

LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

OPEN SESSION

Saturday, June 12, 1999

1:00 p.m.

The Westin - Tabor Center
1672 Lawrence Street
Denver, Colorado 80202

BOARD MEMBERS PRESENT:

Douglas S. Eakeley, Chairman
Hulett H. Askew
John T. Broderick, Jr.
John N. Erlenborn
Edna Fairbanks-Williams
Maria Luisa Mercado
Nancy H. Rogers
Ernestine P. Watlington

STAFF PRESENT:

John McKay, President
Danilo Cardona, Acting Vice President, Programs
Victor Fortuno, General Counsel & Corporate Secretary
James Hogan, Vice President for Administration
Edouard Quatrevaux, Inspector General
David Richardson, Treasurer and Controller

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C-09108

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P R O C E E D I N G S

1
2 CHAIRMAN EAKELEY: All right. Let me call the
3 meeting to order. We have an agenda that was
4 circulated. And in its circulation, we inadvertently
5 dropped one item. And that is to receive and act on
6 the report of the Finance Committee. It has obviously
7 been our practice since we first came together almost
8 six years ago to have committee reports and meetings in
9 advance of the Board so that the Board could consider
10 and act on those committee reports.

11 And Maria Luisa, forgive us for somehow
12 magically dropping from the agenda the provision. And
13 therefore, I would like to amend the agenda to include
14 the item as consider and act on the report of the
15 Finance Committee. And I will need a -- Victor tells
16 me I need a vote on that.

M O T I O N

17
18 MR. ERLNBORN: So moved.

19 CHAIRMAN EAKELEY: Is there a second?

20 MS. WATLINGTON: Second.

21 CHAIRMAN EAKELEY: All those in favor of
22 amending the agenda?

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1 (Chorus of ayes.)

2 CHAIRMAN EAKELEY: All those opposed?

3 (No response.)

4 CHAIRMAN EAKELEY: Now I need a vote on
5 approving the agenda as amended.

6 M O T I O N

7 MR. ERLENBORN: So moved.

8 MS. WATLINGTON: Second.

9 CHAIRMAN EAKELEY: All those in favor?

10 (Chorus of ayes.)

11 CHAIRMAN EAKELEY: Opposed?

12 (No response.)

13 CHAIRMAN EAKELEY: The ayes have it. The
14 agenda is approved. And the first item of real
15 business is public speakers. And we are delighted to
16 have with us today two very distinguished members of
17 the Colorado legal community. Justice Gregory Hobbes,
18 Jr., of the Colorado Supreme Court and Bennett
19 Aisenberg, president of The Colorado Bar Association,
20 who I think some of you have already met.

21 First, let me call to the witness stands, if I
22 could put it that way, Justice Hobbes, who was

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1 appointed to the Colorado Supreme Court in April of
2 1996. Prior to that time, he practiced law for 25
3 years concentrating on water, environmental land use,
4 and transportation issues. He is currently an adjunct
5 professor of environmental law at the University of
6 Denver. And I should also note with great interest, he
7 previously served as first assistant attorney general
8 of the State of Colorado.

9 Justice Hobbes, thank you for joining us. It
10 is a pleasure to have you with us. I said this last
11 night at this reception too. We are the ones coming in
12 from the outside and there is a slight awkwardness and
13 irony to my saying welcome to people who are
14 established members of the committee that we are
15 visiting. But that is sort of the way that the agenda
16 gets written around here. We were in Washington and
17 then transported here.

18 JUSTICE HOBBS: Well, welcome home. I
19 appreciate you being here. I bring you greetings from
20 my colleagues on the bench of the Colorado Judiciary.
21 Chief Justice Markey is at a Chief Justice's meeting
22 somewhere out of the state and asked me to make this

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1 appearance and to welcome you to Colorado.

2 And we have a very famous -- we like to think
3 he was famous -- poet laureate Thomas Hornsby Farrell.
4 Some of you may know some of his poems, maybe you
5 don't. He has been forgotten for some time, at least
6 in other parts of the country, and I would just like to
7 read three stanzas of his poem, Time of Mountains,
8 because I think it is kind of relevant to what you do,
9 and especially to the place you are today.

10 "When you have walked a long time on the floor
11 of a river and up the steps and into the different
12 rooms, you know where the hills are going. You can
13 fill them. The far blue hills dissolving in luminous
14 water, the solvent mountains going home to the oceans.
15 Even when the river is low and clear and the waters are
16 going to sleep in the upper swells, you can feel the
17 particles of the shining mountains mopping against your
18 ankles towards the sea.

19 "I push uphill behind the vertebrae fish that
20 scurry uphill ages ahead of me. I stop to rest, but
21 the order still keeps moving. I mark how long it takes
22 an aspen leaf to float in sight past me and go

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1 downstream. I watch a willow dipping and springing
2 back like something that must be a water clock
3 measuring mind against the end of mountains.

4 "So long ago my father led me to the dark and
5 pounded orders of this canyon. I have confused these
6 rocks and waters with my life, but not unclearly, for I
7 know what will be here when I am here no more."

8 And of course you have in your work the great
9 privilege of climbing the mountains and getting whacked
10 sometimes. I know that. But as every step you take,
11 you feel the geography and it is the uphill climb that
12 most reminds you that the goal is still in sight. And
13 hopefully on the downhill run when we are measuring our
14 clock against these mountains, we will have made our
15 contribution and feel good about it.

16 And of course my colleagues and I on the Court
17 feel strongly about your role and your mission and
18 those who help you with your work here in Colorado.
19 And we recognize how important that work is. I guess
20 we are very keenly aware that almost 40 percent of the
21 appearances made in our county in district courts now
22 are pro se appearances. And that trend is growing.

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1 And it is probably the greatest challenge that the
2 community and the judiciary faces.

3 We are trying several approaches to try to aid
4 you in your work. We know that the funding is short
5 and that access to justice is one of the most important
6 goals of the rule of law that we are all dedicated to.

7 Self-help centers. We have done an outreach
8 this past year. Each of the seven of us have been
9 assigned three of the judicial districts each in
10 Colorado. And we have gone out to visit the courts.
11 And one of our primary agenda is are we serving the
12 public. And if not, why not and what can we do better.

13 We are trying to set up self-help centers with
14 preprinted forms that would be approved through the
15 State Court Administrator's Office with the help of the
16 profession and those who are interested in various
17 subject matter areas.

18 We have, for instance, one in Jefferson
19 County, one of our largest growing jurisdictions, and
20 it is a room right down the hall from the division
21 clerks of the district courts. And it is staffed
22 throughout the day five days a week. And that is where

1 a person can go and get preprinted forms and get some
2 assistance and help getting them filled out.

3 Now as you know, a lot of these matters are
4 family related matters, but there are a lot of other
5 matters involved too. And we are looking at as many
6 different forms and forms of assistance that we could
7 provide right there on the courthouse steps as is
8 possible. And we want to put those forms in our law
9 library. And we are also posting them on the Internet.
10 We do have a web page.

11 You know how daunting it is to face the legal
12 system and be told by a clerk that they can't help you
13 because they can't get legal advice. Well, we want
14 some kind of legal advice available, but we know that
15 there are certain ethical and legal standards against
16 the practice of law.

17 And sometimes our community goals and our
18 ethical responsibilities and our licensing duties and,
19 may I say, the monopoly of our profession collide. And
20 we need to find ways to accommodate as much legal
21 information to those who cannot afford attorneys and
22 make that a legal practice without violating the canons

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1 of practicing law without a license.

2 So when I tell the law librarians that they
3 should assist the public and they say, "Well, the
4 public is constantly asking us for legal advice," I
5 say, "Well, you know, you are not supposed to give
6 legal advice, but you sure can show them where the
7 information is. I guess you ought to know where the
8 information is yourself." And hopefully we will have
9 some self-help centers with computers, but we are going
10 to start with these racks with these preprinted forms.

11 Another thing that we became aware of as the
12 year before last, the federal district court got very
13 upset at the notion that there might be attorneys ghost
14 writing pleadings. And these attorneys were not
15 appearing in court. And we know that those who have
16 good hearts and those who also are willing to represent
17 people for a discounted fee, compared to others in the
18 profession, and don't have the client who can pay them
19 throughout the litigation have been helping folks
20 prepare pleadings.

21 Now you could take a point of view that that
22 is illegal and in violation of Rule 11 in the federal

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1 courts and Rule 11 in the state court. Our reaction to
2 that has been to propose a limited representation rule
3 that would authorize non-litigation appearance ghost
4 writing on a basis, however, that the attorney's help
5 on the pleading would have to be disclosed.

6 But then that person would not be considered
7 to have made an entry of appearance. But the court
8 would know and the attorney on the other side would
9 know that in fact there has been some assistance
10 rendered in the pleading.

11 Now I guess figuring out whether to authorize
12 this or not we came to believe that it is better to
13 have some help by an attorney rather than none because
14 as you know, the pressure on trial courts is
15 tremendous. The trial courts have to be fair and
16 impartial, yet a citizen who does not have legal advice
17 is going to throw everything in there in hopes that
18 something sticks.

19 So the role of an attorney in limited
20 representation would be to help, perhaps, for a small
21 reduced fee. Now we are talking about fee services
22 there. Those who just donate their time without fee at

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1 all on the front end, I don't think -- and don't
2 substantially draft a pleading, we are not trying to
3 make that disclosed.

4 How to write the final language of this rule
5 has been very difficult because what we want is
6 disclosure by those who have written a substantial part
7 of a pleading of that attorney's name so that there is
8 some accountability to the court, but understanding
9 that that is not a full representation and there has to
10 be some disclosure of the risks and benefits of that
11 kind of relationship with the client.

12 But it is going to be a professional
13 relationship. It is going to be required to have
14 ethical standards attached to it, it is going to have
15 some accountability. Hopefully, it will be a lot less
16 fees. We expect it will be on crucial items. You
17 know, complaints, answers, motions for summary
18 judgment. But the attorney that is doing this will not
19 come in and argue unless he or she is then going to go
20 ahead and do that. And then that is a full appearance.

21 We have had great help from the Legal Services
22 community in the State of Colorado to comment and help

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1 us on the drafting of this rule. And I hope that it
2 will be in place by July 1. We certainly don't want to
3 have these workshops that the Legal Services attorneys
4 put on to be considered to be this kind of limited
5 representation where their names don't have to be
6 disclosed.

7 We are thinking more about trying to get
8 members of the private bar involved in offering this
9 kind of service at a reduced rate and having an ethical
10 responsibility as well. So I don't know whether other
11 states have done that. That has been our reaction.
12 Rather to ban this ghost writing, we are going to try
13 to legalize it in some fashion. We will report back to
14 you about how successful that is.

15 Now talking about climbing the mountains, we
16 have had a very interesting, and I don't know whether
17 it was reported this morning -- and may I take a couple
18 of more minutes, please?

19 CHAIRMAN EAKELEY: Absolutely.

20 JUSTICE HOBBS: A committee of the Judicial
21 Advisory Councils studied the issue of mandatory pro
22 bono. And before it even got reported to the full

1 Judicial Advisory Council to the Supreme Court, a
2 movement got afoot in the legislature and in the
3 profession to stop it cold.

4 Now I had 25 years of practice. And I know
5 that legislators, although they are very astute,
6 sometimes don't come up with ideas on their own. And
7 when you don't like an idea and you want to kill it,
8 you go straight for the juggler and kill it. It never
9 got to us where we could vote as a court whether it was
10 the thing to do under our licensing authority because
11 the legislature passed a bill outlawing mandatory pro
12 bono not only in the legal profession, but in other
13 professions in Colorado as well.

14 I think that ought to tell us all something.
15 I guess one thing it tells us is that professionals
16 want to choose what they do and when they do it and how
17 they do it. And they don't want to be told by courts
18 of law or legislature that they have to devote their
19 time.

20 We heard some very interesting arguments about
21 confiscatory, slavery, lack of due process, stealing by
22 the suggestion that we might require 25 hours of pro

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1 bono a year. On the other hand, we heard a lot of
2 attorneys say that they were doing it anyway. So that
3 we don't have to require it. We don't even have to
4 think about requiring it because most attorneys do it.

5 Well, that may be so, although it is hard to
6 tell what the nature and the extent of it is and
7 whether it is throughout the profession or not. The
8 bar association did run some surveys, I think tried to
9 get some initial information, but the survey that was
10 most telling was the survey about "How would you react
11 to mandatory pro bono that may be considered sometime
12 in the future by the Supreme Court?"

13 And it was overwhelming from the profession
14 nine out of ten opposing it. Well, so, you know, I
15 don't know whether there is any separation of powers
16 involved in this. The Supreme Court does license
17 attorneys. We do set the rules of court. Sometimes
18 the legislature wants to tell us what those rules are.
19 At the present time, we have a law that forbids us from
20 adopting a mandatory pro bono requirement.

21 Well, the Judicial Advisory Committee when
22 they did meet decide to report out a mandatory

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1 reporting idea now that the mandatory pro bono was
2 dead. There was an interesting dialogue in the
3 Colorado Lawyer pro and con against that. And I will
4 have to tell you, of course the legal profession is
5 split on these.

6 The great thing about the profession is to
7 hear the advocates on both sides of these debates. For
8 it was a subcommittee of citizens and citizen lawyers
9 who suggested the mandatory pro bono in the first
10 place.

11 Well, the Judicial Advisory Council suggested
12 mandatory reporting of pro bono like Florida has. Six
13 of my colleagues were reluctant; in fact, refused to
14 adopt it at the present time because of the outfall of
15 the legislation. And their feeling that we have to try
16 the volunteer side of it first.

17 So I believe what we have in front of us is
18 perhaps the adoption of an aspirational goal of 25 or
19 50 hours a year for each member licensed attorney in
20 Colorado. I hope we will get the bar association's
21 support for this. I expect we will.

22 I would hope the bar association will step up

1 and self-monitor and survey about whether this
2 aspirational goal is followed if we adopt it. And it
3 was suggested out of some these debates in front of the
4 Colorado Bar Association Board of Governors. So that
5 is yet to be acted on. One step at a time when you are
6 climbing a mountain.

7 We are trying also to have a simplified
8 discovery procedure in cases that are valued less than
9 a hundred thousand dollars. We are painfully aware
10 that the discovery can eat up any amount of the award
11 that can be returned. So we are seriously looking at a
12 severe limitation on discovery and a simplified
13 procedure in the district court. We will see how that
14 goes over.

15 Those are a few things we are doing. Again, I
16 want to thank you for being here to our great
17 mountains. And we do have a divide that splits this
18 state and sometimes there are citizens on one side and
19 sometimes on the other, but when we meet on the top of
20 the mountain, we all feel good about it. Thanks for
21 your invitation.

22 CHAIRMAN EAKELEY: Well, thank you very much.

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1 JUSTICE HOBBS: Can I answer any questions?

2 CHAIRMAN EAKELEY: I would be interested in
3 learning more about your self-help centers and how they
4 are staffed and what the resources are that are being
5 made or to be made available to pro se litigants
6 appearing in court.

7 JUSTICE HOBBS: Well, I will tell you what, I
8 will work with Jon Asher. We will report to you how
9 many we have and how they are going. This is really
10 just a pilot program. Ben Aisenberg may be able to
11 help you a little bit about that.

12 We certainly hope that members of the local
13 bar associations are going to help out in creating
14 those self-help centers, that we will get them funded
15 if not through the judicial budget, with some help from
16 the community. But I think basically our goal is to
17 have one in every courthouse and in the Supreme Court
18 Law Library.

19 CHAIRMAN EAKELEY: Maria Luisa?

20 MS. MERCADO: Yes. I was just wondering, as
21 far as the pro bono documentation and reporting, if you
22 will, that you were talking about, do you currently

1 have some kind of a statewide program for pro bono that
2 is reported that has worked with some of the legal
3 aides?

4 JUSTICE HOBBS: Well, we have a lot of folks
5 active in that. You know, Jon would probably have to
6 tell you how it is reported or Ben. I don't think
7 there is any systematic reporting now. And that was
8 part of the concern of the Committee of the Judicial
9 Advisory Council is that we think a lot is being done,
10 but nobody has a handle on what the extent of it is.

11 Now, you know, some of the greatest opposition
12 to mandatory pro bono service and mandatory reporting
13 came from members of small firms or solo practitioners
14 and those in rural areas. And it was a combination of
15 they really don't have the luxury that some bigger
16 firms may have to accomplish this. And also that in a
17 rural community, they often don't get paid or only get
18 partially paid and feel they are doing pro bono anyway.

