

LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

MEETING OF THE
PERFORMANCE REVIEW COMMITTEE

OPEN SESSION

Saturday, August 2, 2008
10:45 a.m.

Sheraton Suites Hotel
422 Delaware Avenue
Wilmington, Delaware

COMMITTEE MEMBERS PRESENT:

Lillian R. BeVier
Herbert S. Garten
Michael D. McKay
Thomas R. Meites
Frank B. Strickland, ex officio

OTHER BOARD MEMBERS PRESENT:

Jonann C. Chiles (by telephone)
Thomas A. Fuentes (by telephone)
David Hall
Bernice Phillips-Jackson
Sarah Singleton (by telephone)

1 STAFF AND PUBLIC PRESENT:

2 Helaine M. Barnett, President

Karen M. Dozier, Executive Assistant to the President

3 Victor M. Fortuno, Vice President for Legal Affairs,
General Counsel, and Corporate Secretary

4 Mattie Cohan, Senior Assistant General Counsel

David L. Richardson, Treasurer and Comptroller,
5 Office of Financial and Administrative Services

Patricia D. Batie, Manager of Board Operations

6 Charles Jeffress, Chief Administrative Officer

Karen J. Sarjeant, Vice President for Programs and
7 Compliance

Jeffrey Schanz, Inspector General

8 Laurie Tarantowicz, Assistant Inspector General and
Legal Counsel, Office of the Inspector General

9 Ronald "Dutch" Merryman, Assistant Inspector General
for Audit, Office of the Inspector General

10 David Maddox, Assistant Inspector General for
Management and Evaluation, Office of the Inspector
11 General

Thomas Coogan, Assistant Inspector General for
12 Investigations, Office of the Inspector General

John Constance, Director, Government Relations and
13 Public Affairs Office

Stephen Barr, Media Relations Director, Government
14 Relations and Public Affairs Office

Douglas B. Canfield, Executive Director, Legal Services
15 Corporation of Delaware

16

Linda Perle, Center for Law & Social Policy (CLASP)

17 Charles A. Wynder, Jr., Vice President for Programs,
National Legal Aid and Defenders Association
18 (NLADA)

Hillary Evans, Civil Associate, National Legal Aid
19 and Defenders Association (NLADA)

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P R O C E E D I N G S

(10:45 a.m.)

CHAIRMAN BeVIER: I call to order the meeting of the performance review committee. And I'd like to point out a couple of things with respect to the agenda before we adopt it.

The agenda that is in your board book is not the agenda that was published in the Federal Register. The principal difference is that the agenda that was in the Federal Register has a provision for a closed session to consider and act on the contract of the president of the Corporation.

Un addition to that this morning, we have a vote of a majority of the board to take another aspect of this into closed session, and that is to consider and act on the procedures to discuss with the inspector general the process for assessment of his performance and other related issues. And we voted to have that also go into closed session. And that was a vote that we took this morning, and it is on the record. And I just wish to point that out to you.

With that in mind, I would ask for a motion to

1 approve the agenda.

2 M O T I O N

3 MR. MEITES: So move.

4 MR. GARTEN: Second.

5 CHAIRMAN BeVIER: All those in favor?

6 (A chorus of ayes.)

7 CHAIRMAN BeVIER: Thank you.

8 How about approving the minutes of the

9 committee's meeting of April 25?

10 M O T I O N

11 MR. MEITES: So move.

12 MR. GARTEN: Second.

13 CHAIRMAN BeVIER: All in favor?

14 (A chorus of ayes.)

15 CHAIRMAN BeVIER: The motion carries.

16 How about considering and acting on whether to

17 recommend to the board that the performance review

18 committee be reconstituted as the board's new

19 governance and performance review committee, whichever

20 the committee recommends to the board?

21 M O T I O N

22 MR. GARTEN: So move.

1 MR. MEITES: Second.

2 CHAIRMAN BEVIER: Is there any discussion of
3 this motion? I believe we discussed it, not at length,
4 but we did address it. And it seems to be that it's
5 something that we have a consensus on. We don't really
6 need to do a lot of fussing about it.

