South Carolina that was hit by
11 Hugo. We hope to have this resolved in the next few months.
12 The money was set there because they had structural damage to
13 the building. They're negotiating with an insurance company
14 to see if they will pay for the damage. If not, then this
15 money is to help support that project.

16 As we turn to page 56, the other funds available,
17 we have grant recoveries to date of approximately \$48,000,
18 interest income of \$97,000, miscellaneous of \$2,000. So the
19 other remaining funds is \$147,600.

20 Attachment B shows the breakout by budget category.
21 It reports the personnel compensation, temporary employee
22 pay, and benefits. This is further broken out on page 58,

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1 which gives you the amount spent by each budget by budget
2 category. Relating it back to the total budget, we are at 44
3 percent. Of course, we're at 50 percent of the year.

4 If you have any further questions or you'd like to
5 have further breakdown of that, I'd be glad to do it for you.

6 CHAIRMAN UDDO: Are there any questions from
7 members of the committee?

8 (No response.)

9 CHAIRMAN UDDO: Members of the Board?

10 MR. WITTGRAF: Mr. Chairman?

11 CHAIRMAN UDDO: Mr. Wittgraf?

12 MR. WITTGRAF: Mr. Richardson, on page 56, where
13 you have the other funds available with a total of \$147,600,
14 where or how does that figure relate to the figures on
15 Attachment E to your memorandum of May 24, 1993, regarding
16 the six-month projection?

17 MR. RICHARDSON: Okay. The \$147,600 is in addition
18 to those figures. We were looking in preparing that schedule
19 only budgeted figures, budgeted amounts. So when I showed
20 you \$286,000, you could add \$147,000 to that.

21 MR. WITTGRAF: Thank you. Thank you, Mr. Chairman.

22 CHAIRMAN UDDO: Let the record reflect that Board

1 member Pullen has joined us. Any other questions for Mr.
2 Richardson from members of the Board?

3 (No response.)

4 MR. UDDO: I think we have a question from the
5 audience. Mr. McGiver, do you want to come up to the --

6 MR. MCGIVER: No. I just want to ask a quick
7 question, to explain the reason why the projected balances in
8 the program categories in part one, section one --

9 CHAIRMAN UDDO: I don't know if the court reporter
10 can get you. Why don't you come on up here to the table and
11 identify yourself for the record, please?

12 MR. MCGIVER: My name is Harrison McGiver,
13 executive director of the Project Advisory Group. My
14 question is directed to regarding this section with respect
15 to remaining funds.

16 CHAIRMAN UDDO: What page is that?

17 MR. MCGIVER: Page 53, delivery of legal systems
18 field programs and other programs. I wanted Mr. Richardson
19 to give a specific explanation as to reason these remaining
20 funds exist?

21 CHAIRMAN UDDO: You're talking about the \$4.3
22 million?

1 MR. MCGIVER: Yes, and basic field, Native
2 American, migrant programs.

3 CHAIRMAN UDDO: Okay, Mr. Richardson?

4 MR. RICHARDSON: A majority of those funds are for
5 month-to-month grantees. There are some small contingencies
6 which is identified in the memo dated May 24th, this date,
7 which clarifies and shows any contingencies that may be
8 available. I'll make that available to Mr. McGiver also.

9 MR. MCGIVER: All right, thank you.

10 CHAIRMAN UDDO: Thank you, Mr. McGiver. Any other
11 questions for Mr. Richardson on this agenda item?

12 (No response.)

13 CHAIRMAN UDDO: Any other questions from the public
14 for Mr. Richardson?

15 (No response.)

16 CHAIRMAN UDDO: Hearing none, we will move on to
17 agenda item no. 4 which also requires Mr. Richardson's
18 presence at the table there. It's consideration and review
19 of six-month projections for the period of April 1st through
20 September 30, 1993. Mr. Richardson?

21 CONSIDERATION AND REVIEW OF SIX-MONTH PROJECTIONS
22 FOR THE PERIOD APRIL 1, 1993 - SEPTEMBER 30, 1993

1 MR. RICHARDSON: If you would refer at this point
2 to the memo that was handed out this morning dated May 24th
3 in regards to the six-month projection.

4 CHAIRMAN UDDO: Is this available to the public?

5 MR. RICHARDSON: Yes, it is. There is actual
6 copies out on the table and there are some here at the front
7 chair if somebody doesn't have it and would like to refer to
8 it. During this time of year, we review very carefully the
9 expenses for the six-month period, and we produce a
10 projection of expenses for the remainder of the year.

11 We do this not only for the management and
12 administration, but we do it for the grants to be awarded
13 during the year also. In redoing this, we had to redo each
14 budget the equivalent of the six-day furlough. This is the
15 \$150,000, the furlough day, that the Board subtracted from
16 the budget when it was implemented or when it was adopted in
17 January.

18 In that regard, let me move on to the grant awards.
19 It will go much like I covered the expenses through March.
20 If you have any questions, I'd be glad to answer them as we
21 go along or at the end, whichever is your preference. If you
22 will look at the columns on the attachment, page 1 of 4 on

1 the attachment, the remaining funds are the same amount that
2 we just went over and the expenses to date. The difference
3 with this worksheet is the budget plan.

4 For instance, in the delivery of legal assistance
5 where we had remaining funds of \$5.9 million, we're showing
6 that we're going to spend almost \$5.8 million. There is a
7 projected carryover of \$144,000. That is made up of \$53,115
8 from the basic field category, \$58,243 from the Native
9 American, and the migrant is \$32,864.