19 I would hope the bar would think about how to
20 more systematically gather this information because
21 that was really one of the reasons that my six
22 colleagues decided that right now we weren't going to

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1 go to mandatory reporting in the hopes that the bar --
2 in fact, this was mentioned around our table -- will
3 institute something rather than our annual
4 registration, which was the recommendation where you
5 would file for your annual renewal of your license,
6 your report of how many hours, that hopefully will have
7 some kind of substitute periodically.

8 We will see. These things are -- now the
9 other thing that happened ironically in our
10 legislature, and you may have heard about this this
11 morning, is that in the midst of the legislature
12 banning pro bono forbidding the Supreme Court from even
13 considering it, they also, for the first time, passed a
14 bill giving an appropriation of 250,000 for assistance
15 to those in need who have suffered family violence,
16 domestic violence.

17 We have tried, together with the bar
18 association, for several years running to get that and
19 we got not a penny. So sometimes, you know, you think
20 you are losing the fight. On the other hand, you get
21 some other folks in an unlikely alliance that moves the
22 ball forward.

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1 CHAIRMAN EAKELEY: John Erlenborn.

2 MR. ERLENBORN: I don't have a question, but I
3 have an observation. You said something about the
4 non-attorneys preparing the pleadings would have a
5 tendency to throw everything in there hoping something
6 would stick. My observation has been that many
7 attorneys do the same thing.

8 JUSTICE HOBBS: Well, except that, you know,
9 if it is frivolous, they can get nailed with attorneys
10 fees. It doesn't happen often, but at least the threat
11 is there.

12 MR. ERLENBORN: I was away from the practice
13 of the law for 20 years and when I returned, there was
14 something that had crept into the practice, I guess
15 across the board, pretty much, called Notice Pleading
16 that I was totally unfamiliar with. And it bothered
17 me, it bothered me very much.

18 I was -- always had a great deal of pleasure
19 in filing motions to dismiss for failure to state a
20 cause of action. That is practically impossible to do
21 now. And I used to be successful. It was one of the
22 things I could do and do well.

1 (Laughter.)

2 JUSTICE HOBBS: You may not have the proof,
3 but you gave the notice.

4 CHAIRMAN EAKELEY: If I can interrupt for one
5 second. And it is interesting that John Erlenborn
6 describes his 20 years in the Congress as a departure
7 from the practice of law.

8 MR. ERLENBORN: A hiatus is what I call it. I
9 read an article about Notice Pleading and I recall the
10 description that the author had of Notice Pleading. He
11 said, "Notice Pleading seems to be designed to cause
12 the greatest consternation and impart the least
13 information."

14 CHAIRMAN EAKELEY: I don't want us to fill Ben
15 Aisenberg's --

16 JUSTICE HOBBS: Yes.

17 CHAIRMAN EAKELEY: But our impressions have
18 been in talking with both the exemplary legal services
19 providers in Colorado, but also members of the private
20 bar, that the legal services program enjoys widespread
21 support of the private bar both in terms of the Legal
22 Aid Foundation and the fundraising efforts, but also

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1 the pro bono volunteer contributions have been very
2 marked and very significant.

3 And I think we can always do much more and
4 especially need to do much more given the unmet legal
5 needs out there. But I think Colorado is really
6 providing some wonderful leadership in many different
7 directions.

8 JUSTICE HOBBS: Well, thank you, I am glad to
9 hear it.

10 CHAIRMAN EAKELEY: And we thank you for your
11 poetry as well.

12 JUSTICE HOBBS: I invite you to read some
13 more Farrell.

14 CHAIRMAN EAKELEY: Yes, we will.

15 JUSTICE HOBBS: Appreciate it.

16 CHAIRMAN EAKELEY: Thanks again.

17 Now let me invite Bennett Aisenberg up. Ben
18 currently practices in the law office of Bennett
19 Aisenberg here in Denver and was formerly a partner in
20 the firm of Gorsuch, Kirgis, Campbell, Walker and
21 Grover. He has served in various positions for the
22 Colorado Bar Association and also for the Denver Bar

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1 Association for the past two decades.

2 And we were talking very briefly before the
3 meeting. He has transitioned successfully, I think,
4 from full-time trial lawyer to a very nice mix of
5 arbitration and mediation type of work.

6 Ben, it is nice to have you with us and we
7 look forward to your remarks.

8 MR. AISENBERG: Justice Hobbes, I too like
9 poetry. You are a very tough act to follow.

10 But let me welcome all of you to Denver for
11 this conference. I am sorry I did not meet most of you
12 last evening, but the first person I met was John
13 Broderick and we spent quite a bit of time talking to
14 each other. We found that basically we had a lot of
15 things in common.

16 We are both dedicated to legal services, we
17 are both democrats, we both were somewhat ambivalent
18 about President Clinton and his private versus his
19 public persona, we both come from New England, he went
20 to Holy Cross, I grew up -- my home town is Worcester,
21 and one of his former partners was a classmate of mine
22 at law school.

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1 If all of you are as dedicated as John
2 Broderick is, I am very impressed, but I have to
3 confess something to you. All the time that I was
4 talking -- I have been out here for 40 years. All the
5 time that I was talking to John Broderick, I kept
6 thinking to myself, "Gosh, am I glad after 40 years I
7 have finally lost my New England accent."

8 (Laughter.)

9 MR. AISENBERG: Let me tell you about the
10 Colorado experience, and I am going to repeat some of
11 the things that Justice Hobbes said and maybe go into a
12 little more depth and then answer any questions, if I
13 can.

14 We, up until this year, had been before the
15 legislature on four or five occasions, could not obtain
16 any funding for legal services. It kept going to the
17 House Appropriations Committee, which kept killing it
18 before it ever got out of session -- out of committee.
19 As a result, the Judicial Advisory Committee that
20 Justice Hobbes referred to appointed a subcommittee at
21 the Bar's request, a predecessor of mine, to determine
22 what is the appropriate way to provide legal services

1 for the poor.

2 That subcommittee met on a number of occasions
3 and finally decided that mandatory pro bono was the
4 best solution. Basically, we met with the full
5 Judicial Advisory Council June of last year and said,
6 "Wait. Before you make this recommendation to the
7 Supreme Court, let's get input from the members as to
8 how they will react to it."

9 And they agreed to defer any recommendation
10 until such time as we could send out surveys. I in my
11 visitations to the local bars could determine what
12 their position is. We got resolutions from a number of
13 the bars opposing mandatory pro bono. We held seminars
14 throughout the state with speakers on both sides
15 discussing mandatory pro bono.

16 We had a Board of Governor's meeting. And
17 I -- we are a voluntary bar. We have 140 members on
18 our Board of Governors. We have what I would call an
19 awkward democracy. They voted, at the request of the
20 members, by something like 90 to 9 against mandatory
21 pro bono. In doing so, we made it clear that we are in
22 favor of, overwhelmingly in favor of support for legal

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1 services. The objection was in terms of the mandatory
2 nature of it.

3 And I put an article that I had in the
4 Colorado Lawyer on the back table -- that way maybe you
5 can get CLE credits for this, or something like that if
6 I give you written materials -- explaining the whole
7 process.

8 But basically attorneys did not want to be
9 regulated any further, they did not have to want to do
10 mandatorily what they wanted to do voluntarily. And
11 there are so many attorneys in Colorado who spend just
12 countless hours doing pro bono. Obviously, it is not
13 sufficient in light of the funding cut.

14 As a result, we met with the Judiciary
15 Advisory Council, I did about three months ago.
16 Originally, the Judiciary Advisory Council was in favor
17 by approximately a two to one vote to recommend
18 mandatory pro bono to the Supreme Court. Because of
19 the Bar's input, it rejected mandatory pro bono,
20 although it unanimously recommended mandatory
21 reporting.

22 In addition, at the Board of Governor's

1 meeting in January, they authorized me to appoint a
2 task force to determine and to look into the area
3 further to see if there were other things we could do.
4 That task force has been meeting.

5 And the proposal at this point is to have a
6 pledge which will go to all of the members of the Board
7 of Governors and other attorneys who are known around
8 the state and ask them to sign this pledge to do
9 whether it be 25 or 50 hours of pro bono work. And
10 then report at the end of the year whether or not they
11 have complied with the pledge. And this will be
12 published in the Colorado Lawyer.

13 In doing that, we hope to, by the end of the
14 second year, whatever it may be, to have this pledge go
15 to every lawyer in the state requesting that lawyer
16 sign the pledge then do report the hours that that
17 attorney has spent or at least report whether they have
18 complied with the hours that they have pledged.

19 That is basically where we are, and it is
20 still in formation. The Supreme Court just last
21 week -- well, first of all, the Judicial Advisory
22 Council in April rejected mandatory pro bono,

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1 recommended the pro bono reporting, but the Supreme
2 Court just last week, as Justice Hobbes has already
3 told you, by a six to one vote, rejected mandatory
4 reporting feeling, I believe, at least from what I read
5 of the Chief Justice, that that was a step along the
6 road to mandatory pro bono, which basically the
7 Judicial Advisory Council and the Bar had rejected.

8 But we did get something we didn't expect, and
9 Justice Hobbes has touched on this. After years of
10 going before the legislature and getting beaten back in
11 the House Appropriations Committee, one of our attorney
12 members of the legislature on a domestic violence bill
13 found a way to tack on \$250,000 for domestic violence
14 victims. And next year, it still has to be approved in
15 the budget, it is now the thirty-fifth state in the
16 nation to have adopted funding for victims of domestic
17 violence. We were before one of 16 states that didn't
18 have it.

19 Obviously, we have to work harder, but at
20 least the foot is in the door. And this one passed the
21 House Appropriations Committee, didn't even get to it,
22 and in fact, both the Senate and the House of

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1 Representatives on the floor voted unanimously. There
2 was no no vote.

3 And strangely enough, I guess something good
4 comes out of everything that is bad. We think that the
5 Columbine experience may have played an effect on
6 having the legislature vote unanimously in favor of
7 funding for victims of domestic violence. It is a sad
8 situation, but basically, some good may have come from
9 it.

10 John wanted me to fill you in on the fact that
11 the three Colorado legal services programs have
12 combined, they have merged. And hopefully out of this,
13 the following five things will be gained. There will
14 be meaningful access, there will be legal services,
15 there will be justice, it will be able to serve as many
16 people as possible, and it will take place throughout
17 Colorado.

18 At the risk of overstaying my welcome in
19 welcoming you, let me go into one other thing that
20 happened yesterday morning that I was really very
21 impressed with. We were at a meeting of the Judicial
22 Advisory Council. And the only thing left of the

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1 mandatory -- of the pro bono thing was whether or not
2 we should amend Rule 6.1 of the Rules of Professional
3 Conduct, the aspirational rule on mandatory pro bono --
4 on pro bono. And if so, what form it should take.

5 And the recommendation was it be 50 hours.
6 And unlike the ABA rule, it should be individual rather
7 than collective. So that in a law firm, each attorney
8 aspirationally should do 50 hours of pro bono work. In
9 my naivete, I said, "You know, if our goal is to get
10 legal services for the poor, we can far better
11 accomplish this as long as it is aspirational by having
12 it collective in a law firm."

13 Because the senior partner in his late sixties
14 or early seventies is not going to perform pro bono
15 work. He will probably say, "Look, I am too old for
16 this," or, "I haven't practiced law, I haven't been in
17 court in 20 years," whatever that may be. And
18 therefore, they will just ignore it.

19 Whereas, if he sees a way, he or she sees a
20 way to comply with this by assigning it to an
21 associate, it is more likely it would get done. And I
22 said, "Hey, we can serve our purpose better if we adopt

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1 the ABA rule and make it collective."

2 And I was told by a number of the members that
3 although we do want legal services for the poor, it is
4 equally if not more important that each attorney
5 recognize his legal and moral obligation to perform
6 legal services for the poor and to allow a senior
7 partner to shift it off on some associate is missing
8 the boat.

9 And I was very proud of the Judicial Advisory
10 Council for feeling that in spite of the fact we may
11 not get the total amount of legal services we might get
12 with a collective rule, that it is important to impress
13 on attorneys in the State of Colorado that we do have
14 an ethical obligation to perform pro bono legal
15 services.

16 Basically, we are glad to have you here.
17 Welcome to our city. And I will be happy to answer any
18 questions you would like me to answer.

19 CHAIRMAN EAKELEY: It will be interesting to
20 see, with all of this renewed attention to mandatory
21 pro bono, mandatory reporting, ratcheting up of the
22 aspirational goals, the extent to which you succeed in

1 having an increase in the pro bono participation among
2 private attorneys.

3 I think the legal services providers also have
4 to make it easier for lawyers engaged in civil practice
5 and very busy along the way to find the means to get
6 engaged. But once they do, I think that the lesson
7 time and time again has been they will come back for
8 more not because of the ethical obligation in itself,
9 but rather because of the reward that comes from
10 participating in legal services and providing legal
11 services for those in need. So we wish you well on
12 that.

13 MR. AISENBERG: That was one of the reasons
14 that I felt yesterday that look, if we have an
15 associate do 75 or 100 hours of pro bono work because a
16 senior partner assigns it to him, they will become
17 invested with the process. We hope that we can get all
18 attorneys to become invested in the process.

19 In the past, we have received commitments from
20 the larger firms in Colorado to do pro bono work, but
21 these commitments have not been met. And that is why
22 we hope that an individual pledge, and basically the

1 reporting requirement behind it that you have lived up
2 to the pledge or that you missed by five hours, will
3 serve a purpose that basically just getting that
4 voluntary commitment before just basically didn't get
5 it.

6 CHAIRMAN EAKELEY: Will you keep the report
7 card as well for the Colorado Law Journal?

8 MR. AISENBERG: Yes. And again, it is going
9 to be --

10 CHAIRMAN EAKELEY: That will be interesting, I
11 think, in and of itself.

12 MR. AISENBERG: It is going to be reported in
13 the Colorado Lawyer as to those attorneys who lived up
14 to their commitment and possibly those attorneys who
15 didn't.

16 CHAIRMAN EAKELEY: John Erlenborn?

17 MR. ERLENBORN: Let me just suggest that there
18 could be a symbiotic relationship between the grantees
19 of the Legal Services Corporation and other legal aid
20 societies maybe funded in other ways with this pro
21 bono. I have heard many comments from attorneys who do
22 pro bono work for those who have been screened in the

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1 intake process of the legal services local grantee.

2 And their comments are often go "I am an
3 attorney in this large firm on the 42nd floor of the
4 downtown building. How are the poor people ever going
5 to find their way to me? And when they get there and I
6 am an attorney who specializes in acquisitions or
7 antitrust," or whatever it is, "how can I serve them?"

8 So what I am suggesting, for whatever it is
9 worth, is that attorneys can, I think, have this intake
10 process taken care of for them to find the people who
11 are really qualified for this kind of service, pro bono
12 service. They won't have to bother with screening all
13 of the -- those who might want to look for services
14 from them.

15 Or on the other hand, there may be an
16 opportunity for them to do something that they never
17 could do because the clients wouldn't find their way to
18 the 42nd floor. So I just make that as a suggestion as
19 to how this aspirational pro bono may work better if
20 you work with those existing agencies.

21 MR. AISENBERG: Excellent suggestion.

22 MR. BRODERICK: Mr. Chairman?

1 CHAIRMAN EAKELEY: Yes, Justice Broderick.

2 MR. BRODERICK: If I could, if Mr. Aisenberg
3 could go back for a moment and just reread that part
4 about my dedication to legal services because actually
5 when I wrote out those remarks, I expected you would
6 pause at that point.

7 (Laughter.)

8 MR. BRODERICK: The other thing I wanted to
9 suggest, Mr. Aisenberg, actually it is very timely
10 mentioned my accent because Edna Fairbanks-Williams and
11 I -- she is from Vermont and I am from New Hampshire --
12 we were just saying to each other last night we are the
13 only people on the Board without an accent.

14 MR. AISENBERG: John, everybody is out of
15 step, but you.

16 MR. BRODERICK: Nice to have you hear. Thank
17 you for coming.

18 CHAIRMAN EAKELEY: One other quick question
19 out of curiosity, on the pro bono front again, to what
20 extent are corporate legal departments going to be held
21 to this aspirational goal or to the accountability or
22 the tracking or being invited to take a pledge?