7 So we will take that motion as carried, and we
8 will recommend this to the board.

9 Item 5 is to consider and act on
10 recommendations made to the board in the -- wait a
11 minute. Item 4, consider and act on a charter to
12 recommend to the board for the governance and
13 performance review committee.

14 I take it thank you all received the revised
15 charter. The charter that's in your board book at page
16 147 through 151 has been replaced by a charter that Vic
17 sent by e-mail. I trust that you all have that
18 revision, those revisions, as of July 28, 2008.

19 Do we have a staff person that's going to help
20 us out here, or is that Vic?

21 MS. COHAN: I think Vic went to print out some
22 more copies. So he'll be back.

1 CHAIRMAN BeVIER: All right. That's fine.
2 Maybe we could just start all by ourselves and try to
3 make headway through this just by going -- first of
4 all, in general, are there questions from members of
5 the committee? Suggestions? Issues? Mr. Meites.

6 MR. MEITES: I'm baffled because in the
7 discussion of the charter in the ops and regs
8 committee, there was a suggestion that the governance
9 and performance review committee was going to do the
10 heavy lifting on evaluation.

11 CHAIRMAN BeVIER: Yes.

12 MR. MEITES: And I'm reading the new charter,
13 and I see nothing about evaluation in it, maybe because
14 I'm not reading it right. Or maybe I am.

15 CHAIRMAN BeVIER: It's in duties and
16 responsibilities, VI(5). "Shall lead annual reviews of
17 the role and performance of the board, its members, and
18 its committees, and report the results of such reviews
19 to the board for its consideration."

20 MR. MEITES: Ah, thank you very much.

21 CHAIRMAN BeVIER: You're welcome.

22 Are there other questions or expressions of

1 bafflement?

2 (Laughter.)

3 MR. GARTEN: That's a new word for him.

4 CHAIRMAN BeVIER: A new word for him? It's
5 the first time he's ever admitted it.

6 (Laughter.)

7 MR. MEITES: Boy, am I glad I'm not hurt by
8 this.

9 CHAIRMAN BeVIER: I have a couple of comments
10 that I would like to be -- one to be inserted and one
11 to be eliminated. I will just give my copy to Vic and
12 he can address it. It's on VI(1). It says, "Shall
13 establish and oversee the implementation of and
14 compliance with, the board's governance documents." I
15 don't think that that comma belongs there.

16 And also, in slightly different -- VI(8),
17 "Shall annually review and report to the board on the
18 performance and compensation of." "Shall annually
19 review" -- comma -- "and report to the board on the
20 performance and compensation of, the president and
21 inspector general." We should insert the second comma.

22 So since we are paying close attention to our

1 performance, I think our grammar is just as important
2 as any other aspect of what we do.

3 MR. GARTEN: Are the commas necessary?

4 CHAIRMAN BeVIER: Yes. Well, you don't need
5 them. No, that's true. You don't need either one of
6 them. You can take them both out or have them both in.
7 What's your preference?

8 (Pause)

9 CHAIRMAN BeVIER: What do you think? Let's
10 take them both out of it.

11 MR. GARTEN: I don't think they should be
12 there. Now I'm reminded that I think a war was caused
13 in Europe by someone sending out a memo and leaving in
14 a comma or leaving it out. I suggest we leave both
15 commas out.

16 CHAIRMAN BeVIER: On (8), in VI(8). That's a
17 good idea. Let's do it because I don't want a war
18 here. I'm having enough trouble as it is.

19 Now, I have not heard any questions from you.
20 What's the pleasure of the committee? Do you want to
21 go through these one by one, or do you feel like you
22 have a good enough sense of what the charter contains,

1 why it was drafted the way it is, what it is we're
2 supposed to be doing, and so forth?

3 There is one issue that strikes me as
4 something that I was hoping to have Vic's help on in
5 explaining to us. And that is VI(7), "Coordinate and
6 oversee the recruitment of candidates for president and
7 inspector general when necessary."

8 Mattie, are you coming to help us with that?

9 MS. COHAN: No. I'm just coming to confirm to
10 you that I confirmed with Vic that he'd been asked to
11 print out something. He ran upstairs to do that, and
12 he will be back down as soon as he can. And he knows
13 that you guys were looking for help on this issue.