10 At this time, if you would just refer to Schedule
11 E, it shows you how we were able to determine the amount of
12 carryover at this point. In the basic field category, last
13 year we had \$22,149 carried forward from 1992. We have a
14 contingency in the basic field category in 1993 of \$60,966.
15 We're subtracting \$30,000 from that figure for a projected
16 trainee. So the remaining funds is \$53,115.

17 In the Native American category, we had from
18 1992-1993 is \$15,385; in 1993, \$42,858. That leaves you a
19 balance of the \$58,243. In the migrant category in 1992, we
20 had \$152,864. We have, in 1993, monies for \$23,038. That
21 money is for a Kentucky grant, and I was told Friday that
22 that money will be competed in the next few days. So I have

1 earmarked that money for a Kentucky grant.

2 There is an ADR proposal in the field at this
3 point. There is \$100,000 set aside for that. The Iowa
4 conference that was held in December at Drake University,
5 we've set aside \$20,000 for that. We have already reimbursed
6 approximately \$18,000 worth of expenses from that. Again I
7 was told last week that there's two or three that have not
8 yet submitted expense reports. There might be a small
9 amount, but a very small amount, from that line in addition
10 to the difference there of the \$32,864.

11 CHAIRMAN UDDO: I'm sorry, Mr. Richardson.

12 MR. RICHARDSON: It's okay. If we could go back to
13 page 2 of 4, Attachment A, again the first columns through 10
14 are the same as those that we've reported before. The
15 remaining funds of \$1.686 million, we have a budget plan to
16 spend \$1.544 million of that, leaving a balance projected
17 carryover of \$141,962.

18 All the money in the regional training center is
19 earmarked for those programs, so we're showing that as a
20 budget plan to go to those programs. The National Resource
21 Training Center, there is negotiations underway in
22 anticipation of that grant.

1 In the national support line --

2 CHAIRMAN UDDO: Mr. Richardson, I think President
3 O'Hara is saying that that's already been done.

4 MR. O'HARA: The proposal is in and the check will
5 be cut probably today, Ellen?

6 MS. SMEAD: Yes, this week.

7 MR. RICHARDSON: In the national support line,
8 there was \$136,000 remaining. We have a budget plan of
9 \$69,000. So that leaves a balance of \$67,141. In the state
10 support, we had a remaining \$832,000. We've got a budget
11 plan, funds to go to the grantees, of \$757,000, with a
12 balance of \$74,821.

13 The clearinghouse money is completely expended at
14 this time. The CALR grant, there's \$98,000 remaining funds
15 and those are earmarked for programs. If we return to
16 Schedule E again, it does show to you how the available funds
17 were calculated.

18 In the national support line, there's a contingency
19 of \$107,141 remaining. We have earmarked \$40,000 for
20 training in Atlanta with MLAP. We have reimbursed
21 approximately \$20,000 to date. We anticipate another \$20,000
22 in expenses there. So the remainder of \$67,141 is remaining.

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1 In the national support line, we have 92 funds of
2 \$24,998.

3 CHAIRMAN UDDO: You mean state support?

4 MR. RICHARDSON: In the state support; yes, sir.
5 In 1992, we have \$24,998; in 1993, we have \$49,823, for a
6 total of \$74,821. Now I am told by the people in field
7 services, and Mr. O'Hara even alluded to it last week, that
8 we anticipate proposals to come forth for the national
9 support money from the national support centers, more than
10 likely for the full amount of this money.

11 The Native American money, the \$58,243, we've been
12 told that there would be a proposal coming forth for that.
13 I'm not sure exactly what for, but it will be for training.
14 There is, I understand, one program that possibly has an
15 emergency; that money may have to go there. I understand
16 that one of our grantees suffered a loss due to a fire. So
17 we might ask Ms. Smead if she has any idea on how much money
18 might be required there.

19 CHAIRMAN UDDO: That's the national support line?

20 MR. RICHARDSON: I'm sorry, in the Native American.

21 CHAIRMAN UDDO: You are anticipating a proposal
22 from the national support also to the amount of the available

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1 funds?

2 MR. RICHARDSON: That's my understanding.

3 CHAIRMAN UDDO: The Native American, you expect a
4 request that will equal the amount of the available funds
5 there, too?

6 MR. RICHARDSON: I'm not sure how much that
7 proposal would be.

8 CHAIRMAN UDDO: But we should not anticipate that
9 that full \$58,000 and \$67,000 will be there without some
10 request made from folks in those lines already?

11 MR. RICHARDSON: That's correct. There's no
12 request right now. Certainly, the Board could move those,
13 but I was just bringing it to your attention that we do
14 anticipate some of this.

15 CHAIRMAN UDDO: No, I understand. Mr. O'Hara has a
16 comment.

17 MR. O'HARA: Thank you, Mr. Chairman. With regard
18 to the national support, to clarify a little bit further what
19 David had talked about, last month we had a meeting with an
20 executive committee of OLSBUC, which is the national
21 organization representing the national support centers.
22 They're meeting in New Orleans, I believe, in early June, and

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1 they expect to come back with a proposal to something I
2 talked to them about, which is in regards to a training of
3 program attorneys.

4 Most of the training at this time is done by NLADA
5 which sponsors a conference in Berkeley once a year. It's my
6 thought that the Corporation could get into assisting the
7 program by having the national support centers who have a
8 very large amount of expertise and by doing training on a
9 regional basis so that we would bring the training to the
10 regions of the country where the program attorneys are.

11 Most programs cannot afford to send people, either
12 for lack of money or the lack of time. They've got so much
13 work to do they can't spare them away. It's my thinking that
14 the national support people could provide this training on a
15 regional basis. It would be tailored according to what the
16 national support people tell us the programs in that area of
17 the country would need and would be on a basis where it would
18 change from time to time.