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1 MR. AISENBERG: I don't know. Obviously,
2 government attorneys have said to us, "Look, if we
3 perform pro bono services, basically we are getting
4 paid at the taxpayers' expense and we should be exempt
5 from it."

6 I don't know -- on corporate attorneys, I
7 would think that there should be -- the aspirational
8 requirement should apply to them. I am not quite sure
9 about the government attorneys. We haven't figured
10 that out yet. We also haven't figured out in the rule
11 as to what qualifies for pro bono services. In other
12 words, the bar association meetings, which help serve
13 the public interest, do those qualify as part of your
14 50 hours, and things of this sort.

15 How about reduced fee matters where your
16 normal fee is \$200 an hour and you do something for \$50
17 an hour. All of these things have to be worked out.
18 And we will be making a -- the Judicial Advisory
19 Council will be making a recommendation to the Supreme
20 Court. I am sure the Supreme Court will hold hearings
21 on it and hopefully adopt an aspirational rule which
22 goes beyond what we have now. We do have an

1 aspirational rule at the time being, but it really
2 isn't spelled out in enough detail.

3 CHAIRMAN EAKELEY: Maria Luisa.

4 MS. MERCADO: Yes. You mentioned something
5 about the senior partners that might not have had a lot
6 of litigation experience. But in some of the programs
7 or some of the states that have done some of the pro
8 bono work, big corporate law firms do some massive
9 extensive type of legal work, a lot of it might be
10 transactional, in developing a whole neighborhood of
11 housing, affordable housing for someone or doing
12 economic development issues that big firms do a lot of
13 the real estate transactions and commercial
14 transactions can help them do.

15 It doesn't necessarily mean that they have to
16 go to court to litigate. And they can still provide
17 some of that pro bono. And it seems like in some of
18 the states that we have looked at, the bulk of the pro
19 bono work is being done by solo practitioners or small
20 firms, the pro bono work. Those are the volunteers
21 that are doing the bulk of the work on pro bono. That
22 may not be true in some of the other bigger cities, but

1 in the other areas. And I understand the problems with
2 rural areas.

3 If you have a legal services program in the
4 bar or some other combination thereof that can do the
5 screening, the intake, as John Erlenborn has stated,
6 that would cut of lot of work from the pro bono
7 attorneys where they are actually only doing the
8 service, the legal service, and not necessarily the
9 processing.

10 CHAIRMAN EAKELEY: Any other questions or
11 comments for Mr. Aisenberg?

12 (No response.)

13 CHAIRMAN EAKELEY: Well, we thank you very
14 much for joining us. And it has been a wonderful
15 experience for us to be out here. We goofed yesterday,
16 my fault. We ran out of time and were unable, as a
17 consequence, to visit one or two sites to see some of
18 the wonderful work that is being done out here.

19 But we learned a lot. And I think the extra
20 staff work that is required when the Board takes its
21 show on the road has been well worth it, and we very
22 much enjoyed meeting you and Justice Hobbes and

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1 appreciate your taking a Saturday afternoon to join us.

2 MR. AISENBERG: Well, we hope you all come
3 back out here.

4 CHAIRMAN EAKELEY: We may well do that. Thank
5 you.

6 (Applause.)

7 CHAIRMAN EAKELEY: All right. We have an
8 ambitious agenda ahead of us as modified. Next on the
9 agenda is approval of minutes of the Board's meeting of
10 February 22, 1999, which were circulated in advance of
11 the meeting. Are there any changes or corrections to
12 be made?

13 (No response.)

14 CHAIRMAN EAKELEY: Hearing none, is there a
15 motion to approve minutes as circulated?

16 M O T I O N

17 MS. MERCADO: So moved.

18 MS. FAIRBANKS-WILLIAMS: Second.

19 CHAIRMAN EAKELEY: Second. All those in
20 favor?

21 (Chorus of ayes.)

22 CHAIRMAN EAKELEY: Opposed?

1 (No response.)

2 CHAIRMAN EAKELEY: The ayes have it. The
3 minutes are approved. Also circulated were the minutes
4 of the executive session of the Board's meeting of
5 February 22, 1999. Any changes or corrections to be
6 made to those minutes?

7 (No response.)

8 CHAIRMAN EAKELEY: Hearing none, is there a
9 motion to approve them?

10 M O T I O N

11 MS. WATLINGTON: So moved.

12 MS. FAIRBANKS-WILLIAMS: Second.

13 CHAIRMAN EAKELEY: Second from Edna. All
14 those in favor?

15 (Chorus of ayes.)

16 CHAIRMAN EAKELEY: Opposed?

17 (No response.)

18 CHAIRMAN EAKELEY: The ayes have it. Also
19 circulated were minutes of the Board's meeting of
20 April 17, 1999. Again, any changes or corrections to
21 be made?

22 (No response.)

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1 CHAIRMAN EAKELEY: Hearing none, is there a
2 motion to approve them?

3 M O T I O N

4 MR. ERLNBORN: So moved.

5 MS. FAIRBANKS-WILLIAMS: Second.

6 CHAIRMAN EAKELEY: All those in favor?

7 (Chorus of ayes.)

8 CHAIRMAN EAKELEY: Opposed?

9 (No response.)

10 CHAIRMAN EAKELEY: The ayes have it. The
11 minutes are approved. This is about the longest run of
12 minutes we have had to approve in six years I can see
13 that. Next we have an executive session on April 17,
14 1999, the minutes of which were circulated. Any
15 changes or corrections?

16 M O T I O N

17 MR. ERLNBORN: Motion to approve.

18 MS. FAIRBANKS-WILLIAMS: Second.

19 CHAIRMAN EAKELEY: Motion and second. All
20 those in favor?

21 (Chorus of ayes.)

22 CHAIRMAN EAKELEY: Opposed?

1 (No response.)

2 CHAIRMAN EAKELEY: The ayes have it. The
3 minutes are approved. Finally, approval of minutes of
4 the Board's teleconference meeting of May 27, 1999.
5 Any changes to those?

6 (No response.)

7 CHAIRMAN EAKELEY: Hearing none, is there a
8 motion to approve?

9 M O T I O N

10 MS. FAIRBANKS-WILLIAMS: So moved.

11 MR. ERLENBORN: Second.

12 CHAIRMAN EAKELEY: All those in favor?

13 (Chorus of ayes.)

14 CHAIRMAN EAKELEY: Opposed?

15 (No response.)

16 CHAIRMAN EAKELEY: The ayes have it. The
17 minutes are approved. We are done with that run.

18 Chairman's report. I don't have much to
19 report. I have got actually three things that I would
20 like to mention. First, I got a call, a very nice call
21 from Doreen Dodson last week to apologize for her
22 inability to attend on behalf of SCLAID today. She

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1 didn't need to make the call, it was just a very nice
2 gesture from someone who has been a friend and
3 colleague, but I appreciated it and I want to just
4 register and share my appreciation with you.

5 Secondly, we -- I got a call from the White
6 House, I guess Thursday afternoon of this week, saying
7 that President and Mrs. Clinton have said that they
8 would like to host an event on July 27, 1999, in
9 Washington to celebrate the 25th anniversary of the
10 signing of the Legal Services Corporation Act. Details
11 to follow.

12 But mark the date, July 27. I think what we
13 discussed yesterday about the possibility of working in
14 a working session devoted to strategic planning maybe
15 working up an agenda for others, depending upon who is
16 coming and when, we might be able to get some of the
17 business of the Board out of the way so that when we
18 get to Seattle, we will be able to devote our time to
19 substantive issues and do a site visit and the things
20 that we discussed yesterday afternoon.

21 Thirdly, everyone here is invited. Everyone
22 here is invited, I am not sure we can all fit into my

1 rooms this afternoon at 5:30, but we are going to have
2 a cocktail reception at that time, Room 1502 everyone,
3 audience included. The main purpose of which is to
4 celebrate the second anniversary of John McKay's
5 presidency of the Legal Services Corporation, which
6 passed about several weeks ago, more or less unnoticed,
7 but not really unnoticed.

8 I was just thinking of that as we heard the
9 presentations this morning on state planning and
10 thinking back to the discussion yesterday about
11 strategic planning, how much of an impact John has had
12 in these past two years and how profoundly grateful I
13 am, certainly, to John and the wonderful staff that he
14 has assembled or found and has worked with over these
15 past two years.

16 But it is just a moment to pause and say thank
17 you very much for a job very well done. We are in
18 midstream, but we are with you to see this through.
19 Thank you.

20 (Applause.)

21 CHAIRMAN EAKELEY: And that is my report.

22 Next, we have members reports. Ernestine.

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1 MS. WATLINGTON: None.

2 CHAIRMAN EAKELEY: Edna.

3 MS. FAIRBANKS-WILLIAMS: None.

4 CHAIRMAN EAKELEY: Didn't you attend a
5 conference at which you were eloquently outspoken
6 recently?

7 MS. FAIRBANKS-WILLIAMS: Oh, yes. I did do
8 one of my famous maps for the Indian conference. All
9 of the spots in Vermont that helped with pro se, we
10 trained the Office on Aging and the CAP people, the
11 Office of Economic Opportunity, and everybody else that
12 we can shanghai into start out cases, and so on, and
13 send us the worst and pass out the Handbook and so on
14 so people can do their own.

15 So I had my map and I had all of Vermont
16 pretty well covered. It has taken numbers of years to
17 train some of these people and, of course, we get new
18 workers all the time into different agencies. But the
19 old legal aid was very good about allowing anybody that
20 wanted to come, regardless of whether it was an older
21 lawyer, a younger lawyer, or a layperson, to go to any
22 of the trainings.

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1 I particularly am proud of my daughter-in-law
2 because she took the training for the Veteran's
3 Administration to help some of the veterans because my
4 son was a veteran. And she has helped two or three
5 people get their pensions. So training pro se people
6 does work.

7 CHAIRMAN EAKELEY: Thank you.

8 John Broderick.

9 MR. BRODERICK: Mr. Chairman, just to pass
10 along some greetings, I was at a seminar for three days
11 with Howard Dana and some others and he was inquiring
12 as to how things were going here at the Legal Services
13 Corporation and wanted me to pass along his best wishes
14 and his continued support for the mission of the
15 Corporation. So I have now fulfilled that promise.

16 CHAIRMAN EAKELEY: John Erlenborn.

17 MR. ERLENBORN: I haven't been up to anything.
18 I pass.

19 CHAIRMAN EAKELEY: Maria Luisa.

20 MS. MERCADO: I pass.

21 CHAIRMAN EAKELEY: Bucky Askew.

22 MR. ASKEW: I would like to make one brief

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1 report. 1999 is the 75th anniversary of the Atlanta
2 Legal Aid Society. Tuesday night of this week they
3 held a banquet in Atlanta, 450 attendees. They asked
4 the judges to stand. My guess is there were probably
5 40 or 50 judges there along with lawyers, clients, and
6 politicians.

7 The First Lady taped, videotaped -- she had
8 been invited to speak. She videotaped a greeting
9 mainly because they were honoring a man named Randolph
10 Thrower, who formerly was very active in the ABA.
11 Randolph has given 60 years of service to the Atlanta
12 Legal Aid Society. He handled his first case for the
13 Legal Aid Society in 1939. He is handling cases now
14 for AIDS patients in Atlanta.

15 In the meantime, he was commissioner of the
16 Internal Revenue Service is one of the things that he
17 did. He is a remarkable man. But the main thing I
18 wanted to mention is the governor of our state, our new
19 governor spoke, and made the most remarkable speech I
20 have heard in a long time about legal aid.

21 If you remember, when the Board met in
22 Atlanta, maybe it was '94, we heard a report from the

1 Atlanta Legal Aid Society about the Home Defense
2 Project and representing poor people whose homes were
3 being taken from them by finance companies, in
4 particular, a company named Fleet Finance, and that
5 they had successfully litigated both the Legal Aid
6 Society, the attorney general and private attorneys.

7 Our governor was one of the private attorneys
8 who litigated one of those cases. And because of that
9 and a lot of other work, is a huge fan of the Atlanta
10 Legal Aid Society. And he gave a most remarkable
11 speech about a lawyer's obligation to society and the
12 importance of legal services and even said, "I am going
13 to bore you about public defense." And went on and
14 talked about that.

15 And I am going to attempt to get a copy of it
16 because there was people there saying, "This is the
17 governor of a southern state saying things that
18 everybody should hear." But it was a remarkable event.
19 I brought the little brochure to give to Jon Asher
20 because next year is the 75th anniversary of the Denver
21 program. And it may not exist in its current form by
22 then, but they are going to do something next year to

1 celebrate their 75th anniversary.

2 CHAIRMAN EAKELEY: Great.

3 Nancy Rogers.

4 MS. ROGERS: No report. Thank you.

5 CHAIRMAN EAKELEY: How was graduation?

6 MS. ROGERS: Wonderful.

7 CHAIRMAN EAKELEY: Great.

8 Next we have the President's report. John
9 McKay?

10 MR. MCKAY: Thank you, Mr. Chairman. Thank
11 you for your earlier remarks. I have to say that I am
12 shocked at the reports or lack of reports from members
13 of the Board because that is not the way your staff has
14 been viewing some of the activities of Board members.
15 And so I have to begin with a little bit of a report by
16 Board members.

17 Ernestine has been very active in the state
18 planning efforts in Pennsylvania. I don't hear about
19 them often directly, but I hear about them indirectly.
20 And I want to thank her for her work. I want to thank
21 Nancy Rogers who has been very helpful in Ohio. She
22 will tell you she is not doing much, but it is not

1 true. Without Nancy's help, we wouldn't have had the
2 very first meeting in many, many years of project
3 directors in Ohio.

4 John Broderick, as the Board knows, is going
5 to work very closely with us and already has made a
6 significant contribution on the follow-up to the
7 conference in Miami and to strategic planning.

8 Maria Luisa was soon to be en route to Canada
9 in Yellow Knife and her trial schedule has interrupted
10 that.

11 John Erlenborn is chairing a very important
12 commission, which he declined to comment on at this
13 point, but I know there will be some additional report
14 to the Board on the extensive work of his commission on
15 H2A representation. Very important to all of our
16 programs around the country and to our mission. And
17 once again, John has been tremendously helpful on our
18 representation in the Congress.

19 We will continue to call on individuals like
20 LaVeeda. Bill McCalpin is working on the logo on the
21 25th anniversary project. Bucky and Bill together on
22 the development of a new logo that you will be hearing

1 about.

2 So I had to say to those assembled and for our
3 record that the chorus of no reports is really not
4 indicative of the extensive involvement of our Board
5 members and their work. And I want to thank you all.
6 And I haven't even mentioned the activities of the
7 Chair who continues to assist us in many ways directly,
8 indirectly. And I want to thank him for his
9 extraordinary time commitment as well.

10 And Tom Smegal has made several trips back to
11 the Corporation helping us on our building. Maria
12 Luisa also, as chair of finance, is going to help in
13 that way. And I know I have left out a number of other
14 activities. I know it is not quite my place to correct
15 the reports of my bosses on the Board, but really the
16 work has been substantial.

17 So thank you for that moment, Mr. Chairman,
18 but you have a very active board and I wanted to
19 acknowledge that publicly.

20 We, since we last met, learned that Karen
21 Sarjeant would be departing and in fact has now
22 departed the Corporation as a vice president and

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1 president for programs. We already miss Karen and her
2 leadership.

3 Danilo Cardona has agreed to step in, and I
4 know that is a matter before the Board at this meeting
5 to formally appoint him as the acting vice president
6 for programs. Danilo has already done a tremendous job
7 and will be continuing, at his own request, to lead in
8 the compliance and enforcement area of the Corporation.
9 But I think Danilo would be the first to tell you that
10 he has an excellent team supporting him.

11 I have also appointed, in consultation with
12 the Chairman of the Board, a search committee to find a
13 permanent replacement for Karen. And I wanted to
14 announce those individuals are Jim Hogan, who will be
15 chairing and coordinating the search along with Joan
16 Kennedy. Karen Sarjeant will serve on the committee as
17 sort of an ex officio member, but full participant.
18 From the Board, Bucky and Maria will serve on the
19 search committee. Don Saunders, Jon Asher, Linda
20 Reckson, Lillian Moy, and Don Isaacs.

