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LEGAL SERVICES CORPORATION  
BOARD OF DIRECTORS

*Telephonic*  
BOARD MEETING

Tuesday, May 27, 2008  
2:00 p.m.

Legal Services Corporation  
3333 K Street, N.W.  
Washington, D.C.

BOARD MEMBERS PRESENT:

- Frank B. Strickland, Chairman
- Lillian R. BeVier, Vice Chairman
- Thomas A. Fuentes
- Herbert S. Garten
- David Hall
- Michael D. McKay
- Thomas r. Meites
- Jonann C. Chiles
- Sarah Singleton

1 STAFF AND PUBLIC PRESENT:

2 Staff:

3 Helaine Barnett, President

David Richardson, Treasurer

4 Charles Jeffress, Chief Administrative Officer

Patricia Batie, Manager of Board Operations

5 Mark Freedman, Assistant General Counsel

Alice Dickerson, Human Resources

6 Tracye Busbee, Human Resources Generalist

John Constance, Office of Government Relations

7 and Public Affairs

Victor Fortunato, Vice President for Legal Affairs,

8 General

Counsel and Corporate Secretary

9 Karen Sargeant, Vice President for Programs and

Compliance

10 Jeffrey Schanz, Inspector General, OIG

Laurie Tarantowicz, Assistant Inspector General and

11 Legal

Counsel, OIG

12 Katherine Ward, Executive Assistant, OLA

13 Public:

14 David Frost, American United Life

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## C O N T E N T S

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MOTIONS: 5, 10, 26, 31

## 1 P R O C E E D I N G S

2 MR. STRICKLAND: The meeting will now come to  
3 order. A meeting of the board of directors of the  
4 Legal Services Corporation, May 27, 2008, conference  
5 call, pursuant to a notice published in the Federal  
6 Register in accordance with law.

7 And for the reporter, I will just note for the  
8 record that Directors present and on the call are Sarah  
9 Singleton, David Hall, Jonann Chiles, Tom Fuentes, Herb  
10 Garten and Frank Strickland. And I will presume that  
11 the reporter has noted those present in the conference  
12 room in Washington.

13 Now, are there any others on the call, any  
14 public participants?

15 MR. FROST: Yes, David Frost.

16 MR. STRICKLAND: Okay. Are you affiliated  
17 with an organization, Mr. Frost?

18 MR. FROST: Yes, I am. With American United  
19 Life.

20 MR. STRICKLAND: Oh, yes. Thank you very much  
21 for refreshing my memory. I apologize.

22 MR. FROST: Oh, that's okay.

1           MR. STRICKLAND: All right, the first order of  
2 business then is to approve the agenda.

3           Is there a motion to approve the agenda as  
4 published in the Federal Register?

5                           M O T I O N

6           MR. HALL: So moved. This is David Hall.

7           MR. STRICKLAND: Is there a second?

8           MR. GARTEN: Second. Herb Garten.

9           MR. STRICKLAND: All right, any discussion?  
10 Hearing none, all those in favor of approval of the  
11 agenda please say "aye."

12                   [Chorus of ayes.]

13           MR. STRICKLAND: Those nay?

14                   [No response.]

15           MR. STRICKLAND: The ayes have it and the  
16 agenda is approved.

17           The next item is to consider an act on the  
18 board of directors response to the inspector general's  
19 semiannual report to Congress here to October 1, 2007,  
20 through March 31, 2008.

21           Who just joined us?

22           MS. BEVIER: Lillian.

1           MR. STRICKLAND: Dr. Lillian, all we've done  
2 is approve the agenda and we're getting ready to take  
3 up item 2.

4           MS. BEVIER: Okay, great. Sorry to be late.

5           MR. STRICKLAND: By the way Lillian, Tom  
6 Fuentes is on the line.

7           MS. BEVIER: Oh, wonderful. Tom, how lovely  
8 to have you with us.

9           MR. STRICKLAND: He's there.

10          MS. BEVIER: I know.

11          MR. STRICKLAND: He can hardly speak to us.

12          All right. I believe that all of us should  
13 have received a draft of a reply letter earlier this  
14 month. It's about a page and a half in draft addressed  
15 to The Honorable Linda Sanchez. I noticed just a  
16 technicality. We've addressed her as chair of the  
17 committee on the judiciary. I think we left out the  
18 name of her subcommittee in the inside address.