19 We don't have an agreement with them on the amount
20 of money. We gave them an estimate, I believe, as to how
21 much money might be available, but we won't know until some
22 time in June, and I hope to be able to give the Board more

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1 detail on that at the Memphis meeting.

2 CHAIRMAN UDDO: That's what you're thinking the
3 remaining funds might be used for?

4 MR. O'HARA: Yes.

5 CHAIRMAN UDDO: Thank you, Mr. O'Hara. Mr.
6 Richardson?

7 MR. RICHARDSON: Going to page 3 of 4, in regards
8 to the attachments, at this point let me ask is there any
9 questions, additional questions, in regards to the recipients
10 of the grant awards?

11 CHAIRMAN UDDO: Any questions?

12 MR. WITTGRAF: Mr. Chairman?

13 CHAIRMAN UDDO: Mr. Wittgraf?

14 MR. WITTGRAF: Mr. Richardson, looking at your
15 Attachment E, the \$586,184, or \$286,184, taking out
16 timekeeping money which is in the process of being expended,
17 that pertains only to categories 1 and 2; does it not?

18 MR. RICHARDSON: There is correct.

19 MR. WITTGRAF: There is no projection, no
20 calculation made yet for possible, unexpended funds in
21 category 3.

22 MR. RICHARDSON: There is on page 3 of 4. We do

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1 have that available.

2 MR. WITTGRAF: No, I understand.

3 MR. RICHARDSON: But it's not included here.

4 MR. WITTGRAF: In Attachment E, you're only talking
5 about those funds that may be left over or unused from
6 categories 1 and 2?

7 MR. RICHARDSON: That's correct, sir.

8 MR. WITTGRAF: Thank you, Mr. Chairman.

9 CHAIRMAN UDDO: Mr. Richardson?

10 MR. RICHARDSON: Category 3 called to your
11 attention column 7. This is the revision that does require
12 your vote. This is a reallocation of the furlough days to
13 each office, and it's based on the salary projected in each
14 office. I have provided Attachment D just to show you the
15 calculation of that. What I did was take the approved
16 budgeted salaries and have a total of that, and then a
17 portion based on that percentage to each office. That does
18 need your adoption.

19 In regards to the expenses, I had reported to you
20 that expenses through the first six months is \$4.8 million.
21 The budget is \$10.9 million. There 's a little over \$6
22 million remaining in this budget line. We have projected.

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1 We have a budget plan of \$9 million. So we have a projected
2 carryover within M&A of \$132,000.

3 There was some question in regards to money needed
4 for the Board of Directors. Ms. Batie has provided a
5 projection. It does include the \$25,000 that Mr. Wittgraf
6 had requested to provide some funding for project directors
7 and people to travel to the annual conference in Kansas City.
8 That is included.

9 The accrued rent in B, as we go down, the \$216,000,
10 this is again money that is set aside that we have to
11 recognize as an expense due to the rent on this building.
12 The Board initiatives, the \$1.123 million, almost 24, is for
13 the competition initiative. This money will be fully
14 expended with that, and there's additional money needed, and
15 next year's budget to finish that project.

16 Again, the meritorious grant award, we do show that
17 as being expended this year.

18 On page 4 --

19 CHAIRMAN UDDO: Before you go to that, Mr.
20 Richardson, the March budget revisions reallocating the
21 furlough days, how many furlough days is that based on?

22 MR. RICHARDSON: Six, sir.

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1 CHAIRMAN UDDO: Now, maybe we need to get Mr.
2 O'Hara to help us with this, but so far there's only been
3 two, right?

4 MR. RICHARDSON: That is correct, sir.

5 CHAIRMAN UDDO: Do we anticipate additional
6 furlough days or are we in a position to know that or do we
7 need more information from Richardson?

8 MR. RICHARDSON: I think, if I might address, we
9 have transferred or reallocated the equivalent of six days to
10 everybody's budget. It appears that the furlough days will
11 not be needed. The \$132,000 in carryover includes that
12 reallocation. It does not include additional furlough days
13 because we were able to absorb it through the attrition of
14 employees and other cost saving measures that we've
15 instituted.

16 MR. WITTGRAF: Mr. Chairman?

17 CHAIRMAN UDDO: Mr. Wittgraf?

18 MR. WITTGRAF: I'm still not sure, Mr. Richardson,
19 forgive me, the six furlough days would be \$150,000?

20 MR. RICHARDSON: That's correct, sir.

21 MR. WITTGRAF: We've used two for the equivalent of
22 \$50,000.

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1 MR. RICHARDSON: That's correct.

2 MR. WITTGRAF: If we didn't use the other four,
3 which, at least, would be my preference, that would be
4 \$100,000?

5 MR. RICHARDSON: That's correct, sir,
6 approximately.

7 MR. WITTGRAF: Right, in round numbers. Does that
8 mean, then, that the \$132,000 of projected carryover for
9 category 3a should be reduced by \$100,000 to leave
10 effectively a carryover of just \$32,000 dollars?

11 MR. RICHARDSON: No, sir. The equivalent of the
12 six furlough days has been included in the budget
13 projections, in the revision. Our budget projections took
14 into account the furlough day that we took in March.

15 MR. WITTGRAF: One in February and then one in
16 April.

17 MR. RICHARDSON: April, excuse me, yes. So, with
18 those two furlough days already included here, we're now
19 showing that we were able to absorb that reduction in our
20 budget through the attrition, the employees that have left
21 the Corporation.

22 MR. WITTGRAF: So with no more furlough days taken,

1 we still have \$132,000 projected carryover?