21 We will focus on searching out the kind of
22 leadership that Karen and John Tull provided in that

1 job. We are very interested in making sure that we
2 have substantial field representation and field
3 capability. Very dedicated to making sure that we
4 consider the necessary diversity in our staff. And I
5 am very concerned about that.

6 And I hope that the members of our committee,
7 each of whom I have discussed that issue with, will
8 help me as we search for a candidate to submit to the
9 Board. And I appreciate those who have agreed to
10 serve.

11 The Board was briefed earlier on the situation
12 regarding our case statistic reporting. And I just
13 think for the record I should indicate that we continue
14 to pay careful attention to the information that we
15 gather and submit to the public and to the United
16 States Congress. We do take this very, very seriously.
17 It is clear that we have work to do.

18 As the Board was briefed earlier, there are
19 ongoing audits in the Inspector General's office, by
20 our own compliance and enforcement division, and by the
21 GAO. Our programs are, therefore, subject to a number
22 of potential visitors who will be looking at their

1 data.

2 And I think more importantly, engaging now in
3 a dialogue with us as we redesign -- and this is, I
4 think, what I want to emphasize to the Board and to the
5 public, as we redesign our statistical data so that we
6 can gather accurate information about the services we
7 provide, not just the cases that we handle in court.

8 Because today's legal world, let alone the
9 world of poverty law, actually involves a much broader
10 range of services than we have ever reported in the
11 history of the Legal Services Corporation. So we
12 actually welcome the opportunity to describe more fully
13 the services that we do provide.

14 We did conduct and sponsor a conference on
15 Native American representation in Indian country. It
16 was a very -- it was more fully reported to Provisions.
17 And as Edna pointed out, she attended. We think this
18 was very good. We want to continue this process next
19 year with a conference on migrant representation, and
20 we will be looking for assistance from some Board
21 members as we prepare for that event.

22 On the administration side, I wanted to let

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1 the Board know that we are continuing as we move
2 forward with our study of compensation at the
3 Corporation. We appreciate your patience in this.

4 We have another consultant, Faustino Pino, who
5 is doing that work in cooperation with Joan Kennedy and
6 Jim Hogan and Joan's staff. David Richardson working
7 very closely also as we take a look at our
8 compensation. And we will be reporting to the Board at
9 the next meeting regarding the findings that we will
10 have for you.

11 The entire Corporation, with some exceptions,
12 which will be corrected, have all participated in a
13 sexual harassment training organized by Joan Kennedy
14 and her staff. I thought it was excellent, necessary,
15 and we will continue to engage in those activities.

16 We have a number of new employees. And I
17 would just direct your attention to a communication,
18 which if you have not received, it will be in your mail
19 on your return. I am very excited about the wonderful
20 new talent that we are bringing into the Corporation.
21 And Joan's office has released, I think, a very good
22 summary of their backgrounds.

1 You have met several who have come in
2 participation with this meeting, and they have already
3 made an excellent contribution. And I know that you
4 will welcome the others as they appear before you from
5 time to time.

6 I am not going to report fully on the
7 situation regarding our desire to obtain a building, a
8 permanent home for the Corporation in Washington. That
9 continues apace. Jim Hcgan is leading that effort
10 internally. Joan Kennedy, Dave Richardson are also
11 assisting. We will provide you with some additional
12 detail as we do move forward on that. But Jim
13 continues to work that issue pretty carefully.

14 From the Board, Tom Smegal is working directly
15 with us on this. And we have pledged to keep Maria
16 Luisa informed and involved so that we don't have any
17 surprises in terms of financial cost. But once again,
18 we continue to find that a permanent home for the
19 Corporation is clearly in the financial interest of the
20 Corporation and obviously the people that we serve.

21 The Board was given an opportunity to receive
22 a report on strategic planning. And I just want to

1 emphasize here, in the public portion of our meeting,
2 that there is truly nothing more important that your
3 staff is engaged in than in strategic planning. This
4 is not a buzz word, it is not a hoop we need to jump
5 through because of legislation, it really is going to
6 go fundamentally to the work that we do and the
7 guidance that we receive from the Corporation. And
8 that means the head of the Agency, this Board.

9 And so we are working hard to make that
10 relevant, make it something that does guide our work.
11 And we look forward to the involvement of every Board
12 member in this process. And you will be hearing much
13 more about that as we continue with that effort.

14 I have made a number of visits out to the
15 field since we last met. I won't mention all of them
16 to you and save that, but I did want to mention, with
17 Nancy on the phone, that I had a very good trip to
18 Cleveland, Ohio where I spoke at the 74th annual
19 meeting of the Cleveland Legal Aid Society.

20 And I had the opportunity also to spend some
21 time with local media in and around Cleveland. And I
22 was very impressed by what was happening in Ohio as it

1 played out in the Cleveland Legal Aid Society, which I
2 think all of our members know is one of the most famous
3 legal service programs in the United States and the way
4 in which they have embraced the Ohio version of state
5 planning.

6 Very exciting. As Lionel Jones stood up and
7 said, it was the last meeting of the Cleveland Legal
8 Aid Society as everyone in that room knew it. And the
9 room was filled with judges and attorneys and clients
10 and staff people. And once they got over the shock, he
11 explained that the new Cleveland Legal Aid Society,
12 although significantly larger, was going to serve
13 clients in a much better way and endorse the process
14 that Ohio has been through. I want to, at this point,
15 with the --

16 MS. ROGERS: I just wanted to say that I had
17 called and I did report how you did that and people
18 were quite impressed with you.

19 MR. MCKAY: Thank you, Nancy. I will send you
20 the check after the meeting, but thank you for that.

21 Mr. Chairman, with your concurrence, I would
22 like to advance item number 17, which is the report on

1 the Corporation's logo and the 25th anniversary and ask
2 our director of government relations and public
3 affairs, Mauricio Vivero, to come up and lead us
4 through the next portion.

5 CHAIRMAN EAKELEY: Actually, you are doing it
6 at my request. So you have my concurrence as well.

7 MR. VIVERO: Thank you.

8 MR. MCKAY: It is very neatly arranged then,
9 isn't it?

10 CHAIRMAN EAKELEY: Yes.

11 MR. VIVERO: It is nice to have both of you
12 consenting to my presentation. I would like to briefly
13 share with you our planned activities and events
14 concerning the 25th anniversary and then give you a
15 short presentation on the new logo.

16 Apart from the event at the White House that
17 Doug mentioned, we are planning and setting up a whole
18 range of very, I believe, interesting and exciting
19 activities to help us celebrate the anniversary. The
20 anniversary represents for us a wonderful opportunity
21 to educate the public about legal services, to form new
22 and stronger relationships with community leaders and

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1 other national organizations to support our work. And
2 we will try to make the most of it.

3 We are planning a second event also in July in
4 Washington on Capitol Hill, hopefully with the Attorney
5 General's participation, to honor members of Congress
6 from both parties who have supported our work and
7 hopefully will support it for the next 25 years.

8 We have commissioned a national poll, which
9 will -- is taking place actually this week. We will
10 have the results in a week. We hope it will, once
11 again, prove that an overwhelming percentage of
12 Americans support the concept of federal funding for
13 legal services. We hope to make use of this poll to
14 generate positive news during the month of July as we
15 celebrate the anniversary.

16 We have begun to completely overhaul our web
17 site. And in the next couple of months, we will be
18 bringing to you a report and the presentation on a new
19 web site, which will be, we think, much improved, have
20 much faster, stronger links to our grantees, provide
21 the kind of information, which is persuasive and raises
22 public awareness and helpful to our friends in

1 Congress, other organizations, and our grantees.

2 A lot of what we plan to do starts in July,
3 but our goal is to have activities and events
4 throughout the entire anniversary year. We plan to
5 have a special event at every Board meeting throughout
6 the year when we are out of Washington. And that will
7 include, of course, Seattle, Austin, and Minneapolis.

8 Our goal is to, at every juncture, use the
9 anniversary in order to raise public awareness and at
10 the local level in those cities, form new alliances,
11 which will help us both in terms of funding but also in
12 terms of overall public support.

13 As part of our activities that will extend
14 beyond July, we have -- we are working with some
15 consultants to establish radio public service
16 announcements, which we hope to have air in the major
17 markets in the U.S. throughout the year.

18 There will be two separate announcements that
19 we are working on. One will be one that hopefully, in
20 a very crisp and short way, explain what legal services
21 does, why it is of value, and provide a service to our
22 grantees by providing the local phone number of the

1 place where the public can call. So it will be a
2 public education and advertising campaign, if you will,
3 for our grantees to raise the level of awareness and
4 name recognition for local entities.

5 The second public service announcement we hope
6 will -- will be designed to encourage pro bono. We
7 want to have an active voice in reminding lawyers that
8 they should participate in conjunction with our
9 programs and dedicate time. We think that both of
10 these announcements will be concluded -- will be
11 finished soon and hopefully will have -- they will be
12 well received and aired in the major markets throughout
13 the entire year.

14 All of our activities will be coordinated to
15 maximize support within Congress and to raise public
16 awareness. One of the most important activities around
17 our anniversary year is development of the logo, which
18 I would like to share with you now and give you a brief
19 overview on. I would like to invite our President to
20 make a few remarks while we set up the appropriate
21 technology here to get started.

22 MR. MCKAY: Well, Mr. Chairman and members of

1 the Board, you will recall that we had struggled a
2 little bit with the issue of creating an identity for
3 the Corporation that will acknowledge the service of
4 many dedicated volunteers and staff people over the
5 past 25 years while giving us an opportunity to build
6 some new identification around the Legal Services
7 Corporation and the service we provide.

8 In consultation with the Chairman of the Board
9 and individual Board members, we were asked to work
10 with Mr. Askew and Mr. McCalpin as we went through this
11 process. And I want to just give a little caution out
12 here, which is we, in discussing this, determined that
13 it was a little bit like purchasing art work. Some
14 were going to like it, some were not going to like it.

15 But we wanted to come up with something that
16 both honored the past symbols of the Corporation and
17 yet gave us something new to build support around. And
18 that is indeed a daunting challenge. I think that we
19 have done that. What we need to understand is that
20 part of the meaning that will be attached to the new
21 symbol has yet to come.

22 So as you see where the small group that has

1 worked on this came to, you will understand that we
2 will have some work to do. We are excited about this.
3 It does come together at the right time, I think, 25th
4 anniversary of the Corporation. The advent of more
5 technologies, which will allow visual depictions of
6 what the Corporation does.

7 So we are asking you to peer a little bit into
8 the future, take a little bit of a risk, and see the
9 possibilities of building the kind of recognition of
10 the contribution of past Legal Aid lawyers and those
11 that will come in the future. Or not just the lawyers,
12 but staff and others who are engaged in this
13 partnership for the legal right support people.

14 So Mauricio.

15 MR. VIVERO: Thank you.

16 Let me start with a brief introduction to what
17 we were trying to accomplish. Obviously, the
18 anniversary provides for us a great opportunity. In
19 order to really seize that opportunity and to maximize
20 all of the possibilities associated with the
21 anniversary year, the Corporation needs to have a
22 strong, positive national identity. And that was one

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1 of our principal goals of redesigning the logo.

2 Our vision is that this new logo will
3 reposition the organization with target audiences, will
4 send a message of permanence, will continue to
5 reinforce LSC as a non-partisan organization with
6 strong bipartisan support.

7 The specific goals in developing the icon or
8 symbol that you will see are varied and sometimes don't
9 all work together, but they are, we believe, equally
10 important. The first is LSC really deserves the kind
11 of national recognition that other entities have
12 achieved. And we feel that part of that can only be
13 reached through a new, strong, unique identity.

14 The United Way and the Peace Corps obviously
15 have stronger recognition nationally, have symbols that
16 come to mind. Those are symbols that they have worked
17 on years in developing. But our goal is to again
18 develop a symbol that we can aggressively market to
19 build public awareness, communicate with our programs,
20 for the first time create a link to our clients.

21 There is a massive disconnect between the
22 clients -- the services received by clients and any

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1 association with the Legal Services Corporation. We
2 want a symbol that over time will bridge that gap and,
3 at the local level, Legal Services Corporation will be
4 directly associated with the work done through our
5 grantees.

6 LSC has a very important history. And really
7 our inspiration for a new logo comes from this
8 tradition. This logo, which you see here, has been
9 adopted by hundreds of grantees as their own, has a
10 long history within the Corporation, and this was
11 really our starting point.

12 We worked with lots of artists to think about
13 what a symbol for the Corporation needed to represent
14 and how we got there. After a lot of work and
15 different drawings, different concepts being floated
16 around, lots of debate with consultants and the wise
17 counsel of Bill and Bucky, we decided to, in effect,
18 return to the past.

19 And our logo, we decided, must be centered and
20 focused on equality. We will build on the equal sign
21 as the fundamental symbol of our logo. What it
22 represents cannot be replaced by a different symbol.

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1 The notions of fairness, justice, equality, are central
2 to our mission. And that is why we are starting
3 development of this logo.

4 Now we are going to take a symbol that has
5 some history and is well known and try to build on it
6 to create something that is unique. And that is the
7 challenge. We decided to duplicate the symbol, form
8 the letter L, obviously reinforce the word "legal."

9 Then we are going to double it, rotate it, and
10 create a symbol that has some balance, some strength
11 and integrity. It is a symbol which appears to have
12 some movement with it. It is balanced in terms of
13 strength of the organization.

14 We are going to use color to do a couple of
15 things. First, in terms of the equal signs, we are
16 going to go with red to reinforce some symbolism around
17 the flag -- justice, patriotism -- and focus those
18 colors on the equal sign.

19 We are going to use blue to reinforce. Blue
20 is a traditional color of the government, a color the
21 President uses. We want to create a symbol that
22 captures all those ideas and when taken together,

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1 provides us with an identity that both captures
2 government work and the type of symbolism associated
3 with justice and fairness that we are reaching for.

4 We have decided that we are known as LSC.
5 Legal Services Corporation is, at best, a confusing
6 title. We think that the best approach is to maximize
7 on the shorthand and be referred to as LSC. In a
8 second, you will see that we are going to add a tag
9 line, which clarifies what LSC means, but we think it
10 is best to build on the recognition that we already
11 have in terms of LSC.

12 We have developed, through many, many hours of
13 work with lots of partners both inside and outside the
14 Corporation, a tag line, which we think accurately and
15 in a very strong positive way captures what the
16 Corporation stands for. And the tag line is,
17 "America's Partner For Equal Justice."

18 We want to reinforce the basic mission of the
19 organization. We want to capitalize on the awareness
20 and recognition we have now, which is LSC. But we want
21 to be able to explain it in a way that is shorthand and
22 truly captures the essence of the organization.

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1 For the anniversary, we propose a tag line
2 which will say, "For 25 Years, America's Partner For
3 Equal Justice." We want to both reflect the history
4 and the permanence of the organization and have
5 developed this tag line to go with the anniversary
6 events and be part of all the materials for that year.

7 The plan is to aggressively market this logo.
8 We do not want our grantees to adopt it as their own.
9 We want them to, through a partnership with us, use it
10 in the -- voluntarily use it in their materials,
11 identify themselves as partners of LSC, grantees of
12 LSC, members of the LSC family.

13 The logo we have selected works in black and
14 white as well as color. That is an important
15 consideration because we will not -- we don't want to
16 burden people with having to print in color or change
17 materials. We want them -- we want our materials when
18 xeroxed and used not in color to also work. And as you
19 can see, the distinction in the -- with the light gray
20 and black also works.

21 In conclusion, we think that it is time that
22 LSC had a strong symbol to promote and raise, which

1 should be very good national recognition. We have
2 suffered in part because we are not well known. And
3 there is some confusion about what the organization
4 does.

5 We think that selecting a unique symbol and
6 marketing it aggressively will over time help establish
7 the identity that we want, and that identity will have
8 a direct positive impact, not only in raising public
9 awareness, but in our activities on the Hill and in our
10 collaborations with national and local partners. And
11 there it is.

12 We are going to pass out for you some sample
13 letterhead and t-shirts with the anniversary logo on
14 it. And I am sure John and I will be glad to take any
15 questions you have.

16 MR. MCKAY: I would like you to direct all
17 questions to Mr. Askew.

18 MR. ASKEW: Let me say something first, maybe.

19 MR. VIVERO: Let him defend himself before we
20 move any further.

21 MR. ASKEW: Mr. McCalpin and I were actively
22 involved in this process. We thought we were selected

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1 because we had been involved in legal services for so
2 long. In fact, they told us we obviously were the two
3 most artistic members of the Board.