19          MR. \*SCHANZ: That's correct.

20          MR. STRICKLAND: If we could make that  
21 correction, I've forgotten the exact name of the  
22 subcommittee but she's not the chair of the committee

1 of the judiciary, but a subcommittee of that committee.

2 Isn't that right John?

3 MR. CONSTANCE: That's correct.

4 MR. STRICKLAND: Okay, and then it says 362  
5 Ford House Office Building. Is there a Ford House  
6 Office Building?

7 MR. SCHANZ: Yes, in honor of former  
8 congressman and former President Gerry Ford, there is  
9 in fact a Ford House Office Building. It's not the  
10 address that staffs of the hill aspire to but it is in  
11 fact a location a little bit off Capitol Hill, but it  
12 is a Ford office building.

13 MR. STRICKLAND: Okay, well, I apologize for  
14 not being continuing with that. Did another director  
15 join us?

16 MR. MEITES: Yeah, Frank, it's Tom Meites.

17 MR. MCKAY: And Mike McKay.

18 MR. STRICKLAND: And Mike McKay. Well, the  
19 last two folks that just joined us you'll be pleased to  
20 know that Tom Fuentes is on the line with us.

21 MR. MCKAY: Wonderful, Tom, welcome aboard.

22 MR. FUENTES: Thank you!

1           MR. STRICKLAND: Okay. For those who just  
2           joined we are taking up item two on the agenda which is  
3           our draft response to the LIG's report.

4           Is there any comment on the draft letter that  
5           was circulated? About a page and a half, it was sent  
6           to us by e-mail.

7           MR. CONSTANCE: Mr. Chairman, if I could just  
8           make one comment regarding this, this again is John  
9           Constance, Director of GRPA, for the record. Lest we  
10          think that LSC has done something highly unusual with  
11          this year's management letter, I just wanted to point  
12          out that this year's response is a bit more in keeping  
13          with the way the way most agencies do respond to their  
14          IG's semi-annual report.

15          The excellent and fulsome semi-annual report  
16          response that we have traditionally done as I mentioned  
17          to you at the last board meeting, we're planning on  
18          folding into a true annual report. But, essentially,  
19          what my experience has been and in conversation with  
20          the previous IG who had made this suggestion as well as  
21          one or two members of the board is that essentially the  
22          shorter response is a lot more traditional among

1 federal entities.

2           The only thing that is typically added are any  
3 charts or explanations of delayed responses to audit  
4 findings or anything that is in fact in question or  
5 regarding those findings. So, given the fact that we  
6 have nothing in that category, what we essentially  
7 added to our acceptance of the IG semi-annual report  
8 and the indication that we were in agreement with  
9 statistics in the tables was a very, very brief update  
10 on what we have been doing regarding GAO in the audit  
11 area. So, again, that's the explanation for the  
12 shorter submission.

13           MR. STRICKLAND: All right. Any other comment  
14 before I ask for a motion?

15           All right. Hearing none, I would entertain a  
16 motion that we approve the draft letter submitted to  
17 you previously dated May xx, 2008, addressed to the  
18 Honorable Linda Sanchez with the notation that the name  
19 of her subcommittee would be inserted on line 2 of the  
20 inside address of the letter.

21           Is there such a motion?

22 //

1 M O T I O N

2 MR. FUENTES: So moved.

3 MR. STRICKLAND: Second?

4 MS. BEVIER: Second.

5 MR. STRICKLAND: Any further discussion on the  
6 draft letter?

7 Hearing none, all in favor of the motion to  
8 adopt the draft letter please say "aye."

9 [Chorus of ayes.]

10 MR. STRICKLAND: Those opposed, "nay."

11 [No response.]

12 MR. STRICKLAND: The ayes have it and the  
13 motion is approved.

14 Item 3 is consider and act on adoption of a  
15 resolution on the selection of a new 403(b) plan  
16 administrator for LSC.