2 MR. RICHARDSON: Yes, sir. If we do take the
3 furlough days, we would add to \$100,000.

4 MR. WITTGRAF: Then it would be \$232,000.

5 MR. RICHARDSON: That's correct.

6 MR. WITTGRAF: Thank you, Mr. Chairman.

7 CHAIRMAN UDDO: Thank you. Mr. Richardson?

8 MR. RICHARDSON: On page 4, Attachment A, we're
9 looking at the grant recoveries. We've projected
10 approximately \$25,000 in the budget plan, Interesting to come
11 up with \$120 and the miscellaneous \$1,000. So we've
12 projected \$146,000 in other funds available for a total of
13 \$93,600 for other funds available.

14 CHAIRMAN UDDO: I'm sorry, David.

15 MR. RICHARDSON: This leaves a total of projected
16 carryover of \$711-almost-12,000. Of that, much of it is
17 field programs. Within the management and administration,
18 we're showing that \$132,000, of course, as carryover to
19 support next year's budget, then the \$293,600 in other funds
20 available. I'll be glad to answer any other questions you
21 may have.

22 CHAIRMAN UDDO: On Attachment E, David, what do you

1 add to the \$586,000 figure? Is that just other funds
2 available that gets it up to -- no. That would be more than
3 \$711,000.

4 MR. RICHARDSON: No. Actually, what we'd have to
5 do is to subtract the \$300,000 in the program development.

6 CHAIRMAN UDDO: Right.

7 MR. RICHARDSON: And then add to it the other funds
8 available and then carryover the \$132,000 in M&A.

9 MR. WITTGRAF: What's the figure you're using for
10 other funds available, the \$147,600?

11 MR. RICHARDSON: \$293,600, page 4.

12 CHAIRMAN UDDO: Page 4, Attachment A.

13 MR. WITTGRAF: So we should add \$286,184 to
14 \$293,600 to \$142,143?

15 CHAIRMAN UDDO: To get to the \$711,000; yes, sir.

16 CHAIRMAN UDDO: Now, of that figure, \$711,927, we
17 also are aware that Native American line carryover of \$58,000
18 may be spoken for, at least there will be a request. The
19 same for the \$67,000 in the national support line. So if we
20 want to look at what other monies are available for other
21 uses, it would be prudent to subtract those two amounts also?

22 MR. RICHARDSON: That's correct. We should have a

1 better view of those, as Mr. O'Hara said, next month to give
2 you an opportunity to look at it again, if you like.

3 CHAIRMAN UDDO: Mr. O'Hara?

4 MR. O'HARA: Thank you, Mr. Chairman. I just want
5 to point out to the Board that we are now at a level of 114
6 employees, compared to where we were when I came in here,
7 which was 130-some-odd. I don't really see a need to hire a
8 great number of people, but we will need to replace a few of
9 the people who have left.

10 I wanted to make the Board aware that of the
11 \$132,000, I probably would need some of that to get some
12 people on board sometime this summer to replace a couple of
13 people who have left, who did hold grateful jobs both in
14 monitoring, audit and compliance, and in the office of field
15 services, and possibly one in the general counsel's office.

16 CHAIRMAN UDDO: All right. I think the Board is
17 impressed at your efforts to streamline the operations of the
18 Corporation and certainly understand that there may be some
19 positions that nonetheless need to be filled. But you've
20 done a tremendous job at gathering the budgetary problems you
21 faced under control. So I think you should be commended for
22 that.

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1 Why don't we try to work David toward a -- if you
2 could. You may have already done it there, but we've got to
3 do some adding and subtracting to kind of come up with the
4 figure of available funds because I think one of the things I
5 think we would like to do today is maybe earmark some funds
6 for a meritorious grant project, to continue the meritorious
7 grant project.

8 So maybe you want to take a five-minute break and
9 let's get to those figures so that we can talk about those in
10 a minute?

11 MR. RICHARDSON: Yes, sir.

12 CHAIRMAN UDDO: All right. We'll take a
13 five-minute recess.

14 (A short recess was taken.)

15 CHAIRMAN UDDO: I will call the meeting to order.
16 What we asked Mr. Richardson to do during the recess is to
17 recalculate his numbers on what funds are remaining for
18 purposes of this committee to recommend to the Board
19 reallocation.

20 So, if you would, Mr. Richardson, maybe you can
21 give us a rundown of what you think those figures are, and
22 we'll see if there's a proposal for the reallocation of those

1 figures.

2 MR. RICHARDSON: Thank you, sir. Again, for the
3 record, my name is David Richardson, Treasurer & Comptroller
4 of the Corporation. In the handout that was given to you,
5 we've identified on Schedule E the \$586,184 in carryover
6 available.

7 Because there is \$300,000 in the timekeeping line,
8 that needs to be reduced to \$286,184. Because of the
9 anticipated request from the Native American programs and the
10 national support center, we need to subtract \$67,141 and
11 \$58,243. This gives us a balance of \$160,800.

12 We have currently \$147,600 of interest income, and
13 grant recoveries, we're projecting another \$146,000. So that
14 should give us \$293,600 in other funds available. For the
15 purposes that we were discussing, that gives us \$454,400
16 available that the Board could use for different Board
17 initiatives.

18 CHAIRMAN UDDO: Thank you, Mr. Richardson. With
19 that figure in mind, I believe Chairman Wittgraf has a
20 suggestion on how the committee might recommend reallocation
21 of those funds. Mr. Wittgraf?

22 MR. WITTGRAF: Thank you, Mr. Chairman. It would

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1 be my suggestion to your committee that of that \$454,400,
2 \$450,000 would be reallocated in the following way: \$250,000
3 would be reallocated to the delivery of legal assistance
4 under field programs, under migrant program and components,
5 with the expectation that up to \$50,000 would be available to
6 assist the Mississippi migrant program, if it has any special
7 start-up needs beyond those that we have funded already.