4 We were a little out of our league in dealing
5 with the artists, I will say. Mr. McCalpin would like
6 the record to reflect that if you like it, it was all
7 his idea, if you don't like it, he wasn't here today.
8 So there is no responsibility. We came to Washington
9 twice. The first time, remind me Mauricio, was in
10 March?

11 MR. VIVERO: Mm-hmm.

12 MR. ASKEW: In March, where we spent about a
13 half a day with the group of artists and designers who
14 worked with us on this. Where it was interesting
15 because we didn't talk in the beginning so much about
16 logos and art, we talked about the history of legal
17 services and what legal services means to the country
18 and what the mission and goal of the program is.

19 We talked about -- gave them a historical
20 perspective on the program that they very much wanted
21 to have before they started this process so that they
22 would understand what it was they were trying to

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1 represent here.

2 And then we viewed a lot of varieties of
3 different logos that were potentially available for us
4 to use, some of which we rejected, some of which we
5 liked and said needed further work. And we talked
6 about tag lines and various other things. So that was
7 several hours worth of work.

8 And then they went back to work with Mauricio
9 and the staff and then Bill and I came back to
10 Washington again about two weeks ago last Friday to
11 view this presentation. It was a different tag line,
12 but everything else was essentially the same.

13 And after a lot of discussion, I think both of
14 us came to the agreement that we very much like this
15 and very much support it and for a number of reasons,
16 which Mauricio touched on in his presentation. It does
17 continue the tradition we have started of using the
18 equal sign, and the equal sign is emphasized in this,
19 which does link us to the past and to -- not only the
20 past logo, but to the whole history of the program.

21 It is different and marks a departure from
22 what we have been doing, which we came to believe is

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1 important. We are setting off on something new here.
2 And therefore, it needs to be a new departure. Using
3 the scales of justice, if you look in the yellow pages,
4 about half the people who advertise in the yellow pages
5 use the scales of justice. I mean, that is not
6 something that we can rely upon to indicate anything
7 that is different from just the delivery of legal
8 services per se.

9 So we wanted to get something new with this.
10 We also liked the idea of using LSC and trying to
11 identify LSC for our future work as we establish this
12 identity moving into the future. Ironically, as I was
13 watching the strategic planning discussion and
14 listening to it yesterday, I was thinking about this
15 logo and how this fits in very nicely to all of that.

16 I mean, the things he was telling us yesterday
17 about what we should be trying to do here, were
18 reminiscent of the discussions we were having at the
19 Corporation when we are talking about developing this
20 logo. How do we distinguish ourselves? What is our
21 mission that is different than other organizations?
22 What is it we want people to know about this program?

1 What do we want our staff and our grantees to feel
2 about the program?

3 It accomplished a lot of those things. We
4 liked the use of the word "America" in the tag line,
5 that this should be known as America's program. It is
6 a national program funded by the Congress. And that we
7 are partners in the effort.

8 So anyway, after a lot of discussion and
9 viewing lots of alternatives, we all, I think, reached
10 a unanimous agreement that this is the one that we felt
11 most met the goals that we had for this project when we
12 started. So we are reporting to you that the two of us
13 very much like it.

14 Now what Mauricio said earlier, looking at
15 particularly the symbol is also like looking at a piece
16 of art. When you view any piece of art, 75 percent of
17 the people, hopefully, will like it, but there are
18 always going to be 25 percent or so who don't get it or
19 don't like it. And so you can't focus too much on
20 that. But I think the package of all three elements
21 work very well together and have accomplished what we
22 set out to do here.

1 And I think Mauricio and his staff deserve a
2 lot of credit because this was certainly not easy. If
3 you saw what we were looking at the beginning of this
4 and all the different options that were available and
5 what the designers and the artists were presenting, it
6 was quite an overwhelming job. And I think they have
7 done a good job getting us to where we are.

8 MR. VIVERO: I would like to state for the
9 record that my official job is government relations.
10 This is only a sideline business.

11 MS. FAIRBANKS-WILLIAMS: Well, it is a good
12 thing that you made that sentence that you didn't
13 expect all the grantees to adopt it because if you had
14 have, I would have probably said I would refuse to
15 accept it.

16 I will have to tell you a little story about
17 being in New York State. I was standing in line at
18 Port Authority and I still had on my legal aid badge
19 with my name that said Vermont. And this guy walked up
20 to me and passed me an envelope and said, "Vermont" in
21 a very foreign type of voice. And I said, "Yes?" And
22 he tapped my badge and he said, "Tomorrow." And he

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1 passed me an envelope with \$3.

2 Well, it was a thick envelope and I said, "You
3 want me to mail that tomorrow." And he said, "Yes."
4 Thanked me and walked away. Well, I put it in my
5 pocketbook not thinking anything about it, went through
6 Albany and so on and so forth never thinking that it
7 was a thick envelope and that it might have money or
8 checks or anything like this in it.

9 Well, I dragged it out the next morning when I
10 was going to go into Rutland and it was addressed to a
11 local bank in Rutland. And I said, "Well, he had my
12 name from my tag, but I didn't have his name." I said,
13 "I am going to take this to the bank and make them give
14 me a receipt for it and then I will be safe."

15 So I took it to the bank and I told them that
16 I had received it when I was standing in line at Port
17 Authority and that I had my legal aid badge on, that he
18 had tapped my badge. And that I didn't know who it was
19 and I wanted a receipt for it.

20 Well, they opened it up and there was \$1,600
21 in cash besides some checks that were signed. The
22 checks were signed so badly that the girl couldn't

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1 figure out what the name was. Well, I said, "It must
2 be a payment. Call the loan department." So she
3 refused. I said, "This money has to be here today, he
4 asked me to bring it here today. And I want a receipt
5 for it, and it has got to be a payment."

6 So she finally called the loan department.
7 Well, the loan department lady was trying to talk to
8 her. She said, "Well, we have got 37 notes," she says,
9 "that are due today." Me being smart, you know, I
10 said, "Tell her a drunken angle room crawled across the
11 check." She said, "I know who it is, I will be right
12 down." It was an Armenian guy and he trusted the legal
13 aid badge because he walked right up to me and passed
14 me that money to put into the bank.

15 MR. ERLNBORN: Congratulations on your out of
16 state contacts.

17 MS. FAIRBANKS-WILLIAMS: No. I just wanted to
18 make the point that he trusted the legal aid -- the
19 scales and the legal aid.

20 MR. BRODERICK: What Edna didn't tell you is
21 she kept \$500.

22 (Laughter.)

1 MR. VIVERO: Well, you are right, Edna. We
2 don't want them to adopt this as their own like has
3 happened in the past. We want this to be our symbol.

4 CHAIRMAN EAKELEY: I want to go back to the
5 anniversary planning in a minute, but let's finish and
6 if there are any other questions or comments about the
7 logo, what we are being asked to do is ratify the
8 selection that has already been made and obviously, in
9 which we have already invested. And it just so happens
10 that I have a resolution here ratifying the adoption of
11 the new corporate logo. And if I could read it to you.

12 "Whereas, the Legal Services Corporation is
13 celebrating the 25th anniversary of its creation next
14 month; and whereas, the President of the Corporation
15 has approved the adoption of the attached corporate
16 logo to coincide with the Corporation's 25th
17 anniversary; and whereas, the staff of the Corporation
18 has made a presentation of the new Corporate logo to
19 the Board; and whereas, the President of the
20 Corporation has requested Board ratification of the
21 adoption of the new logo; now therefore be it resolved
22 that the Board hereby ratifies the adoption of the new

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1 logo for LSC; and be it further resolved, that this new
2 logo shall be the official logo of the Corporation and
3 shall be the one used by all components of the
4 Corporation."

5 That is the resolution. First, could I have a
6 motion proposing it.

7 M O T I O N

8 MR. ERLNBORN: So moved.

9 CHAIRMAN EAKELEY: Is there a second?

10 MS. FAIRBANKS-WILLIAMS: Second.

11 CHAIRMAN EAKELEY: Is there any further
12 discussion or questions about it?

13 MS. MERCADO: I just had a question on the --
14 the actual symbol itself. Did you all check on the
15 trademark for it? That symbol seems real familiar to
16 me and I can't --

17 MS. FAIRBANKS-WILLIAMS: Yes, it does to me
18 too, but I haven't figured out what it is yet.

19 MR. VIVERO: Yes, we are checking and --

20 CHAIRMAN EAKELEY: We are going to register
21 this.

22 MR. VIVERO: Yes, we will register the

1 trademark. If there -- you know, there may be someone
2 that has it, but it is -- but there is no one in our
3 field with these colors that is using it. And so we
4 are pretty certain that that will not yield any
5 conflicts, but we are checking that. And we made some
6 preliminary inquiries before.

7 MR. MCKAY: I would just say that is an
8 important caveat.

9 MR. VIVERO: Yes.

10 MR. MCKAY: We will do -- and Victor's office
11 has already commenced the process to make sure that we
12 haven't adopted something that is taken by someone
13 else. The law is a little bit more complex than that,
14 as I understand it. It would have to be someone
15 essentially doing the same type of thing that we are
16 doing. But we will get that part ironed out. If we
17 run into difficulties, we will let you know
18 immediately.

19 MR. VIVERO: And our plan is to register it,
20 you know.

21 MS. MERCADO: Just as a further comment, I
22 really like the byline, "America's Partner For Equal

1 Justice." I like that. I have a problem, though, just
2 again, it is art, right? I have a problem with the
3 symbol as far as just automatically a layperson in the
4 street identifying it as a legal symbol. It is not
5 something that automatically comes to mind when they
6 think of legal.

7 So that would be my only question. I think
8 that as long we are not mandating that everybody use
9 it -- but I would think that the purpose, though, of
10 mandating -- of having a logo as United Way does, it
11 doesn't matter what United Way it is, whether Podunc or
12 Seattle or New York, everybody recognizes that symbol
13 as United Way.

14 And I would assume that the symbol that we
15 would make for the Legal Services programs nationwide
16 would be a symbol that we would hope everyone locally
17 would use and would automatically identify when they
18 saw that symbol as the equal justice partner.

19 MR. VIVERO: That will take time and that is
20 our goal. And we want -- we will very strongly
21 encourage programs to partner up with us and use this
22 on their materials and identify themselves as part of

1 our family, if you will.

2 CHAIRMAN EAKELEY: John Erlenborn.

3 MR. ERLENBORN: On the issue of the LSC not
4 necessarily being recognized, I think that is probably
5 true, but if you look to the business section, some
6 very large corporations have gone from long names to
7 just a few letters.

8 For instance, United States Steel Corporation
9 for years was -- that was the name of it. Now it is
10 USX. And that is now well recognized. And it seems to
11 be the trend in the business sector to move toward
12 initials or some short sort of identification for a
13 logo.

14 MR. VIVERO: Yes. Thank you for mentioning
15 that, John. That very much -- that trend very much
16 guided our thinking in terms of going with the letters.

17 CHAIRMAN EAKELEY: Any further comments or
18 questions?

19 (No response.)

20 CHAIRMAN EAKELEY: Hearing none, all those in
21 favor of the resolution ratifying the adoption of the
22 logo?

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1 (Chorus of ayes.)

2 CHAIRMAN EAKELEY: Opposed?

3 MS. MERCADO: Nay.

4 CHAIRMAN EAKELEY: One nay. The ayes have it.

5 MR. VIVERO: And let me apologize to Nancy who
6 could not appreciate the visuals here. We have a color
7 packet, which is on its way to you, with a complete set
8 of the presentation.

9 CHAIRMAN EAKELEY: And t-shirt, I hope.

10 MR. VIVERO: And t-shirt. Yes.

11 MR. ERLNBORN: What size do you want?

12 CHAIRMAN EAKELEY: All right. Please, stay
13 there for a minute because I want to go back to the
14 anniversary planning part. Are we doing anything to
15 reach out to or coordinate with our involve
16 stakeholders and interested support sources, such as
17 State Judiciary National Association of Attorneys
18 General and the like?

19 MR. VIVERO: Yes. Yes, we are going to work
20 with -- we have already made efforts to work with all
21 of the traditional partners. And really what we are
22 focusing on is trying to get buy-in and support from

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1 non-traditional partners, much broader business
2 community support, and possible activities with them.

3 So we are covering the bases. Our press kit,
4 which will be distributed on our anniversary, will have
5 an extensive list of entities, persons, and
6 organizations that support our work and will be making
7 a public statement on our behalf. It includes the
8 groups that you mentioned. And if there is a specific
9 group you would like us to involve in a particular
10 event throughout the year, we can certainly work with
11 that.

12 CHAIRMAN EAKELEY: My sense is that there will
13 be or there should be more opportunities to get more
14 groups involved. We had a discussion with Attorney
15 General Salazar last night about the desirability of
16 getting NAG, in particular, engaged this year, state
17 bar associations. We talked in January about the law
18 school deans and also about state judiciary or
19 Association of Chief Justices that Justice Broderick
20 had mentioned.

21 MR. VIVERO: Right. Well, John has already
22 given us some good ideas about that and we are going to

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1 look at that.

2 CHAIRMAN EAKELEY: Right. I think that these
3 are areas where the Board can help and also I think in
4 which the Board would like to be engaged.

5 MR. VIVERO: Okay. Will do.

6 CHAIRMAN EAKELEY: So I think we will just
7 work on that some more too. All right. Well, thank
8 you very much.

9 MR. VIVERO: Thank you.

10 CHAIRMAN EAKELEY: That is a lot of work, a
11 lot of good work and good results. And good luck to
12 the new logo.

13 John, are you -- we are still -- are we done
14 with your report?

15 MR. MCKAY: We are done. Thank you.

16 CHAIRMAN EAKELEY: All right. Are there any
17 other questions of John McKay on his report?

18 (No response.)

19 CHAIRMAN EAKELEY: Hearing none, then we will
20 invite Ed Quatrevaux for the Inspector General's
21 report.

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

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1 I would like to open by reporting on the
2 status of our audit service reviews. You will recall
3 that the purpose of these reviews is to confirm that
4 the compliance checks by grantee independent public
5 accountants were adequate. Our target for fiscal year
6 '99 is 50. We are ahead of schedule. We have issued
7 20 reports to date. Of those, only one of the audits
8 was found to be inadequate due to insufficient testing
9 by the IPA. That has been corrected.

10 Our plan on these reports is to send only
11 adverse reports to the Board. The reason for that is
12 they are all kind of boilerplate, but if you would like
13 to receive the positive reports as well as the adverse
14 ones, if there is more than one, please let us know and
15 we will be happy to do that.

16 CHAIRMAN EAKELEY: I think the tally is
17 significant. I think it is significant that if you go
18 in and find satisfactory audits, then it is good to
19 balance the bad news with the good news or a sense --
20 get a sense of proportion to what is happening in the
21 field as you are finding it. But I don't think we need
22 the boilerplate, necessarily. Although some -- there

1 are people around this table who may have a special
2 affinity for boilerplate.

3 MR. QUATREVAUX: Right. We will be happy to
4 provide those.

5 CHAIRMAN EAKELEY: It might be the Ops and
6 Regs Committee, perhaps.

7 MR. QUATREVAUX: Could be. We are projecting
8 that by Labor Day we will have issued all 50 reports
9 for the year. We also have in progress a series of
10 client trust fund inspections. The purpose of those is
11 to determine whether grantees are in compliance with
12 the Corporation's guidance, which is spelled out in the
13 LSC accounting guide.

14 I need to make a note because of a comment
15 that was made yesterday. This is not an audit. So we
16 are not going in there and counting the money and, you
17 know, doing reconciliation of checking accounts.
18 Instead, we are looking at the controls, which are what
19 LSC guidance is all about.

20 And we have issued four final reports thus
21 far. We have completed two additional site visits. We
22 found that all grantees, all four were in general

1 compliance, although we did note areas for improvement
2 of controls.

3 With respect to the case statistical reporting
4 audits, we have issued a report of our audit of Prairie
5 State Legal Services. You should have received that.
6 As you know, it found that closed cases were overstated
7 by approximately 6 percent. We have now issued four
8 final reports covering the '97 data and we have also
9 issued two draft reports on '97 data. And the final
10 reports for those drafts will be coming out fairly
11 soon.

12 We have also completed site visits on three
13 audits of the '98 data. The draft reports will be
14 issued this month. It is only preliminary data, but
15 thus far, the results are not encouraging. We have
16 three more site visits planned for fiscal year '99,
17 including one that is in progress right now. And I
18 will have more to say about these audits later today.