14 CHAIRMAN BeVIER: Okay. Well, why don't we
15 wait till he comes down. And perhaps we can move on
16 with the agenda and address item VI(7) when Vic
17 arrives. Does that sound okay with you all?

18 MR. MEITES: Yes.

19 CHAIRMAN BeVIER: The next item on our agenda
20 is to consider and act on recommendations made to the
21 board in the Government Accountability Office report on
22 LSC governance. John, is this something that you were

1 going to talk to us about?

2 I should have mentioned, by the way, that this
3 committee has been -- is very fortunate because the
4 staff person generally assigned to us, apart from the
5 legal matters, is John Constance. So he's going to be
6 our guide and our taskmaster. And we very much
7 appreciate his efforts.

8 MR. CONSTANCE: Guide, yes. Taskmaster sounds
9 a little frightening. For the record, John Constance.

10 What I would say about items 5a through 5c are
11 as follows. I mean, there are a variety of ways to
12 certainly approach this as the committee. I think the
13 good news in terms of a number of these items is it's a
14 collection of things that we already have.

15 We have already, for example, oriented a new
16 board member at a recent time with the material that
17 was prepared for Jonann Chiles when she came on the
18 board. There has been an Office of Legal Affairs
19 memorandum regarding the duties of the board. There
20 are a variety of materials that we have put together --
21 the code of conduct, the training that was done this
22 morning.

1 I think some of this is certainly a collection
2 and organization of those things in a reasonable way
3 that we can certainly support the committee on that are
4 not prepared as of this moment, but the sense of the
5 committee, in terms of going forward, that they have
6 accepted these responsibilities and will be carrying
7 them out I think is appropriate.

8 Obviously, one of the items, orientation for a
9 new board, is a gift, if you will, that should be
10 prepared and ready for the next board of directors.
11 Ongoing training in various aspects can certainly be a
12 part of this.

13 The way most -- I would say this: In support
14 of the committee, Vic and I have been looking at the
15 literature from the Corporation for Public
16 Broadcasting, from other corporate boards, as to how
17 they formulate their training program and how they
18 formulate their orientation.

19 And I would say that for the consideration of
20 the committee, self-assessment by board members, for
21 example, going forward is the first step, and then
22 looking at what training should be for any particular

1 board. So there is a logical. order to this in terms
2 of some self-assessment document or some self-
3 assessment action first. And then in looking at that,
4 this committee can recommend to the full board what
5 training would be needed.

6 Some of this would be board-wide training.
7 Some of it can be for individual members, orientation/
8 reorientation kinds of things. But I think the
9 important starting point for some of these things that
10 are on this list are for certainly that aspect of self-
11 assessment, which would be, first, some kind of
12 training.

13 Somewhat second to parallel to that, as Vic
14 and I discussed, would be a collection of material that
15 we could put together and bring to this committee as
16 your staff support that could constitute orientation
17 for a board -- I mean, orientation for the next board,
18 and the preparation of that so that would be prepared
19 ahead of time.

20 CHAIRMAN BeVIER: That sounds good to me. Are
21 you suggesting that -- what do you envision is the next
22 step for this committee? I hear you saying that you

1 might prepare a self-assessment document. Would that
2 be for us as individual committee members, or would it
3 be for us as board members, or would they be combined?

4 MR. CONSTANCE: I think they could in fact be
5 combined. I mean, I think one of the things that Vic
6 and I found, that there are a number of boilerplate and
7 model self-assessment documents that are out there
8 already that are already generic enough to ask about
9 understanding of how do you feel about your
10 understanding of the finance statements? How do you
11 feel about your understanding of the code?

12 How do you feel -- you know, again. And then
13 also self-assessment on participation in terms of
14 involvement in all meetings and involvement in program
15 business, involvement in these kinds of things.

16 Those can be tailored, and we could put
17 together and send to you for the consideration of the
18 committee. And then that in fact could be acted on at
19 the next meeting in order to be distributed to the
20 entire board.

21 CHAIRMAN BeVIER: So we would get something in
22 advance of the next meeting. We'd look it over at the

1 next meeting. We would adopt the self-assessment
2 instrument, and perhaps in the January annual meeting
3 we would have the results of that back?