8 The remaining \$200,000 would be available to fund
9 all four of the migrant ADR grants at the level of \$75,000
10 each, meaning \$200,000 plus the \$100,000 already available,
11 if the review committee and the president find that the four
12 applications are all worthy of full funding.

13 In addition, then, to that \$50,000 and that
14 \$200,000, I would suggest that you take the other \$200,000 to
15 make \$450,000 and move that to category 3d, the meritorious
16 grant awards for the purpose of another round of meritorious
17 and innovative grants similar to the ones presently funded.
18 If possible, that the request for proposals for such grants
19 be made as soon as possible.

20 CHAIRMAN UDDO: That's Mr. Wittgraf's suggestion.
21 Is there a motion by a member of the committee to that
22 effect?

M O T I O N

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MS. WOLBECK: So moved.

MS. LOVE: Second.

CHAIRMAN UDDO: It's moved by Ms. Wolbeck and seconded by Ms. Love. Let me first see if there are any comments, since that is a motion on the floor. Are there any comments or questions or concerns or other expressions or views?

(No response.)

CHAIRMAN UDDO: Hearing none, we'll vote on the motion. All those in favor of the motion signify by saying aye.

(A chorus of ayes.)

CHAIRMAN UDDO: Opposed nay.

(No response.)

CHAIRMAN UDDO: The ayes have it. The motion is adopted and the committee will recommend to the Board that reallocation of the \$450,000 available. Do you have anything further on agenda item no. 4, David?

MR. RICHARDSON: The main item that we still do need to consider is the A&A's vote on the adoption of the reallocation of the furlough days. That's found on page 3 of

1 4 of the handout that I gave you this morning in the budget
2 revisions under management and administration.

3 CHAIRMAN UDDO: If the committee members would turn
4 to Attachment A of the memorandum that we received this
5 morning, page 3 of 4, column 7 shows the reallocation of
6 furlough days to the various departments of management and
7 administration. Mr. Richardson is asking us to consider that
8 reallocation and consider whether to recommend to the Board
9 that that reallocation be approved. Is there a motion to
10 that effect?

11 M O T I O N

12 MS. WOLBECK: So moved.

13 CHAIRMAN UDDO: It's moved by Ms. Wolbeck. Is
14 there a second?

15 MS. LOVE: Second.

16 CHAIRMAN UDDO: Seconded by Ms. Love. Any further
17 discussion?

18 MR. WITTGRAF: Mr. Chairman?

19 CHAIRMAN UDDO: Mr. Wittgraf?

20 MR. WITTGRAF: If I understand the allocation, it's
21 based on six furloughed days as projected?

22 MR. RICHARDSON: That's correct, sir.

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1 MR. WITTGRAF: So that the authority exists for
2 that, but it would appear at the moment that there are
3 adequate funds within the management and administration line,
4 more than adequate funds, so that no more than the two
5 furlough days taken already in February and April would need
6 to be taken absent something wholly unforeseen today?

7 MR. RICHARDSON: That's correct, sir.

8 MR. WITTGRAF: Thank you.

9 CHAIRMAN UDDO: Any other comments or questions?

10 (No response.)

11 CHAIRMAN UDDO: Hearing none, we'll vote on the
12 motion. All those in favor of the motion signify by saying
13 aye.

14 (A chorus of ayes.)

15 CHAIRMAN UDDO: Opposed no.

16 (No response.)

17 CHAIRMAN UDDO: The ayes have it. The motion
18 carries, and we'll recommend that to the Board later today
19 also. Any other reports, Mr. Richardson? The agenda item
20 4a, consideration and need for internal budgetary
21 adjustments, is that a category under which you wanted us to
22 take that last vote, or are there additional?

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1 MR. RICHARDSON: That was under the reallocation.

2 CHAIRMAN UDDO: So A would be information, right?

3 MR. RICHARDSON: That's correct, sir, the need for
4 the internal budgetary adjustments. I do have some
5 information on it, but I realize that we have a time
6 restraint. I could summarize it very quickly if you want.

7 CHAIRMAN UDDO: Why don't you do that for us?

8 MR. RICHARDSON: Okay. As a result of the review,
9 we do have some internal budgetary adjustments that were
10 completed at the direction of the directors. It's something
11 in their purview to allocate the budget, as it depends on
12 their operating status at this point to better reflect the
13 current operating conditions.

14 For instance, in the Board of Directors, we have
15 allocated money from the consulting and travel line to
16 accommodate additional costs in the communications,
17 occupancy, printing and other operating expenses. We've also
18 allowed funds in here for the \$25,000 that was needed for the
19 annual conference in Kansas City.

20 Within the office of the president, there is also a
21 need for budgetary adjustments to accommodate some additional
22 spending in communications and needs in the personnel,

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1 temporary pay, and personnel benefits line. That money will
2 come from a reduction in travel because of a reduced travel
3 schedule.

4 The Board video has been completed. We completed
5 it at a savings of almost \$10,000 from what we had projected.
6 So that \$35,700 is being able to support this budget. The
7 only thing that's left, by the way, with that is to produce
8 that video in Spanish, and I understand that that is being
9 done at this time.

10 In regards to the general counsel, there is a few
11 adjustments also. We had a reduction in compensation,
12 personnel benefits and consulting, to make up the \$20,000
13 reduction that the Board asked the general counsel to take.