19 My last topic for the session here is just to
20 mention in the area of strategic planning that we did,
21 and I apologize for the delay, but we did earlier this
22 week send to you updates of the family of plans that we

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1 maintain.

2 And the principal change in those is that we
3 are going to extend case statistical reporting audits
4 into the year 2000, whereas we had not planned to. We
5 had in fact planned to do program integrity audits in
6 the year 2000. What we will do is attempt to complete
7 five case statistical reporting audits in the year
8 2000, fiscal year 2000. And we will conduct one
9 program integrity audit and then use that as a basis
10 for further audits in the following year, fiscal year
11 2001.

12 I would appreciate any input that you might
13 have on these plans, particularly with respect to the
14 schedule of projects, and feel free to provide that
15 input anytime by any means this summer.

16 CHAIRMAN EAKELEY: Maria Luisa.

17 MS. MERCADO: Yes. I just want to clarify on
18 the CSR audits that you are doing for '98 data, the '98
19 data wasn't issued until November of '98, right? So
20 they wouldn't have used it for the year.

21 MR. QUATREVAUX: Well, I think it would be
22 better if management would speak to that, but my

1 understanding is that it did require grantees to apply
2 certain things, particularly, I think, supervisory
3 review, in their '98 data.

4 So I think it did have some impact on the '98
5 data. But you are quite right, it was issued in
6 November. The year is over at the end of December. So
7 to a degree that there was something that we might
8 have --

9 MS. MERCADO: Well, I just wondered whether if
10 when you are making a report, there is some byline or
11 statement that we would note that the data went out to
12 the grantees November of '98. And however your
13 sampling equals out to that time period. I am just
14 trying to make sure that it accurately reflects what --
15 your audit.

16 MR. QUATREVAUX: Oh, yes. Yes. The baseline
17 for testing is always what the Corporation's
18 requirements are. We use the Corporation's
19 definitions.

20 MS. MERCADO: Thank you.

21 CHAIRMAN EAKELEY: I didn't get it in time,
22 but I would like to have an opportunity to have you

1 present the next year's -- the next -- the fifth year
2 out and the changes to your five year plan at our next
3 opportunity.

4 I think this would be a good thing to make
5 sure that we do so that we understand what you are
6 proposing to do, you have the benefit of our input, to
7 the extent you care to take it. But nonetheless, it is
8 an important document and we all want to be on board
9 with it. So let's just find an opportunity for that.

10 MR. QUATREVAUX: Well, I will plan on doing it
11 in Seattle.

12 CHAIRMAN EAKELEY: I think that will likely be
13 our next opportunity, although I want to hold open the
14 possibility, if enough people can get in in time or
15 delay their departure, to have a working session on
16 strategic planning. And that would be a good
17 opportunity to just take a little bit of time there if
18 you are coming -- if you are -- I know you have travel
19 plans.

20 So just keep it in mind. It is not a
21 mandatory. In fact, we are not even sure we can work
22 the schedule. But if you are coming back or change

1 your plans and are around, and there are a number of us
2 around to deal with it, it might be a good time to do
3 it sooner than later.

4 MR. QUATREVAUX: All right. I would be happy
5 to.

6 CHAIRMAN EAKELEY: And one of our objectives
7 for the Seattle meeting, in developing a Board agenda,
8 will be to minimize the corporate business and maximize
9 the opportunities for learning and exchanging
10 information while we are in the field. But we still
11 have a fair amount of Board business to do. And if we
12 don't get to that before then, then we will definitely
13 put it on the agenda for Seattle.

14 MR. QUATREVAUX: Well, perhaps if the Board
15 does get together following the festivities, it might
16 be possible to do something the next morning and then
17 still be able to keep the travel commitments.

18 CHAIRMAN EAKELEY: Good. Okay. Well, let's
19 see what is feasible.

20 MR. QUATREVAUX: Very good.

21 CHAIRMAN EAKELEY: Any other questions of the
22 Inspector General?

1 (No response.)

2 CHAIRMAN EAKELEY: All right. Thank you very
3 much.

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

5 CHAIRMAN EAKELEY: Next is item 11, consider
6 and act on the Board's meeting schedule for the year
7 2000. That is found at Tab 20 of your meeting book.
8 And the dates, as I understand them, reflect staff's
9 best estimates of conflicts least likely for the year
10 2000, notwithstanding any Y2K bugs.

11 A couple of words, though, of explanation, I
12 think, are in order about why we are scheduling or
13 proposing to schedule a meeting in Minneapolis,
14 notwithstanding the additional cost represented by a
15 trip to that location.

16 And John, do you want to step up to that? We
17 discussed this beforehand and didn't agonize about it,
18 but certainly debated it internally a bit. And I think
19 that the recommendation from management was there are a
20 number of reasons why it would be worthwhile for this
21 Board to visit -- to have a Board meeting in
22 Minneapolis in the year 2000.

1 MR. MCKAY: Yes, Mr. Chairman, we in part
2 prepared this list for the Board based on earlier
3 discussion last year as we were trying to select
4 appropriate cities for the out of Washington meetings.
5 I think Minneapolis was originally mentioned in part
6 from a provisions point of view programmatically.

7 There are a number of very exciting projects
8 underway in the State of Minnesota. Principally, they
9 extend beyond just the activities of the LSC
10 recipients, but to the creation of sort of an access to
11 justice network in Minneapolis and involvement of
12 stakeholders, maybe on a scale we haven't seen anywhere
13 else in the country.

14 The cost difference is purely an anachronism
15 of air fares. Last time I checked, Minneapolis was a
16 pretty big town and it is served by a pretty big
17 airline, but under the government rates, this is just
18 the way it shakes out. So while it is more expensive,
19 I think there is a pretty compelling reason to go
20 there, but we would certainly defer to the Board.
21 Although again, this is a result of your prior
22 discussions.

1 CHAIRMAN EAKELEY: Well, I think we ought to
2 be able to develop an agenda with sufficient advance
3 planning to reduce the number of staff required to
4 travel to Minneapolis if we were to look at it as a --
5 to get costs down a little bit more. And just that is
6 something we can maybe work on. But this assumes 25
7 staff members traveling, right?

8 MR. MCKAY: Something in that range,
9 Mr. Chairman.

10 CHAIRMAN EAKELEY: But we don't know now -- I
11 mean, this is an aspirational target, to paraphrase
12 somebody else we have heard today. I am just saying
13 there may be ways to reduce the costs.

14 MR. MCKAY: We will look very carefully at
15 reducing any anticipated cost.

16 CHAIRMAN EAKELEY: But it depends on the
17 business we have at the time.

18 MR. MCKAY: Well, it depends on, Mr. Chairman,
19 with all due respect, we are talking about \$8,000 and a
20 national board here purely related travel expenses. To
21 me, that is not a significant worry to the Board to
22 conduct a meeting to gather the kind of information

1 that we think is available to the Board in Minnesota.
2 And I think it would be unfair to the programs in
3 Minnesota not to go for that reason. We will look
4 carefully at the number of staff attending and other
5 expenses associated with the meeting.

6 CHAIRMAN EAKELEY: Okay.

7 MR. ERLENBORN: Let me compliment the
8 President in not suggesting that we have it in January.

9 MR. BRODERICK: Mr. Chairman, can I ask --
10 this applies not only to the 2000 list, but also to
11 Seattle. And my comment on Seattle might be too late.
12 Our discussion the other day was that when we are on
13 the road, we ought to take the time, to the extent we
14 have it, to visit programs.

15 And it seems to me if we are traveling, for
16 instance, to Seattle, Washington, I had down in my
17 book, and maybe incorrectly, that Friday and Saturday
18 in September are the days we have set aside, which
19 doesn't leave a lot of time for the sorts of things
20 that I think we ought to be doing, or some of us
21 anyway.

22 And if we are traveling to Austin, Texas or

1 San Francisco, California or Minneapolis, Minnesota, it
2 seems to me we ought to be doing some of the kind of
3 fact-finding and investigation that the President
4 talked about.

5 And so I just wonder if it would make sense
6 when we are on the road, as long as we are traveling
7 that distance, to leave time so that we are not pressed
8 and we don't have time. It would have been
9 interesting, I think all of us agree to that -- we just
10 didn't have the time here in Denver to make the kinds
11 of inspections that I think we would have liked to have
12 made. And I just wonder if it is possible to extend
13 it.

14 CHAIRMAN EAKELEY: I think the answer to that
15 is yes. There is a subtext to that also that we
16 discussed yesterday, which is if we can do better at
17 advanced planning of the work of the committees so that
18 we schedule the committee more efficiently and
19 anticipate needs for information or other issues so
20 that the committee work can be efficiently done in a
21 more compressed time period, rather than running each
22 committee end to end. Again, we can make some of that

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1 time.

2 I think one trick will be identifying
3 opportunities for site visits and then giving Board
4 members the opportunity for those who can come in the
5 night before, perhaps, to do it, but not locking into
6 the Board meeting necessarily itself.

7 But I think that John got a pretty good sense
8 yesterday, John McKay got a pretty good sense yesterday
9 of the sense of the Board in trying to make sure that
10 we take maximum advantage of the opportunity presented
11 by travel to these out of the district sites to work
12 with us.

13 That will tax Nikki Addaway a bit also because
14 some of us are not as seemingly cooperative as she
15 would like us to be in giving her advance notice of our
16 travel plans. But there is a circularity to it because
17 it helps out the agenda in what is going on and who is
18 coming in when and leaving when.

19 MR. MCKAY: I would just suggest that Board
20 members ought to -- where they see Friday, Saturday on
21 the Austin, Minneapolis, and San Francisco meetings --
22 and you should also do the same for Seattle -- add

1 Thursday to your calendars and try not to book
2 additional time there. And we will take your guidance
3 accordingly.

4 We will revise slightly upward the expense of
5 the meeting for hotel. And I absolutely concur. And
6 we would gladly add this -- this would involve at least
7 adding a half day to your schedule. You will have to
8 plan on additional travel return time from the West
9 Coast for two of those meetings. Going out is going to
10 be the easy part, coming back is going to be difficult.

11 And so we will need some commitment on your
12 part to participate. And I would just urge members,
13 Board members not to think of the site visits as
14 optional because we really don't want to put your good
15 name and offices on the line and then not have adequate
16 representation from the Board. So I think part of what
17 I heard yesterday was a desire to do more field visits.
18 We concur. And that will just take more of your time.

19 CHAIRMAN EAKELEY: Okay. While she is
20 standing, I just want to say thank you again to Nikki
21 for all of the work in helping get us here. And
22 especially when it is out of town, I know it is a lot

1 more work, but thanks.

2 MR. MCKAY: Well, we have an inquiry,
3 Mr. Chairman, from one of our Board members who is not
4 present, Tom Smegal, that May and June not be
5 considered for future Board meetings. And his reason
6 is that that is "prime time for weddings and
7 graduations." He certainly has a point, although I am
8 not sure whether the Board would want to block two
9 months off of its scheduling.

10 CHAIRMAN EAKELEY: The problem is that July
11 and August are prime time for vacations for some
12 people.

13 MR. MCKAY: The principal recommendations you
14 got from the staff were really built around national
15 holidays, obvious religious celebrations, and others.
16 And actually, it got pretty narrow to make these
17 selections to you.

18 CHAIRMAN EAKELEY: June 23, 24 gets you sort
19 of late in the month for weddings and that sort of
20 thing. My inclination would be to say, "Tom, we
21 tried," but it is --

22 CHAIRMAN EAKELEY: We are giving him

1 five-sixths of this, or whatever the numbers work out
2 to be. We are giving him all of May and the first
3 three weeks of June.

4 MR. ERLNBORN: I always thought it was great
5 when you had an excuse not to go to a wedding.
6 Apparently not.

7 MR. MCKAY: We will let the record reflect
8 that we gave this serious consideration.

9 CHAIRMAN EAKELEY: My inclination would be to
10 go with the schedule as proposed.

11 M O T I O N

12 MR. ERLNBORN: Move its adoption.

13 CHAIRMAN EAKELEY: Is there a second?

14 MS. MERCADO: Second.

15 CHAIRMAN EAKELEY: Any further discussion?

16 MR. MCKAY: May I have, Mr. Chairman, just
17 your authority to, with respect to the out of
18 Washington meetings, amend that to include up to a half
19 a day addition on the preceding day.

20 CHAIRMAN EAKELEY: Yes.

21 MR. MCKAY: Thank you.

22 CHAIRMAN EAKELEY: All those in favor of the

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1 schedule as amended.

2 (Chorus of ayes.)

3 CHAIRMAN EAKELEY: Opposed?

4 (No response.)

5 CHAIRMAN EAKELEY: All right. We have a
6 schedule for the year 2000.

7 MR. MCKAY: Thank you.

8 CHAIRMAN EAKELEY: We are not flying anytime
9 earlier in the year, are we? No, January 28th. I
10 guess that is all right.

11 All right. Consider and act on the report of
12 the Board's Operations and Regulations Committee.
13 Ernestine.

14 MS. WATLINGTON: Yes. I am going to need the
15 help of John in some of this. We met and we reviewed
16 45 CFR Part 1641 and we present it to LaVeeda editing
17 and reviewing it after they have made the corrections.
18 You have a new copy of it since she passed it out,
19 Laurie did. And if there is any questions on anything
20 that went on it, you could check with her on any
21 revision that was made.

22 And she worked very hard on the typing all day

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1 yesterday and evening making the corrections that was
2 done. And LaVeeda committed herself that she will go
3 over them. So that one we can -- we would like to
4 present it to the Board for recommending it.

5 CHAIRMAN EAKELEY: Which one, Laurie? Do we
6 have it in front of us?

7 MS. TARANTOWICZ: You should have it in front
8 of you. It is 45 CFR Part 1641. I left it at your
9 places at lunchtime.

10 CHAIRMAN EAKELEY: I don't, but now I do.
11 Okay.

12 MS. WATLINGTON: And I am offering that as a
13 motion to accept the final rule on that one.

14 CHAIRMAN EAKELEY: Do you want to give us a
15 little summary of what it does and the changes that
16 have been made since the Board got the working draft in
17 its Board materials?

18 MS. TARANTOWICZ: Sure. Part 1641 is intended
19 to implement the authority of the Inspector General to
20 remove, suspend, or bar independent public accountants
21 upon a showing of good cause from performing audit
22 services after notice and opportunity for a hearing.

1 That language appeared in the Appropriations Act in
2 1996 and subsequent appropriations acts.

3 As you know, the committee considered this
4 rule in September '98. It was published in the Federal
5 Register as a proposed rule in February.
6 Unfortunately, we received no comments. But the
7 committee considered it in April, changes were made to
8 the rule, and it should have been with your Board
9 materials for your review before this meeting.

10 Yesterday the committee considered the rule
11 again, made additional changes, most of which, if not
12 all of which, were not substantive, but were merely
13 clarifying changes.

14 CHAIRMAN EAKELEY: And if I understood
15 Ernestine correctly, LaVeeda asked for the opportunity
16 to exercise her usual prerogative as chair, since she
17 is not here, to see those last textual changes and make
18 some additional changes of that.

19 MS. WATLINGTON: Her commitment that she will
20 do that.

21 CHAIRMAN EAKELEY: All right. Are there any
22 questions of Laurie or Ernestine or John Erlenborn?

1 The Ops and Regs Committee approved the rule as
2 modified. And we have the edited --

3 MS. WATLINGTON: The final version.

4 CHAIRMAN EAKELEY: The final version now. And
5 what we are being asked to do is adopt it.

6 MS. WATLINGTON: Right.

7 CHAIRMAN EAKELEY: As a regulation.

8 MS. WATLINGTON: And she will -- promised to
9 do the editing. You know, how even after they do them,
10 she still likes to edit them over again.

11 CHAIRMAN EAKELEY: Right. We proofread things
12 after we pass them from time to time.

13 MS. WATLINGTON: Correct.

14 CHAIRMAN EAKELEY: All right.

15 M O T I O N

16 MR. ERLNBORN: Move its approval.

17 CHAIRMAN EAKELEY: Is there a second?

18 MS. FAIRBANKS-WILLIAMS: Second.

19 CHAIRMAN EAKELEY: Any further discussion?

20 (No response.)

21 CHAIRMAN EAKELEY: All those in favor of
22 adopting 45 CFR Part 1641 as presented and amended, say

1 aye.