17 I believe that you have been furnished a  
18 resolution, and I think before we get to the resolution  
19 itself we need someone there in the conference room to  
20 lead us in the discussion on additional steps we've  
21 taken at the request of the board since our board  
22 meeting in Oklahoma City to document the process that

1 was followed.

2 Who might lead that discussion?

3 MS. BARNETT: Mr. Chairman, I am going to ask  
4 Charles to begin, and I just would like to note that  
5 David Richardson has also joined us here as well.

6 MR. STRICKLAND: Thank you. Go ahead,  
7 Charles.

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

9 At the last board meeting, the resolution  
10 passed by the board approved the selection of AUL as  
11 the 403(b) plan administrator pending outside counsel  
12 opinion that LSC had done everything legally required  
13 in terms of the due diligence for the selection of the  
14 new administrator. We contacted outside counsel, and  
15 you all have a memo on this, an e-mail from Vic,  
16 explaining this process.

17 We contacted the outside counsel. Outside  
18 counsel said well to truly give a legal opinion as to  
19 the accuracy of our process would be tantamount to an  
20 audit and his words were astronomically expensive; and,  
21 he suggested an alternative that their firm develop a  
22 checklist that a corporation consider changing its

1 administrator, pursue and go through in the course of  
2 its selection. And that we could then document the  
3 extent we address the issues in the checklist.

4 That is the approach that we have taken. We  
5 have explained that in written communication to you,  
6 and the new resolution that is on your agenda  
7 authorizes this approach as our due diligence approach  
8 and once again approves a selection of AUL based on  
9 this approach.

10 The checklist was sent to you. It had a  
11 number of bullets in it of things that we should pursue  
12 and check on if we were making this change in  
13 administrators, and the in-house team here that worked  
14 hard on the original selection. Alice Dickerson, our  
15 H.R. director, Tracye Busbee, benefits manager, David  
16 Richardson, the treasurer and controller, as well as  
17 myself, Vic Fortuno and Mark Freedman from OLA, went  
18 through this checklist, talked about what we had done.

19 We made some additional checks on the  
20 financial condition of AUL and AUL's parent company  
21 based on Herb Garten's suggestions that we do some  
22 additional research on the financial stability and

1 experience of the company. And unless someone has  
2 questions, I'll ask Alice to go briefly, point by  
3 point, through the checklist provided by outside  
4 counsel to document what we did to perform our due  
5 diligence on this company that we were proposing to  
6 select.

7 Before I turn it over to Alice, are there any  
8 questions?

9 Okay. Alice?

10 MS. DICKERSON: We began our process, the  
11 selection process, with six providers under  
12 consideration. We narrowed that down to two final  
13 candidates and then our serious due diligence was  
14 performed on just the two, final candidates.

15 On item 1, the particular services to be  
16 provided, all of the services that were going to be  
17 provided by each of the administrators were given to us  
18 in a very detailed proposal. We have outlined them  
19 here for you in item 1. I will be glad to go over them  
20 if you'd like.

21 If you prefer, if you feel that you have  
22 enough information from the written information, then

1 I'll go on to item 2.

2 MR. STRICKLAND: Any director who wishes more  
3 wishes more information, if you have the checklist,  
4 it's dated May 19th, in an e-mail message from Vic.

5 MS. DICKERSON: Yes.

6 MR. STRICKLAND: And you're following that  
7 checklist. Isn't that right, Alice?

8 MS. DICKERSON: That's correct. But there is  
9 the memo that we provided, the due diligence exercise  
10 by LSC which was dated May 23rd, and that includes each  
11 of the items on the checklist and our response to how  
12 we carried out our due diligence with regard with  
13 regard to that specific consideration.

14 MR. STRICKLAND: All right. Maybe we should  
15 then move to the memo and ask directors if anyone has  
16 any questions relative to the memo and the process that  
17 was followed by those that Charles identified as having  
18 worked?