14 In the office of human resources, they had a
15 \$70.,000 cut in their budget. They, at this time, have two
16 less staff members than at the beginning of the year. We are
17 hiring less temporary people to help with the day-to-day
18 operations, so we have less money there. We have a total, I
19 believe, of 12 less staff members today than we had on
20 October 1st.

21 So there are benefits that the office of human
22 resources funds, the dental plan, disability insurance,

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1 workers' compensation, with reduced staff. Those costs are
2 less, so there's money there to help support the \$70,000
3 adjustment reduction that was needed.

4 Monitoring, audit and compliance received a \$50,000
5 reduction, an additional \$52,810 from the vote that you just
6 took for the furlough days. They are at present five people
7 down from where they were October 1st. As a result of that,
8 there's money available in not only personnel compensation
9 but the benefits line to help support the cuts that were
10 needed there. Some of the money will go to temporary
11 employee pay, consulting, travel, communications, on down the
12 line. So that money is going to support other activities
13 within MAC.

14 Within my budget, office of financial
15 administrative services, we had a \$25,000 cut. There was
16 also the furlough day that had to be observed here also. We
17 are down two personnel from where we began October 1st. So
18 the money from the personnel compensation and employee
19 benefits will go to support basically the occupancy costs.

20 We have, just to let you know, one proposal at the
21 present time for the space at 400 Virginia Avenue. GSA has
22 received that a week ago. We have not heard word whether

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1 it's been accepted or not. If they do accept the proposal,
2 it will cost us \$80,000 to refurbish the concourse level, the
3 area that they are considering renting. This again is HUD,
4 the proposal that's been kicked around for the past three
5 months. Again, we still have not yet received a final
6 decision on that.

7 We have also reduced the capital expenditure line.
8 We're not anticipating spending any money at this time on
9 capital expenditures. That money will go to support printing
10 reproductions and other operating costs that we are
11 incurring.

12 In the last three weeks, we've seen some increase
13 in our operating costs, and we hope to review that more
14 closely and have those reduced further.

15 Within the office of field services, there is a
16 reduction of \$25,000 for the furlough days and \$40,000 when
17 the Board adopted the budget. They too are down two
18 employees at this time that have left the Corporation. No
19 one has been rehired to replace them. So the personnel
20 compensation and employee benefits reduction will go to
21 support those lines. They needed some additional money for
22 other operating, some printing costs, and some additional

1 travel costs that they will be incurring.

2 I've not spoken of the budget revisions of the
3 inspector general. I understand that you did receive a memo
4 in regards to his projected changes. I can address those
5 through the memo that I received or you can have Mr.
6 Quatrevaux come forward and address you in regards to that,
7 whichever you prefer.

8 CHAIRMAN UDDO: Thank you, Mr. Richardson. While
9 you're there, you touched on agenda item no. 7. Is there
10 anything that you would add to that agenda item on status of
11 the leasing of the Corporation's former headquarters?

12 STATUS OF THE LEASING OF THE CORPORATION'S
13 FORMER HEADQUARTERS

14 MR. RICHARDSON: In addition to the HUD proposal
15 that they are entertaining at this time, it went over, like I
16 said, actually on Thursday a week ago. We were supposed to
17 get the results of that last week. Unfortunately, we did
18 not. I've called again this morning at our break, still no
19 decision. I've asked our brokers to pursue it further as to
20 when the decision will be made.

21 There is another group --

22 CHAIRMAN UDDO: How much space is there?

1 MR. RICHARDSON: It's approximately 11,000 square
2 feet.

3 CHAIRMAN UDDO: Which would leave us with what if
4 they took that?

5 MR. RICHARDSON: Approximately 30, actually less
6 than 30. There is another, CSAP, which is a NASA contractor,
7 we made a proposal to them 90 days ago. They asked us to
8 sharpen our pencil again. The brokers went back to them with
9 another proposal in the last three weeks. Again, we've
10 received no word on that. That is contingent upon them
11 receiving a NASA contract. That would be for approximately
12 12,000 to 13,000 square feet.

13 There is another one that has been bandied about.
14 No proposal has gone to them, but it's a group called Prime
15 Source. Again, they're a NASA contractor also. That's for
16 about 5,000 square feet, which the executive office area
17 would accommodate very nicely those 4,900 square feet. As
18 far as I know, that's all that's on the horizon with regards
19 to the rent at this time.

20 CHAIRMAN UDDO: Any questions as to that item?

21 (No response.)

22 CHAIRMAN UDDO: Again, without objection from the

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1 members of the committee, I'm going to take item 8 also,
2 since that involves you, Mr. Richardson, and that's the
3 status report on efforts to secure Corporation funds.

4 STATUS REPORT ON EFFORTS TO SECURE CORPORATION FUNDS

5 MR. RICHARDSON: Okay. Last week I met with Riggs
6 Bank again. They have not been able to come forward with a
7 proposal. On Tuesday of last week, I met with First Virginia
8 Bank. I have their resolution and cards. We're going to
9 open an account with them.

10 I have not had an opportunity to review it with Mr.
11 O'Hara at this point, but it looks like that the proposal
12 that they have given me will satisfy the Board's needs as to
13 secure the money at all times. We will prepare a package and
14 submit it to the attorney who reviewed the agreement with
15 Signet and have them review it before we initiate that
16 account. But it does appear promising and we should be able
17 to get that completed in the next two weeks, certainly by the
18 meeting in Memphis.

19 CHAIRMAN UDDO: Any questions of Mr. Richardson
20 from members of the committee?

21 (No response.)

22 CHAIRMAN UDDO: Members of the Board?

1 (No response.)