4 MR. CONSTANCE: That would be Correct.

5 CHAIRMAN BeVIER: All right.

6 MR. CONSTANCE: And again, mostly as is the
7 case under the authorities of the subcommittee, you
8 would be recommending to the full board, obviously,
9 that self-assessment instrument for whatever correction
10 and approval. And then it would be administered.

11 CHAIRMAN BeVIER: Right. Are there comments
12 from the committee about this? Tom?

13 MR. MEITES: I remember when we came on the
14 board, and we became the board overnight. And I knew
15 almost nothing. And I don't want to do that to our
16 successors. And I like the idea of starting to plan
17 now for when that occurs.

18 CHAIRMAN BeVIER: I agree. I not only don't
19 want to do it to our successors, I don't want to do it
20 to the Corporation because I think it ill serves the
21 Corporation to have the transition to be so abrupt.

22 Do you have in mind a particular way of

1 starting the planning in addition to providing these
2 materials?

3 MR. MEITES: No. I think this is the way to
4 start.

5 MR. STRICKLAND: Just to note, on planning for
6 a successor board, some of us will recall that we were
7 invited to attend board meetings immediately upon our
8 names being submitted to the Senate, in other words,
9 when we became known as nominees. And I would
10 anticipate doing the same thing again for a successor
11 board.

12 And in doing that, we'll need to plan for the
13 expense of bringing those people to board meetings. So
14 I would remind the folks working on the budget to
15 remember that in their planning process.

16 MR. FORTUNO: What we also did do, or are
17 starting to do, is that as folks were added to the
18 board -- for example, I think Bernice may have gone
19 through this, I think Lico did, Sarah Singleton may
20 have, and Jonann -- that is, having the new board
21 member come to LSC and spend a day there to meet with
22 staff to familiarize him- or herself with at least the

1 organization, the structure, the responsibilities of
2 various offices. And that's not to say that that's a
3 comprehensive orientation program. But we're starting
4 to take the first steps towards that.

5 MR. CONSTANCE: I would also add to that,
6 Madam Chairwoman, that as far as the -- when you look
7 at the literature out there about orientation, what
8 reminded me of it, Mr. Chairman, was the issue of
9 expenses.

10 Again, in the full range of things that could
11 be recommended as far as orientation, in the full range
12 of things that can be recommended in terms of training,
13 as one might expect with Sarbanes-Oxley, there are a
14 wide variety of consultants out there that are in the
15 business now of coming in and orienting boards and
16 training boards.

17 That is an option. It is not one that this
18 committee would need to recommend. But I just mention
19 that in passing as we review the literature. There
20 really is quite a business out there of folks that have
21 specialized in this to stay on top of all the nuances
22 and changes in the law -- not that our staff couldn't

1 perform that, but that is certainly an option.

2 CHAIRMAN BEVIER: Well, as we consider this,
3 it strikes me that succession planning is a really
4 important aspect of what this committee is supposed to
5 be doing. It's not formalized in here, but it does
6 seem to me that we might -- what we might ask staff to
7 do in addition is to prepare something slightly more
8 formalized about how we might pursue, in addition to
9 the materials, but perhaps to consider the option of a
10 consultant, what that would entail expense-wise, what
11 it would entail in terms of a savings of staff time or
12 an expenditure of staff time, issues like that.

13 I think it would be a really good thing to
14 have done, as Tom suggested, some real planning for the
15 next board, which is likely to take place in the coming
16 year.

17 MR. GARTEN: I'd like to add that I'm familiar
18 with many sessions that are held, group session, that
19 also would be a lot less expensive than bringing
20 someone here. And the people who are giving the
21 lectures are usually outstanding individuals. I'm very
22 familiar with it. And I think that might even be a

1 better way to indoctrinate new directors.

2 So we ought to keep our eyes open on these
3 programs. We seem to be getting something --

4 MR. FORTUNO: Yes. I think there are
5 alternatives. In some sort of hybrid way, there is
6 kind of a -- that kind of general presentation or
7 training; and then maybe a couple with some more
8 tailored presentations concerning our own
9 circumstances, the LSC Act and the IG Act and how we're
10 subject to FOIA and Sunshine, things of that nature.