19 MS. SINGLETON: I have a question. This is  
20 Sarah Singleton.

21 MR. STRICKLAND: Yes, Sarah.

22 MS. SINGLETON: On item 2, Alice?

1 MS. DICKERSON: Yes.

2 MS. SINGLETON: The American United Life  
3 Insurance Company rating by 'A.' Now, is that an 'A'?

4 MS. DICKERSON: Yes, 'A'. And the rating is  
5 'A'. And that is for excellent.

6 MS. SINGLETON: Okay, but is there any  
7 modifier associated with that rating? A little tiny  
8 letter after it?

9 MS. DICKERSON: No.

10 MS. SINGLETON: Is the AUL person still there?

11 MR. FROST: Yes, I am.

12 MS. SINGLETON: Is there a modifier to your  
13 rating?

14 MR. FROST: What do you mean by that?

15 MS. SINGLETON: Well, it could be an 'R',  
16 which would stand for reinsurance. They have a few  
17 different things that they sometimes will modify a  
18 rating with and I'm wondering if your rating has such a  
19 modifier.

20 MR. FROST: I'm not aware of any modifier.

21 MS. SINGLETON: If this is your current  
22 rating, what was your rating before this rating?

1           MR. FROST: Our rating has increased over the  
2 years. I can certainly send you over the years what  
3 the differences would have been, including our annual  
4 reports. So, therefore, I should show the financials  
5 throughout the years.

6           MS. SINGLETON: Well, all I'm asking is what  
7 letter rating did you receive from AMS from the prior  
8 rating period?

9           MR. FROST: Just a second, I'll get that for  
10 you.

11          MR. STRICKLAND: Is a rating period an annual  
12 thing or is it less frequent than that?

13          MR. FROST: The activity rate makes the  
14 ratings every year.

15          MR. JEFFRESS: This is Charles. The 'A'  
16 rating was released June 7, 2007.

17          MR. FROST: Right. I'll have to get you that  
18 history of ratings. So if you could bear with me, I'll  
19 definitely get that for you.

20          MS. SINGLETON: Well, do you know was it ever  
21 higher than an 'A'?

22          MR. FROST: No, actually. We've been at the

1 highest that we've been for many, many years.

2 MS. SINGLETON: Okay, you don't need to get  
3 any further information? I just wanted to make sure it  
4 wasn't going down.

5 MR. FROST: Oh, no. No, this is the highest  
6 in that respect.

7 MS. SINGLETON: Okay. Thank you.

8 MR. STRICKLAND: Okay. Does any other  
9 director have a question on any of the items on the  
10 memorandum as to due diligence?

11 MR. GARTEN: Herb Garten here. What prompted  
12 me to ask for more information was what I thought was,  
13 got a complete Dun & Bradstreet report that we'd  
14 obtained originally; and, I noted that Dun & Bradstreet  
15 said your company had not responded to numerous  
16 inquiries, if I recall it correctly, asking for current  
17 statements.

18 Is there any reason for that?

19 MR. FROST: No. I have absolutely no idea. I  
20 never heard of that before. We certainly will give  
21 statements with regards to our organization, being that  
22 we are mutually held. We don't have to report as much

1 as essentially a stock company; however, there  
2 shouldn't have been any, you know. I think they will  
3 supply you with as much financial information as  
4 possible on an annual basis if you wish.

5 MR. GARTEN: All right. I just want to point  
6 out to the board that we're dealing with a subsidiary.  
7 Then they want America Financial Partners, Inc., and  
8 that parent has a number of subsidiaries of which we're  
9 dealing with one.

10 MR. FROST: Right.

11 MR. STRICKLAND: Is the parent, to your  
12 knowledge, sir, a publicly traded company or is it also  
13 mutually held?

14 MR. FROST: If I may interject, it's also a  
15 mutually held company.

16 MR. STRICKLAND: That means, I take it from  
17 what you're saying, you probably have some annual,  
18 financial information, but not as much as required by  
19 the SEC for a publicly traded company. Is that it?

20 MR. FROST: That is correct, sir.

21 MR. STRICKLAND: Is it enough to indicate the  
22 financial strength of the company and its subsidiaries?

1 MR. FROST: Correct.

2 MR. STRICKLAND: Does the subsidiary you're  
3 dealing with publish its own separate financials, if  
4 you know?

5 MR. FROST: No, actually, we operate under  
6 what we call a mutual held company, which means that  
7 we're all mutually held within this organization. Does  
8 that make sense?