2 CHAIRMAN UDDO: Thank you, David. That takes us
3 back to agenda item no. 5, consideration of status report on
4 reprogramming requests related to funding law school clinical
5 program grants. We know something about that from the prior
6 meeting. Ken Boehm made a brief report about it. Is Ken
7 still around?

8 Ken, do you want to come up to the table? I think
9 everyone is aware that the reprogramming request was denied.
10 Do you want to just briefly fill us in on the specifics?

11 CONSIDERATION OF STATUS REPORT ON REPROGRAMMING REQUESTS
12 RELATED TO FUNDING LAW SCHOOL CLINICAL PROGRAM GRANTS AND
13 CONSIDERATION AND RECOMMENDATION TO SEEK A
14 SUPPLEMENTAL APPROPRIATION

15 MR. BOEHM: Yes. The reprogramming request again
16 was for the \$1.254 million that's currently in FY 1994 in the
17 law school clinical line. We had requested, both with our FY
18 1994 request as an addendum for FY 1993 as well as by
19 separate letter, that we use those funds, set aside three
20 other purposes, funding field programs at the floor, the
21 attorney retention and recruitment pilot project, and for
22 M&A. We had learned a little over a week ago that that was

1 not favored by key members of our subcommittee,
2 appropriations.

3 While technically we could pursue it both at full
4 committee and perhaps even at the floor, although the
5 discussion as to what rules would allow what amendments has
6 been changing over recent weeks, the thought was if it was
7 not favored within our own subcommittee, that we may, first
8 of all, not succeed and secondly, jeopardize maybe future
9 relationships that we'd have with the subcommittee.

10 It does leave us with an alternative of seeking
11 supplemental funds. That's, I think, in the category of
12 something of a long shot. You can basically sum up the pros
13 and cons. On the one hand, it's more difficult than what we
14 were originally requesting because what we were originally
15 requesting didn't require any new funds to be appropriated to
16 us. It was just shifting which line to be spent.

17 This would have required new funds and we'd be
18 basically in competition with every other government-funded
19 entity that would want new funds. The other side, competing
20 side of that, is we're not asking for a whole lot, and it
21 wouldn't really cost this much to ask for it. But it, I
22 think, would have to be considered something of a long shot.

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1 Also, FY 1993 is going to be drawing to a close
2 here. There may be one or two more opportunities to do it,
3 but some of the supplementals coming down the road would
4 probably not be open to a lot of additions. They may be
5 pushed through in a special way that would limit jumping on,
6 if you will, to get it. So those are, in a nutshell, some of
7 the pros and cons of seeking it through an additional
8 supplemental.

9 Getting back to where we stand on the law school,
10 we have not received or I have not received any word as to
11 how this would portend for our FY 1994 request which also did
12 not have funding in law school clinical line. Although it is
13 this same set of individuals who are considering it. We may
14 not have any definitive word on that for some time.

15 The appropriations process in the House is, by all
16 indications, going to take the same approach it has taken
17 over recent years, which is when the House appropriations
18 subcommittee and full committee goes over our request,
19 because we're unauthorized, they will send it over in blank
20 to the Senate appropriations committee. The Senate would
21 then add their numbers and whatever provisos they would have.
22 The final language, legislative language as well as dollar

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1 amount, would be resolved in a conference committee later in
2 the year. So we don't know.

3 Now, the other thing that needs to be considered is
4 even though the House is not putting a dollar figure on our
5 appropriation during their consideration and markup, for
6 practical purposes they do more or less come up with a
7 figure. Once they've had their reallocation, they decide how
8 much of the budget they're getting and what they want to
9 spend it on. They do come up with something of a figure that
10 is not published, and it doesn't go over to the Senate
11 because of a lack of authorization, but they are looking at a
12 dollar figure for us.

13 So, this is in light of a lot of the information
14 we've been providing over to the House in recent weeks and
15 further information we're going to provide them about the
16 legal needs. The information was given to them at our
17 hearing earlier in the year, and some of the follow up, both
18 in terms of declination of representation as well as
19 difficulties experienced by our grantees because of cuts in
20 IOLTA funding.

21 So that information will still be put to good use
22 in the sense that our appropriations committee, even though

1 they won't put a dollar figure on it, is going to be looking
2 for their own purposes for how much they can afford to give
3 to legal services. So that's the near term picture with
4 respect to our appropriation.

5 CHAIRMAN UDDO: Thank you, Mr. Boehm. As I said
6 earlier in the previous meeting, I don't think the
7 subcommittee was well served by some of the information that
8 they got with respect to law school clinics and the
9 contingent funding of law school clinics. I know the
10 subcommittee has a very difficult job to do, and it's hard to
11 get all of the information sometimes that they need to make
12 decisions.

13 But I'm thoroughly convinced that they didn't get
14 all of the information that they needed with respect to law
15 school clinics. I'm certainly going to make an effort to see
16 to it that they do with respect to the 1994 budget
17 appropriation because I really do think that there's some
18 additional education that needs to be done with subcommittee
19 members with respect to that.

20 But since we are apparently in a position where the
21 money is going to have to be awarded for the current fiscal
22 year, as I said earlier, I think we've got an obligation to

1 do it in the fashion that is going to be most productive of
2 serving the client community. I'm convinced that the way
3 we've been doing it is not. That's why I asked Ms. Smead,
4 and maybe you could come to the table, Ms. Smead.

5 I would really like for us to rework the way we're
6 doing this so that the money is better spent. In the request
7 for proposals that went out, was there a date certain set for
8 the awarding of the grants?

9 MS. SMEAD: I don't recall if there was a date
10 certain given, but we would want to award them so that they
11 are effective by August 1 because of when the law school
12 classes start. The earlier the better because they have to
13 hire clinicians.