2 (Chorus of ayes.)

3 CHAIRMAN EAKELEY: All those opposed?

4 (No response.)

5 CHAIRMAN EAKELEY: The ayes have it. Thank
6 you for your patience and hard work.

7 MS. WATLINGTON: Thank you. And on number 5,
8 the CFR Part 1628 recipient fund balance, there was
9 a -- Suzanne can give an explanation on that. We just
10 reviewed it and we put it back to be reviewed again at
11 the next meeting.

12 MS. GLASOW: Actually, I gave John Erlenborn a
13 statement on that. Do you want to read that, John?

14 MS. WATLINGTON: Okay.

15 MR. ERLENBORN: Where did I put it?

16 MS. GLASOW: If not, I --

17 MR. ERLENBORN: I have it here somewhere.

18 MS. GLASOW: Basically, the committee reviewed
19 public comments on the rule, on the proposed rule, made
20 several mostly clarifying changes and structural
21 changes. However, they have sent it back to staff.
22 There is one more issue they would like us to research.

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1 And that is whether we should go permit a recipient to
2 have a fund balance over 25 percent in extraordinary
3 and compelling circumstances. And they would like us
4 to look at that and see what other federal agencies do
5 and come back at the next committee meeting.

6 MR. ERLNBORN: Mr. Chairman, I was unable to
7 attend the committee meeting yesterday. So I didn't
8 participate in this, but let me say that just from my
9 experience on some not for profit corporations, it is
10 really at times quite necessary to have maybe a larger
11 fund balance at the end of a fiscal year than might
12 ordinarily be the case. And I think this additional
13 flexibility is warranted.

14 CHAIRMAN EAKELEY: Well, let's see what comes
15 back.

16 MS. GLASOW: We will see what the federal
17 government does and come back with a recommendation.

18 CHAIRMAN EAKELEY: All right. Thank you,
19 Suzanne.

20 MS. WATLINGTON: And on the third plan that
21 was presented to us, I am definitely going to let John
22 explain that one because he has been working with the

1 staff on that one.

2 CHAIRMAN EAKELEY: But does he know what
3 happened in committee to it yesterday?

4 MS. MERCADO: It passed. I was an ad hoc
5 committee member.

6 MR. ERLENBORN: With some semantic or
7 grammatical changes suggested by Mr. McCalpin, as I
8 understand.

9 MS. WATLINGTON: Always.

10 MR. ERLENBORN: Mr. Chairman and members of
11 the Board, in 1988, the Corporation established a
12 403(b) thrift plan. This 403(b) section of the
13 Internal Revenue code provides for not for profit
14 corporations to have this type of plan that is somewhat
15 similar to other defined contribution plans that are
16 authorized under different sections of the Internal
17 Revenue Code for other types for for profit
18 corporations.

19 The provisions in the plan at the present time
20 provide for a contribution to be made by the
21 Corporation that equals the contribution that is
22 required by the employing agency of those who are

1 participating in the Civil Service Retirement System.

2 In other words, the level of contribution has
3 historically been established to track the contribution
4 that is made by a department or agency for those
5 employees who are still participating in the old -- we
6 now call it the old Civil Service Retirement System.

7 There was an increase from 8 percent to -- no,
8 excuse me, from 6 percent to 8.51 percent, actually
9 more than a year ago, in the Civil Service
10 contribution. The genesis of this amendment or
11 resolution is to bring our contribution up to that
12 which has been the level of contribution under the CSR
13 for some period of time.

14 I participated with some of the staff in
15 discussing this because they knew of my interest in
16 pension matters. There will be a 2.51 percent increase
17 in the Corporation's contribution. I don't recall now,
18 but Joan, that amounts to something like maximum of
19 \$60,000 a year?

20 MS. KENNEDY: That is correct.

21 MS. WATLINGTON: It was presented also at the
22 finance committee to give the idea of the cost in that

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1 it was the -- I think you said it was for 12,000 for
2 this year?

3 MS. MERCADO: 12,000 for this fiscal year.
4 And no more than 60,000 for next year.

5 MR. ERLNBORN: So the amount of the
6 additional contribution is not great. The original
7 proposal was to leave the qualifying voluntary
8 contribution the same as it is at the present time.
9 That is 1 percent.

10 It means that any employee in the Corporation
11 who wants to participate would have to voluntarily
12 agree to set aside or have automatically deducted 1
13 percent of their compensation. And then that is now
14 currently matched by 1 percent by the Corporation. And
15 then everyone gets an additional, I guess at the
16 present time, 5 percent -- 6 percent pension. Isn't it
17 1 in 5 for a total of 6?

18 MS. KENNEDY: No, it is 6 and 1.

19 MR. ERLNBORN: A total of 7. Okay. And I
20 said 2 1/2 percent a little while ago. It is a 1 1/2
21 percent increase that we are asking for. From 7 to
22 8 1/2. So I apologize for that error. So to recap,

1 if an employee voluntarily agrees to have withheld from
2 their compensation 1 percent, they get a 1 percent
3 match by the Corporation and then the additional 7
4 percent. Additional 7 percent.

5 Now this -- when we discussed this, it
6 occurred to me that the non-highly compensated
7 employees might be intrigued to put in the 1 percent to
8 participate and get the additional contributions made
9 by the company -- by the Corporation. But it would
10 really be helpful for those non highly compensated if
11 they had an incentive to contribute more on their own
12 behalf.

13 So I made a recommendation, which was agreed
14 to by those who participated in the meeting and the
15 administrator of the plan agreed that this would
16 probably be a good thing to do, and that is to raise
17 the level of qualifying voluntary contribution from
18 1 percent to 2 1/2 percent, 2.51, I believe it is, to
19 be accurate.

20 That means that to participate in the plan,
21 you would put in 2 1/2, roughly, percent instead of the
22 1 percent. You would get that matched and then the

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1 additional contribution would be made to everyone who
2 participated.

3 So there would be, in effect, about a 1 1/2
4 percent additional contribution, which would probably
5 not bother any of the highly compensators who today
6 have the authority -- have the ability to contribute
7 more than the 1 percent and probably most all of them
8 do realizing the great power of tax free compound
9 growth.

10 And so the highly compensated with the ability
11 to do it have been making these additional
12 contributions. The proposal here before you today now
13 will reflect that the qualifying contribution will be
14 made -- will be increased to 2.51 so that the non
15 highly compensated would have an incentive to -- not
16 only to participate in the plan, but to get a larger
17 amount total of their contribution together with the
18 Corporation's contribution.

19 A larger amount again, which would relate then
20 to a larger benefit at the time that they retire, which
21 I think would be greatly appreciated by them then
22 although it might not be today. So this is incentive

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1 for them to do something good for their future.

2 MS. WATLINGTON: And the recommendation of the
3 committee was that it become effective July 1.

4 CHAIRMAN EAKELEY: That is what the proposed
5 resolutions says.

6 MR. ERLENBORN: If anybody has any questions
7 about my inarticulate presentation, I would be happy to
8 try to answer them.

9 MS. WATLINGTON: I am not sure I remember
10 everything you said, but I am very impressed by the way
11 you presented it.

12 CHAIRMAN EAKELEY: And does everyone have a
13 copy of the proposed resolution?

14 MS. WATLINGTON: It was in there.

15 CHAIRMAN EAKELEY: Oh, it was in the Board --
16 yes. And this is what was passed by the committee.

17 MS. WATLINGTON: Yes.

18 CHAIRMAN EAKELEY: So do we have a motion to
19 adopt the resolution regarding amendment of the
20 Corporation's 403(b) thrift plan as presented?

21 M O T I O N

22 MS. WATLINGTON: I so move.

1 MR. ERLNBORN: Second.

2 CHAIRMAN EAKELEY: Any further discussion?

3 (No response.)

4 CHAIRMAN EAKELEY: All those in favor?

5 (Chorus of ayes.)

6 CHAIRMAN EAKELEY: Opposed?

7 (No response.)

8 CHAIRMAN EAKELEY: The ayes have it. The
9 resolution passes.

10 MS. WATLINGTON: And that is all the things we
11 discussed at the meeting.

12 CHAIRMAN EAKELEY: All right. Thank you very
13 much.

14 Next we have consider and act on the report of
15 the Board's Committee on Provision for the Delivery of
16 Legal Services. Bucky.

17 MR. ASKEW: Well, everybody was there this
18 morning. So I don't think there is any need to rehash
19 what we all saw and heard. The only thing I would
20 report is that we will be -- I will be working with
21 Danilo and Mike to plan something for the Seattle
22 meeting, which should be very easy to do. Given

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1 everything that is going on in the State of Washington,
2 I think it is just a matter of picking something that
3 will further our discussion, further our learning
4 process.

5 CHAIRMAN EAKELEY: And John McKay and Victor
6 and I will be sure to confer with the committee chairs
7 in advance of the meeting so that we make sure that the
8 work of the committees is coordinated so that we can
9 facilitate these visits.

10 MR. ASKEW: Great.

11 CHAIRMAN EAKELEY: All right. Next is the
12 Finance Committee. Consider and act on the report of
13 the Finance Committee. Maria Luisa.

14 MS. MERCADO: Yes, Mr. Chairman. Most of you
15 were here yesterday. So I am not going to go through
16 detail of the proposed revised consolidated operating
17 budget. Most of you should have gotten a copy of the
18 resolution, which is basically to adopt the revisions.
19 The budget that you have goes to the six-month period
20 of expenses through March 31, 1999.

21 And the Corporation is asking us to approve
22 the revisions to the budget, which basically is adding

1 \$17,000 in grant funds from other funds available,
2 which used to be money in the special emergency fund
3 category and it will now become the grants from other
4 funds available category.

5 And that will be incorporated into the full
6 budget so that, in effect, the consolidated operating
7 budget will now be for a total of \$302,097,934. And
8 that is divided out to be \$290,080,981 for the
9 deliverance of legal assistance, \$9,840,131 for
10 management administration, and \$2,176,422 for the
11 Office of Inspector General.

12 And we are basically asking the Board to
13 approve the revisions in the budget. They were
14 reviewed with the comptroller and you should have the
15 items -- in particular, which doesn't have a page
16 number, but it would be one, two -- it would be the
17 fourth page that deals with the proposed revised FY '99
18 budget. And it is the bracketed items in the second
19 column of budget revisions.

20 The basic ones, executive office \$233,000, and
21 general counsel \$168,000, 46,000 in government
22 relations and public affairs, \$153,625 in

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1 administration and human resources, \$19,000 for the
2 comptroller, \$165,500 information technology, \$110,100
3 in program performance, \$9,600 in information
4 management, and \$64,825 in compliance and enforcement.

5 Those would be the budget revisions. And of
6 course, the parens would mean that that money has been
7 transferred to another category. And we are requesting
8 these budget revisions and adoption of the revised,
9 consolidated operating budget for FY '99.

10 CHAIRMAN EAKELEY: And the recommendation of
11 the committee is in the form of the resolution that has
12 been circulated already.

13 MS. MERCADO: That is correct.

14 CHAIRMAN EAKELEY: All right. Do you want to
15 put that in the form of a motion?

16 M O T I O N

17 MS. MERCADO: So moved.

18 MS. WATLINGTON: Second.

19 CHAIRMAN EAKELEY: Motion to adopt the
20 consolidated operating budget with marked revisions for
21 fiscal year 1999 has been moved and seconded. Is there
22 any other discussion or any other questions?

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1 (No response.)

2 CHAIRMAN EAKELEY: Hearing none, all those in
3 favor?

4 (Chorus of ayes.)

5 CHAIRMAN EAKELEY: Opposed?

6 (No response.)

7 CHAIRMAN EAKELEY: The ayes have it. The
8 resolution carries.

9 MS. MERCADO: Mr. Chairman, we also received a
10 budget request for FY 2000, which is, of course, for
11 the total amount of \$340 million. And all of you
12 should have received a handout. And it is basically
13 for your information as to the 340 million budget
14 request that is itemized. It should just be a one
15 sheet deal, and it is just for your information.

16 And of course we have already had the report
17 from Mauricio as to how that appropriation process is
18 going through Congress. I don't know that we will get
19 our 340 million yet, but that is what our budget
20 request for FY 2000 is.

21 CHAIRMAN EAKELEY: All right. Thank you very
22 much.

1 Any questions of Maria Luisa?

2 (No response.)

3 CHAIRMAN EAKELEY: Next we move on to --

4 MR. MCKAY: Mr. Chairman, just on that note
5 from Maria Luisa and the Finance Committee, just to
6 indicate for the Board that we did receive word that
7 the Senate subcommittee on appropriations, and I
8 believe the full committee now, has passed out the
9 number of \$300 million, which is our current level of
10 appropriation.

11 We expect that we may have action as early as
12 July in the House. We don't know yet what numbers the
13 House subcommittee on appropriations is working with.
14 We consider that number in the Senate to be good news,
15 given that the budget cap situation will keep the Board
16 informed of any developments in that way.

17 CHAIRMAN EAKELEY: Okay. Next we have from
18 John Erlenborn a report on the status of the work of
19 the special panel established to study and report to
20 the Board on issues relating to LSC grantees'
21 representation of legal alien workers and the
22 requirement that they be present in the United States.

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1 MR. ERLNBORN: Mr. Chairman, I am certain
2 that the Board members will recall at an earlier Board
3 meeting we authorized the creation of this Commission.
4 We found some recruits throughout the country.

5 It turns out that they are all law professors
6 or ex law professors. And with great expertise in
7 immigration law, which is very important, and also in
8 the construction of -- statutory construction, because
9 we have a question here as to the interpretation of the
10 change in the appropriation language, that at one point
11 in the early eighties said that the alien workers must
12 be resident in the United States.

13 And then I think it was in 1986, as part of
14 another proposed amendment, was offered to an
15 immigration bill. And the main amendment was not
16 adopted, but the one part that somehow or other crept
17 in there was changing the word "resident" to "present."
18 So it now says the alien must be present in the United
19 States to be authorizing the grantee, legal services
20 grantees for using Legal Services funds to represent
21 the aliens.

22 It arose in the -- or let me say from 1986

1 until the question arose probably late last year, early
2 this year, no one questioned the meaning of that change
3 or the meaning of the law. And many grantees have
4 represented aliens, particularly H2A workers who may
5 not have been present continuously in the United
6 States.

7 The way the question arose, however, was -- I
8 think this was mentioned earlier in the Board meeting
9 today, there was a grantee in Georgia who sent two or
10 three lawyers down to Mexico to talk to prospective H2A
11 workers to give them information about their rights and
12 possibly recruit them as possible clients when they did
13 come to the United States.

14 There was a great hullabaloo about this. The
15 President of the Corporation acted, acted promptly, and
16 that subgrantee -- it was not a grantee, it was a
17 subgrantee -- was no longer authorized to use Legal
18 Services funds. And funds went to the main grantee.
19 And they are now administering that.

20 MR. MCKAY: I just should indicate -- excuse
21 me, Mr. Erlenborn, but the recipient was in North
22 Carolina.

1 MR. ERLNBORN: Oh, North Carolina. I said
2 Georgia. That is right.

3 MR. MCKAY: Excuse me.

4 MR. ERLNBORN: It was North Carolina.
5 Correct. Well, anyhow, the Commission was formed and
6 the question then before the Commission is what kind of
7 guidance can we give the Corporation in interpreting
8 the meaning of the limitation that the alien being
9 present in the United States.

10 And there is a tendency or was a tendency for
11 us to say, "How do we define presence." That really is
12 not the question. When you view this language and its
13 application, it isn't what does present mean, the
14 question is when.

15 When must the perspective client be present in
16 the United States? At the time that the cause of
17 action arose? At the time they sought representation?
18 Or maybe for a period of two or three years while the
19 case is pending in court and before some government
20 agency. Well H2A workers, by definition, are only here
21 for a matter of months, then they go back to their
22 home, whether it be Mexico or somewhere else.

1 And the effect of saying they must be present
2 continuously throughout the entire representation would
3 be clearly to say H2A workers would never be able to
4 get representation or practically never be able to.
5 Another important thing to remember is that this is not
6 limited to H2A workers. It is all legally resident
7 aliens. They are not citizens, but they are here
8 legally under one or another of the provisions of the
9 immigration law. There are about five or six different
10 classifications.