9 MR. STRICKLAND: Yes, in terms of, well, I'll  
10 ask whoever might know the answer to this. In terms of  
11 determining the financial strength of the entity with  
12 which we're dealing, how do we do that if we're looking  
13 at it in the context of something much larger in which  
14 it's one of several subsidiaries.

15 MR. JEFFRESS: Mr. Chairman, we asked David  
16 Richardson to look into this.

17 David, can you respond?

18 MR. RICHARDSON: Sure. What occurs is One  
19 America Financial Partners issues a consolidated  
20 financial report, which is audited. And in my review  
21 of AUL they provide to the statutorily required report  
22 and attestation report.

1           MS. BEVIER: David, could you talk a little  
2    louder, please?

3           MR. RICHARDSON: Sure, AUL provides an  
4    attestation report which is then used in helping to do  
5    the consolidated financial reports. I have since  
6    talked this morning to a representative from AUL and  
7    there are some audited statements available. They are  
8    going to be providing them to me today. I was hoping  
9    to have them before this meeting, but from what the  
10   lady had told me from their vice president's office,  
11   it's a very strong, financial report and it sort of  
12   tracks what the quarterly statements that is provided  
13   to the regulatory agency regarding retirement plans and  
14   insurance.

15          MR. STRICKLAND: I take it that you have not  
16    found anything other than strong, financial resources  
17    for AUL. Is that a fair statement?

18          MR. RICHARDSON: Yes, sir. That is.

19          MR. STRICKLAND: Is that David who responded?

20          MR. RICHARDSON: Yes, sir, it is.

21          MR. STRICKLAND: Is the financial statement  
22    that you're seeking the one of AUL or the parent?

1           MR. RICHARDSON: The AUL; but, just to go on,  
2 the AUL provides quarterly statements to the regulatory  
3 agency in discussing those with our vice president of  
4 finance office. They would track the reporting that  
5 they provide to the regulatory agencies, which does  
6 show a very strong, financial report.

7           MR. STRICKLAND: When you say, "they would  
8 track it," what do you mean by that?

9           MR. RICHARDSON: Normally, when you issue a  
10 report you issue interim reports. You also produce an  
11 annual report; and, the annual report, from what she  
12 was telling me, would track the audited statements that  
13 were prepared.

14          MR. STRICKLAND: Okay.

15          MR. RICHARDSON: And they also track the  
16 attestation report that is also prepared.

17          MR. STRICKLAND: And with which regulatory  
18 authority are these reports being filed? The state of  
19 Indiana Insurance Commissioner?

20          MR. RICHARDSON: That was one, yes, but I  
21 didn't really look into the complete reporting  
22 requirement. It just says statutorily reported

1 required, and that's on their web site. It shows the  
2 first quarter and each quarter of last year, then the  
3 annual and attestation report.

4 MR. GARTEN: It's Herb Garten. May I ask a  
5 question?

6 MR. STRICKLAND: Certainly.

7 MR. GARTEN: I have found out that D&B report  
8 section that I quoted, which says on July 26th, 2007,  
9 attempts to contact the management of this business has  
10 been unsuccessful. Outside sources confirmed name and  
11 location. What I wanted to particularly know more  
12 about, were the assets especially in view of the  
13 problems that many of the investment insurance  
14 companies have had with respect to the type of  
15 investments that they've gone into. And, I presume,  
16 that if you had a financial statement showing the  
17 company as of December 31, 2007, and I presume that's  
18 out by now, that we'd be able to know a little bit more  
19 about the present condition of the company. And I'm  
20 sure it's fine, and I'm sure that what we're hearing  
21 from David confirms the liquidity and you're in good  
22 shape, but the fact that we haven't seen a current

1 statement bothers me.

2 MR. FROST: Actually, if anyone can go to  
3 OneAmerica.com, you can actually pull up our current  
4 statement as David indicated that we actually do update  
5 them on a quarterly basis. But to me, to hit your  
6 question on the head with regards to the current,  
7 essential, financial services sector crises as such  
8 with regards to our holdings and mortgage-backed  
9 securities, we have had zero essential investments and  
10 mortgage-backed securities in our history. That's  
11 obviously a pretty big question these days.