14 CHAIRMAN UDDO: Well, that assumes that we're going
15 to award the grant to meet their academic year, which I don't
16 think we're obligated to do. I mean, I think we can award
17 the grants to start on a calendar year basis. There's no
18 reason why they couldn't be awarded in December to start in
19 the January term, for example. So I'd like to know if there
20 was a date certain set in the RFP.

21 MS. SMEAD: I can go and check the RFP.

22 CHAIRMAN UDDO: Would you check that for me? Is

1 Vic here? Vic, could you come up? I know this is sort of
2 unfair because you haven't had a chance to consider it, but
3 if the RFP doesn't have a date certain for the awarding of
4 the grant, and the Board would determine that we need to
5 rework the RFP to devise a better law school clinical grant
6 program for this fiscal year, do you think there would be any
7 legal problem with not awarding the grants on the academic
8 year basis and maybe shoot to award it on a calendar year
9 basis?

10 MR. FORTUNO: Offhand, I can't think of any legal
11 obstacle to doing that. If what you're talking about is
12 reworking the RFP and reissuing it so that there are new
13 proposals, that would, of course, require additional time. I
14 don't recall whether there's a date certain in the current
15 RFP. I don't think there is. You may be able to rework it
16 within the existing RFP, but not knowing what you have in
17 mind, it's difficult to say.

18 I think generally yes, you do have some flexibility
19 so that you may be able to issue a new RFP and receive new
20 proposals, and then go through the decision-making process
21 culminating in the issuance of grants later in the year, the
22 calendar year. I do think you have that flexibility. But,

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1 as I said, I haven't had an opportunity to reflect on that,
2 so this is just speaking off the top of my head.

3 CHAIRMAN UDDO: What I would be recommending to the
4 Board would be something more along the lines of larger
5 grants for longer periods of time. I understand some of that
6 adjustment has been made, but I think we can improve on that
7 to create a situation where it's going to be more effective.

8 I mean, I'm convinced that the process we've used
9 of relatively small one-year grants has not been very helpful
10 or productive. I think that in our obligation to try to see
11 that the funds are best spent for the client community, I
12 think larger grants for a longer period of time would
13 probably work out a good deal better than a bunch of smaller
14 grants for a shorter period of time.

15 Now I understand Ellen said that they were
16 increased to a maximum of \$100,000 with a possibility of
17 two-year awards. I would like to see even maybe larger
18 grants for longer periods of time. But if there's no legal
19 obstacle to it, I would probably be making that
20 recommendation to the Board.

21 I get the sense that Mr. Wittgraf wants to say
22 something?

1 MR. WITTGRAF: No.

2 CHAIRMAN UDDO: I'm not going to ask the committee
3 to take any action on it at this time. I would like to see
4 the RFP and perhaps in time for the ensuing Board meeting
5 have a recommendation. Does it have a date certain? I see
6 you've got it there.

7 MS. SMEAD: It gives a proposed schedule, a
8 proposal submission -- it gives an award schedule. Vic would
9 have to look at it in more detail, the whole proposal.

10 CHAIRMAN UDDO: Vic, why don't you just look that
11 over and you can -- what is the schedule?

12 MS. SMEAD: The schedule is that we'd made the
13 selection of grantees this month, and the grant terms would
14 begin September 1.

15 CHAIRMAN UDDO: You'd make the awards this month?

16 MS. SMEAD: We'd make the selection this month.

17 CHAIRMAN UDDO: The selection, and the award?

18 MS. SMEAD: Would be effective September 1.

19 MR. WITTGRAF: By this month, Ms. Smead, do you
20 mean June?

21 MS. SMEAD: I mean May. This says here May. We've
22 slipped it back because of trying to get people to review it.

1 We couldn't actually do the review until this week.

2 CHAIRMAN UDDO: So in May you would tell someone
3 whether or not they were going to be awarded a grant
4 effective September 1st?

5 MS. SMEAD: Right, correct. In the solicitation
6 itself, we did put in a proviso that this might not be funded
7 if the reprogramming request went through.

8 CHAIRMAN UDDO: Okay. Vic, why don't you look that
9 over and we'll talk before the Board meeting begins. I guess
10 at the Board meeting, in context of my report from this
11 committee, I'll either make a recommendation to the Board or
12 if we've got an obstacle to making any changes, I'll indicate
13 that to the Board.

14 I really think we've got an obligation to improve
15 on this for the year that we have to fund it and, as I say,
16 to make sure that we do our best to educate members of the
17 subcommittee was to why this proposal to discontinue this
18 funding was made by the Board.

19 Any comments or questions from members of the
20 committee?

21 (No response.)

22 CHAIRMAN UDDO: The Board?

1 (No response.)

2 CHAIRMAN UDDO: Thank you. Ken touched, I think,
3 adequately on agenda item 6, consideration and recommendation
4 to seek a supplemental appropriation. I think that most of
5 us share his pessimism about the prospects of that option.
6 So unless some member of the committee or the Board wants to
7 suggest otherwise, I'm not inclined to spend a lot of time
8 discussing that possibility or taking steps in that
9 direction.

10 Any members of the committee or the Board feel
11 otherwise?

12 (No response.)

13 CHAIRMAN UDDO: Then that completes our agenda, and
14 I would entertain a motion to adjourn this meeting.

15 M O T I O N

16 MS. LOVE: So moved.

17 MS. WOLBECK: Second.

18 CHAIRMAN UDDO: It's been moved by Ms. Love,
19 seconded by Ms. Wolbeck. All those in favor of adjourning
20 signify by saying aye.

21 (A chorus of ayes.)

22 CHAIRMAN UDDO: Opposed nay.