11 And so you can think of hypothetical
12 situations. You have someone, let's say, as the spouse
13 of an American citizen and is here legally resident in
14 the United States. And let's say that person is on
15 vacation when something happens, maybe some action that
16 violates a contract. And at that point a cause of
17 action was created.

18 But the spouse happens to be out of the
19 country, comes back -- maybe only out of the country
20 for a few days, comes back and a strict interpretation,
21 if you say they must be present, at the time of the
22 initiation of the cause of the action and throughout

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1 the entire representation would affect that type of a
2 legally resident agent. It isn't just the H2A workers.

3 So this has a much broader implication. Well,
4 Mr. Chairman and members of the committee, the
5 Commission met in Washington for an additional meeting.
6 We agreed upon two hearings out in the field. We have
7 had them, one at Duke University in North Carolina, one
8 at Stanford University in California.

9 We have five members of the Commission. We
10 have a sixth person, law professor, who is the
11 reporter. I told her she has the real job. You know,
12 the members of the Commission will listen, ask
13 questions, debate, and come to some conclusion, but she
14 has to actually write the report, which she is in the
15 process of doing.

16 We also have a consultant to the Commission.
17 His name is Romano Mazzolli or Ron Mazzolli, former
18 member of Congress from Kentucky, who was one of the
19 principal movers in the -- what is known as IRCA, the
20 immigration law that was passed in 1986.

21 And he has been invaluable for background as
22 to what the Congress -- how they viewed some of the

1 things that they were doing and some of the
2 negotiations that went on that led to the adoption of
3 the language that we are now faced with.

4 We are in the process of drafting the report.
5 At one time, we thought we might be able to have it to
6 present to the meeting here in Denver, but that was
7 just pushing it too hard. There is really no reason to
8 hurry. There are no lawsuits pending, there are no
9 things that require any immediate attention.

10 And I might say, by the way, that there is
11 also a question which the Corporation will have to
12 decide and we may give you alternative methods of
13 implementing the recommended interpretation by the
14 Commission.

15 For example, a general counsel opinion could
16 be given saying that it should be interpreted in this
17 way. Or it could be done by regulation adopted by this
18 Board more formally. And there are pros and cons of
19 doing it one way or the other. And so we are not going
20 to try to settle that in the Commission, but maybe give
21 you the alternatives and then together, with the
22 President, the Board can decide the best way to handle

1 it.

2 I believe that the report will be ready -- I
3 am quite certain it will be ready for the next meeting
4 of the Board. We will probably have one last meeting.
5 We have had one telephonic meeting of the Commission,
6 we will probably have one last meeting in Washington
7 where we can actually all sit down at the same table
8 and look over and massage and make changes in the
9 wording of the Commission report.

10 I think it is also interesting to just
11 contemplate what the impact of this might be. And the
12 fact is that however we interpret this, it does not
13 seem to be susceptible to direct attack. I don't know
14 that anyone would have standing to file suit to
15 question our interpretation.

16 Even those who may be the party to a lawsuit
17 in which an H2A or other alien is being represented
18 through Legal Services funds I don't believe have the
19 standing to raise the issue as to whether the alien has
20 the right to be represented by the Legal Services
21 Corporation or those that are funded by the Legal
22 Services Corporation.

1 I think we must also, however, be sensitive to
2 the fact that there is another forum, and that is the
3 Congress, in changing the language, although they may
4 have difficulty in doing that once they realize that it
5 applies to more than just H2A workers, unless they want
6 to adopt different qualifications in H2A over other
7 aliens.

8 It has been a fascinating process. For me
9 personally, very gratifying. The members of the
10 Commission are expert in their field, they have been
11 just great people to work with, and I am going to miss
12 them when it is all over.

13 CHAIRMAN EAKELEY: Nancy, did you want to add
14 anything to John's report?

15 MS. ROGERS: Only that John has done such a
16 fabulous job. He has been very careful and very
17 thorough through all the aspects of this.

18 CHAIRMAN EAKELEY: Thank you. You stole my
19 words. I wanted to say also just from all reports, and
20 we don't have the written report yet, that first the
21 Commission itself has just been very impressive both in
22 its constitution and in its operations and

1 deliberations.

2 And I think that the hand of a master is at
3 the helm in the form of the chairman, John Erlenborn.
4 And I just want to thank John and Nancy and the other
5 members for serving so well. And we look forward to
6 the report. And we thank you for it.

7 MR. ERLBORN: Mr. Chairman, there is one
8 other thing I would like to say, I forgot to mention,
9 because I think it is important that notice of the
10 hearings went out and in many ways, including in the
11 Federal Register. And anyone who wished to make
12 comments, written comments, was invited to do so. And
13 anyone who wanted to appear and give verbal comments to
14 the Commission at one of these two meetings was invited
15 to do so.

16 Everyone who asked to be heard before the
17 Commission was given that opportunity. And there was
18 only actually one organization that represented farmers
19 or agricultural producers. And that was the North
20 Carolina Farm Bureau.

21 And actually, the witness for the Farm Bureau
22 said, in questioning, that well, representing the H2A

1 workers for something that occurred here when they were
2 here and even if they went out of the country isn't
3 what bothered them. What bothered them was going out
4 of the country to recruit clients or potential clients.
5 In other words, what had happened in that incident down
6 in Mexico.

7 I have the feeling that some of the urgency or
8 maybe not -- I shouldn't use that word, but some of the
9 feeling that we had to take action because this was
10 going to be a hot issue, it may have cooled down and it
11 may be that agricultural producers are not going to be
12 greatly in opposition to whatever we recommend.

13 CHAIRMAN EAKELEY: All right. Any questions
14 of John?

15 (No response.)

16 CHAIRMAN EAKELEY: Then we thank you for the
17 report and we will look forward to the final product.

18 Last on this agenda item is the consider and
19 act on the appointment of Danilo Cardona as the acting
20 vice president for programs. And although Danilo is
21 well known to all of us and well admired and respected
22 by all of us, I think it is appropriate for John McKay

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1 to explain why he has selected and recommended Danilo
2 as the acting vice president.

3 MR. MCKAY: Thank you, Mr. Chairman. I am
4 very pleased to offer to the Board my recommendation
5 for the acting position of vice president for programs
6 and to ask the Board to confer that officer position on
7 Danilo Cardona, who has served the Corporation for
8 years with distinction as the leader in its current
9 form of compliance and enforcement.

10 He has sort of jealously guarded a flame at
11 the Corporation, which the Congress has looked to us,
12 perhaps more closely in recent years, but which has
13 always been at the foundation of the services we
14 provide. And that is to make sure that the limited
15 resources that we have are done in accordance with the
16 regulations of this Board and the will of the Congress.
17 And he has done that in an excellent way.

18 He has asked that he be allowed to return when
19 his term of service is over and we select a permanent
20 vice president for programs to compliance and
21 enforcement. And I have agreed. During this time,
22 Danilo has moved upstairs to the 11th floor. Some of

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1 the additional burden falls on his staff in compliance
2 and enforcement and they are up to it, although he
3 continues to serve, in effect, as the director of that
4 office during this period.

5 I also want to mention to the Board that this
6 also requires other staff to step up and provide
7 additional leadership; in particular, Ted Faris and
8 Mike Genz who have been here and participated in this
9 meeting, Bob Gross who continues to do a terrific job
10 leading in the area of state planning.

11 So we are very pleased that Danilo has agreed
12 to take on this additional burden, and he has already,
13 I think, exhibited the kind of leadership that we would
14 expect from him. So I am very pleased to present his
15 name to you. I know that his colleagues and friends at
16 the Corporation that work with him consider this to be
17 an honor, although Danilo may see it in addition as a
18 burden.

19 CHAIRMAN EAKELEY: And if appointed, will you
20 accept?

21 MR. CARDONA: On an interim basis, yes, sir.

22 (Laughter.)

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1 CHAIRMAN EAKELEY: All right. Any questions?

2 (No response.)

3 CHAIRMAN EAKELEY: Hearing none, I would
4 suggest that we put this request to a vote by
5 acclamation.

6 M O T I O N

7 MS. FAIRBANKS-WILLIAMS: So moved.

8 MR. ERLNBORN: Second.

9 CHAIRMAN EAKELEY: All those in favor of
10 appointing Danilo Cardona as acting vice president of
11 programs.

12 (Chorus of ayes.)

13 CHAIRMAN EAKELEY: Voted by acclamation.
14 Congratulations, Mr. Vice President, sir.

15 MS. WATLINGTON: He has been very, very
16 emphatic in letting you know he wants to get back to
17 his regular job.

18 MR. MCKAY: If I could just say, Danilo has a
19 pair of cowboy boots that he frequently wears to the
20 office. And we are not sure whether there is going to
21 be extra strength behind those boots, but we look
22 forward to your service. Thank you.

1 MR. CARDONA: Thank you very much.

2 CHAIRMAN EAKELEY: Good luck.

3 We are now at the breakpoint before going into
4 executive session. Why don't we entertain a motion to
5 go into executive session and then declare a five
6 minute recess and then come back.

7 M O T I O N

8 MR. ERLNBORN: Combined motion so moved.

9 CHAIRMAN EAKELEY: Okay. Combined motion.
10 All of those in favor?

11 (Chorus of ayes.)

12 CHAIRMAN EAKELEY: All right. We are now in
13 recess, coming back into executive session.

14 (Whereupon, at 3:35 p.m., the meeting was
15 adjourned to closed session.)

16 CHAIRMAN EAKELEY: We are back in open
17 session. Let's take one minute. Nobody leave the
18 room. Let the record show the public is now back in
19 the room.

20 Consider and act on other business. I think
21 the one thing I mentioned before, we will, as soon as
22 we find out what the White House has in mind by way of

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1 an event on July 27th, I think what we will try and do
2 is go down there and meet. And once that gets flushed
3 out a little bit, we will let everyone know and also
4 advise everyone of the desirability or advisability of
5 having a brief session perhaps devoted to strategic
6 planning at that time too.

7 MR. MCKAY: And I would just suggest,
8 Mr. Chairman, that -- and I will canvas any of you who
9 are interested and talk with our Board chair, but the
10 idea I have now just off the cuff is that since we are
11 talking about a Tuesday event at the White House, our
12 initial planning has been to try and do on the same day
13 an event on the Hill.

14 That may not work out. And so I am thinking
15 that Board members ought to maybe consider a travel
16 on -- possibly on the Sunday, be here on Monday and
17 Tuesday. I think it is going to be a wonderful two or
18 three days in the history of the Corporation.

19 We tried to plan without a date certain. Now
20 we have a date certain, as certain as it can be with
21 the President of the United States and the First Lady.
22 But I think with the date of Tuesday, we can do an

1 awful lot with that.

2 We are very committed to going up to the Hill
3 and making sure this is a bipartisan celebration of the
4 25th anniversary. And I think we ought to plan and
5 build around that. Maybe a dinner or something on
6 Sunday night that we can bring some stakeholders and
7 other folks who -- we have a lot of people that want to
8 celebrate this anniversary with us.

9 Not all will be allowed to go to the White
10 House. Not all will be able to attend the event on the
11 Hill. And I am thinking that we can do maybe a series
12 of events that will be a wonderful time for us and for
13 our clients.

14 MR. ERLENBORN: Do we know what time of the
15 day in terms of --

16 CHAIRMAN EAKELEY: No, we don't or type of
17 event even.

18 MR. ERLENBORN: Breakfast?

19 CHAIRMAN EAKELEY: We don't know a thing. We
20 have traded calls.

21 MR. MCKAY: We are hoping for mid morning to
22 late morning, which would be best in terms of news

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1 time. And our consultant really, who was working
2 closely with the White House through Mauricio's
3 offices, I am certain will be lobbying for that
4 beginning Monday morning.

5 CHAIRMAN EAKELEY: On other business, this is
6 an afterthought, but forgive me for the afterthought.
7 Mauricio had mentioned that one of the targets for --
8 one of the goals for the anniversary year is to do a
9 variety of things to enhance pro bono volunteer legal
10 assistance. It seems to me that it would be wonderful
11 if we could incorporate into that initiative a further
12 initiative for client assistance and self-help.

13 And secondly, I don't know where we are on
14 evaluating private attorney involvement programs at
15 grantees, but I know from personal experience in a
16 variety of fronts that the better the quality of the
17 PAI program, the easier it is to involve lawyers at any
18 level.

19 And if we had a few additional models or ways
20 to deal with that, this is the year's project, not an
21 event, but it is something that we may want to schedule
22 for Provisions or may want to ask John to report on or

1 do something on the pro bono. But also when we talk
2 about pro bono, also client self-help.

3 MR. MCKAY: Let me pass that on to our
4 director of PAI assessment, who is Anh Tu.

5 (Laughter.)

6 MR. MCKAY: And so I think all members of the
7 Board --

8 CHAIRMAN EAKELEY: She is traveling on her
9 birthday today. She is gone.

10 MR. MCKAY: Yes. I think all members of the
11 Board understand what has happened there. It is one of
12 the -- it actually is in our work plan to evaluate and
13 report to you on PAI this year. I think the important
14 aspect is to work in the client assistance part of your
15 suggestion. And I will take that back to Danilo and
16 meet with Anh.

17 Anh and I will actually be spending some time
18 together in Arizona in the next couple of days. And I
19 will discuss it with her. We don't want the top of her
20 head to explode, but we do have additional resources.
21 We have some wonderful new staff on the programmatic
22 side that I am anxious for you all to meet.

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1 CHAIRMAN EAKELEY: But I know -- I just -- we
2 will not achieve a meaningful increase in numbers of
3 attorneys participating in PAI activities without a
4 commensurate increase in the quality and outreach of
5 the PAI programs that you administer to all the
6 grantees.

7 MS. MERCADO: That is true. I mean, the
8 program in Texas is consistently one -- the pro bono
9 involvement has been with Texas Legal Services. And
10 the basis for that is because they have full-time PAI
11 staff that coordinates with the private bar setting up
12 clinics, you know, doing that kind of work. Although,
13 some of the funding is by private foundation and some
14 of it is by Legal Services.

15 CHAIRMAN EAKELEY: And this is not something
16 for a lot of work, but I think --

17 MS. MERCADO: But I mean, if you expect to
18 move, do it voluntarily out there. And it has to be
19 coordinated.

20 MR. MCKAY: No. We know that and I am a
21 little disappointed that we have not been able to bring
22 this to you at this point, but we will reload. And I

1 absolutely agree with the Board that it is very
2 important for us to go back and look at PAI right from
3 the ground up, the percentages, what is really
4 happening in the field. And we do need to do that.

5 CHAIRMAN EAKELEY: I do not mean to even
6 suggest criticism. I think that the quality and the
7 quantity of the work that is going on at the
8 Corporation right now is absolutely staggering and it
9 is inspiring. And I am sorry for saying this, but we
10 have three very nice staff members in the room, but
11 nobody else in the room. But it is truly remarkable
12 and something of which we should all feel very proud.

13 MR. ERLNBORN: Are you saying the current
14 present company excepted from the --

15 CHAIRMAN EAKELEY: No.

16 MR. FORTUNO: We will make sure that the
17 transcript is widely distributed.

18 CHAIRMAN EAKELEY: All right. Was that the
19 public comment that I just heard?

20 (Laughter.)

21 CHAIRMAN EAKELEY: All right. Five thirty,
22 Room 1502, for those of you who would like to join us

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1 for a brief cocktail reception.

2 MS. FAIRBANKS-WILLIAMS: 15 or 1602?

3 CHAIRMAN EAKELEY: 1502. You could try 16,
4 but the refreshments might not be as nice.

5 MR. ERLENBORN: Actually, if you go to 1602,
6 it will even be a briefer encounter.

7 CHAIRMAN EAKELEY: Nancy, thank you for having
8 us so long on the telephone. I know that is difficult.

9 MS. ROGERS: Well, thanks for including me and
10 have a good evening. I am sorry to miss.

11 CHAIRMAN EAKELEY: All right. We will look
12 forward to seeing you next month.

13 MS. ROGERS: Okay.

14 CHAIRMAN EAKELEY: I need a motion to adjourn
15 now.

16 M O T I O N

17 MR. ERLENBORN: So moved.

18 MS. WATLINGTON: Second.

19 CHAIRMAN EAKELEY: All those in favor?

20 (Chorus of ayes.)

21 MR. ERLENBORN: Bye Nancy.

22 MS. ROGERS: Bye-bye.

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(Whereupon, at 4:45 p.m., the meeting was
adjourned.)

* * * * *