12 MR. GARTEN: The reference you're giving us  
13 too is the current financial statement of the sub?

14 MR. FROST: Yep, the current financial  
15 statement can actually. David, do you have that copy  
16 of our current, financial statement?

17 MR. RICHARDSON: I do, and they're both  
18 available for 2007, the year-end, and the first quarter  
19 ending March 31 for both sub and the parent company.

20 MR. GARTEN: Okay. Well, as long as David's  
21 reviewed it, we have to rely on our representation, I  
22 think.

1           MR. RICHARDSON: Yeah, I have. And just to  
2 further state I think actually the problem that D&B  
3 doesn't have is just an internal problem that they  
4 have, because they're certainly available on the  
5 Internet through the postings that One America has.

6           MR. STRICKLAND: I'm looking at on the screen  
7 here of the financials that are published on your web  
8 site; and, of course, as you might expect, it's an  
9 abbreviated form, and you'd never be able to tell. At  
10 least I can't find it on the web site. I haven't tried  
11 very hard, but I doubt that you would find details of  
12 your investment portfolio just on the web site and  
13 maybe available anywhere.

14          MR. FROST: Right.

15          MR. STRICKLAND: But, are you telling us of  
16 your own knowledge or were you telling us of your own  
17 knowledge that the company has not invested in mortgage  
18 securities at all?

19          MR. FROST: Yes, our actual history goes back  
20 125 years. Our corporate culture is quite conservative  
21 in that respect as being a pension organization; and,  
22 even when I've spoken to our chairman and CEO with

1       respect to obviously the big question these days is  
2       what is your investment in mortgage-backed securities.  
3       We have had zero interest in mortgage-backed  
4       securities.

5               Most of our general investments have been in  
6       quite conservative holdings, as such. You know, I can  
7       certainly get, if you want, a more in-depth analysis  
8       with respect to our investments holdings from our CFO.  
9       I don't know how much information he's going to  
10      essentially give me in that respect, but I can  
11      certainly put that question in.

12             MR. STRICKLAND: Herb, do you have any other  
13      follow-up questions on this subject?

14             MR. GARTEN: No.

15             MR. STRICKLAND: And are you satisfied with  
16      the responses?

17             MR. GARTEN: I am.

18             MR. STRICKLAND: All right. Let's then go  
19      back to the checklist that has about 13 items, through  
20      roman numeral 13.

21             Are there any other questions from directors  
22      about the due diligence process memorandum?

1 All right, hearing none, I think we can then  
2 move to a motion for the resolution; and I believe it  
3 is resolution 2008-007 on the selection of a 403(b)  
4 plan administrator, which would supersede resolution  
5 2008-005.

6 Is there a motion to adopt that resolution?

7 M O T I O N

8 MR. FUENTES: So move the resolution as  
9 recommended.

10 MR. STRICKLAND: All right. That's a move by  
11 Tom Fuentes. Is there a second?

12 MR. GARTEN: I'll second it. Herb Garten.

13 MR. STRICKLAND: All right. Any further  
14 discussion on the resolution?

15 Let's proceed to a vote. All those in favor,  
16 please say "aye."

17 [Chorus of ayes.]

18 MR. STRICKLAND: Those opposed, "nay."

19 [No response.]

20 MR. STRICKLAND: The vote is unanimous and the  
21 resolution is adopted.

22 The next item is public comment. Is there any

1 public comment?

2 Hearing none, we consider and act on other  
3 business. Is there any other business to come before  
4 the meeting?

5 MS. BARNETT: Mr. Chairman, this is Helaine  
6 Barnett speaking.

7 MR. STRICKLAND: Yes, go ahead, Helaine.

8 MS. BARNETT: We would like to suggest that we  
9 draft for the board's consideration and review the  
10 revised charters for the operations and regulations  
11 committee and the governance and performance review  
12 committee and schedule a conference call, perhaps the  
13 latter part of next week, for the board's consideration  
14 as to the final language of those charters with the  
15 objective of having them approved by the board prior to  
16 the August 1 meeting.

17 That would help facilitate agendas for both  
18 those two meetings, and that will be the last meeting  
19 before September 1 when we're to make a final report to  
20 GAO. And so we would like it to be an action meeting;  
21 and, in order to do that, we would need approval of the  
22 board of the final charters for those two committees.

1           MR. STRICKLAND: That was an excellent  
2 suggestion. May I ask if you recall at the meeting in  
3 Oklahoma City. I believe it's item 15 on the board's  
4 agenda. There were a number of responsibilities that  
5 were sort of unassigned.

6           Are you contemplating a review of those items  
7 and including those in these drafts?

8           MS. BARNETT: Yes, we are.

9           MR. STRICKLAND: When I say those, I mean  
10 those responsibilities that were, I think, at the time  
11 of the meeting, unassigned in the charter of any  
12 committee.

13          MS. BARNETT: Yes, and trying to reflect the  
14 discussion at that time that those items would be  
15 incorporated in an expanded governance and performance  
16 with the committee.

17          MR. STRICKLAND: Correct. Speaking as one  
18 member of the board, I would welcome that exercise by  
19 you, Helene, and the management team. I think it would  
20 be very helpful to the board and overall to receive  
21 those draft charters, sooner, rather than later, so  
22 that we could review them and possibly adopt them as

1 early as we can so that we can, as you said, set  
2 agendas for those committees at the next meeting.

3 MS. SINGLETON: Mr. Chairman?

4 MR. STRICKLAND: Yes, Sarah?

5 MS. SINGLETON: I just wanted to say I agree  
6 with that, but next week I am traveling and I'm out of  
7 the office on business all week. So I could not do  
8 conference call-up, a board meeting.

9 MR. STRICKLAND: All right. I guess if we can  
10 get a majority of the board, it would be better for us  
11 to go ahead with this well in advance of the August 1  
12 meeting, which is essentially the months of June and  
13 July. And I know the following week Helaine and I are  
14 going to be aware for a while, days.

15 And of course the week of June 9th we have the  
16 executive director's meeting beginning June 9 and  
17 running 'til mid-day on June 11th. That's the second  
18 weekend in June. Well, many of us will be in  
19 Washington, I hope, for that meeting.

20 Anyway, maybe we'll need to poll the board,  
21 Helaine, and set a time for us to do that by conference  
22 call?

1 MS. BARNETT: We will certainly do that, and  
2 in the meantime, our intention is to send, before the  
3 end of next week, the revised drafts for the board's  
4 consideration.

5 MR. STRICKLAND: All right, let's do that;  
6 and, if I don't hear any objection from other board  
7 members, we will ask you to proceed along those lines  
8 and then we'll poll the board after we've had an  
9 opportunity to review the drafts as to a time when we  
10 can do that by conference call.

11 MS. BARNETT: Thank you. We'll proceed that  
12 way.

13 MR. STRICKLAND: Thank you for that  
14 suggestion.

15 All right, is there any other business?

16 MR. FUENTES: Frank, I just have a question.  
17 It's Tom Fuentes. I have a question. When and where  
18 is our next board meeting?

19 MS. BARNETT: In Wilmington, Delaware, on  
20 Friday, August 1 and Saturday, August 2.

21 MR. FUENTES: Thank you very much.

22 MR. STRICKLAND: Any more business to come

1 before today's meeting?

2 I would entertain a motion to adjourn.

3 M O T I O N

4 MR. FUENTES: So moved.

5 MR. STRICKLAND: Is there a second?

6 MS. SINGLETON: Second.

7 MR. STRICKLAND: I take it that's a unanimous  
8 vote and thank you for your participation today. And  
9 we certainly welcome Tom Fuentes. We're glad you could  
10 join us today, Tom.

11 MR. FUENTES: Thanks, Frank.

12 MS. BARNETT: And please note that all the  
13 staff at LSC feels the same way and are delighted, Tom,  
14 that you are home and back with us.

15 MR. STRICKLAND: Okay. We are adjourned.

16 Thank you everybody.

17 [Whereupon, at 2:36 p.m., the meeting was  
18 adjourned.]

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