11 And also, the duties and responsibilities memo
12 can be current in providing Sarbanes-Oxley for
13 nonprofits. What applies are the two provisions of the
14 recordkeeping and the whistleblowing. But all that can
15 be explained.

16 I think that we should be able to put together
17 a very comprehensive and helpful training program.

18 MR. STRICKLAND: One more comment. As I
19 understand the law, the current board serves until our
20 successors are nominated and confirmed. And the way
21 nominations are made, a particular nominee is nominated
22 to succeed a named individual.

1 MR. FORTUNO: Yes.

2 MR. STRICKLAND: And I would presume that a
3 new administration could have a choice: Either submit
4 11 names or do it piecemeal. A group of us ended up
5 being nominees for almost a year, maybe longer than a
6 year. And so that's why we were coming to meetings and
7 observing the goings-on at a meeting.

8 We may not have that opportunity. I mean, if
9 the confirmation process moves quickly, there's
10 really -- in other words, we could go out of office
11 between meetings.

12 MR. FORTUNO: Yes.

13 MR. STRICKLAND: I just wanted to remind
14 people of that possibility, as opposed to the version
15 we had where we were nominees for a long time, and then
16 all of a sudden we were confirmed and the old board
17 went out of office and we had to come to the next
18 meeting and take the helm.

19 MR. FORTUNO: I think the comparison to that
20 is the Hinckley board, which in late '93 came in as a
21 group. It wasn't staggered the way this board
22 ultimately turned out to be in terms of nomination and

1 confirmation.

2 MR. GARTEN: Lillian?

3 CHAIRMAN BeVIER: Yes, Herb?

4 MR. GARTEN: A group of us discussed the other
5 night the fact that it really is not in the interests
6 of the Corporation for an entire new board to come on.
7 What if anything could we do to suggest to whoever the
8 new administration is, or the Congress, that there be
9 staggered terms on the appointments?

10 MR. FORTUNO: I think the terms of the board
11 are staggered. I think what happens is typically -- or
12 what's happened certainly of late -- but I think
13 generally what's been happening with the LSC board is
14 that the board terms expire and directors hold over so
15 that the staggered system that's created in the LSC Act
16 doesn't really come into play because what happens is
17 when there's a new administration, they may, because
18 they've got a whole board of holdovers that have maybe
19 been holding over for any number of years, what they
20 sometimes do is just nominate a whole new board.

21 And that defies, I think, the institution of
22 the benefit of the staggered terms, which is what the

1 statute sets up. So I think the statute contemplates
2 staggered terms.

3 I think that the reality, what it's been of
4 late, is that we don't have the benefit of that. But
5 certainly that's something that I assume could be
6 shared with the White House personnel office or
7 whatever use they make of it.

8 MR. CONSTANCE: My experience is the challenge
9 there is when a new administration comes in, having
10 some years ago been on the other side of this, is that
11 it really is a -- depending upon the administration,
12 it's a pretty interesting process behind the scenes. I
13 mean, you can imagine the thousands of appointments
14 that they have to make.

15 But if we could get their attention and
16 basically have that submitted as a strong suggestion,
17 I'm sure they would appreciate it, given the fact that
18 anything that would be staggered would involve fewer
19 numbers that they would have to produce and put on the
20 Hill on a short basis.

21 MR. FORTUNO: You would see it play out the
22 way it was originally envisioned if the White House

1 were to renominate you as your terms expired so that
2 you would not be holdovers for very long. You would
3 always be serving a term.

4 And if that were the case, if you could all be
5 renominated as terms expired, you would now have terms
6 that end at different times. And the White House
7 could, if it wanted, nominate both on a staggered
8 basis.

9 As a practical matter, it's not the way it's
10 played out. But I agree with you. I think it makes
11 sense to have some institutional knowledge and
12 stability, and not just overnight there's a change
13 where you walk in the next day and there's a different
14 board sitting at the table.

15 CHAIRMAN BeVIER: It seems to me that since
16 we -- first of all, we have a hard time getting the
17 White House's attention. We're not even a full board
18 at this point.

19 It's all the more important that we play so
20 that the transition can take place without us being
21 around to give our wisdom and counsel to the new board,
22 that staff be in a position and that we have said,

1 here's what we needed to know. Here's what we hope
2 that you will have ready for the new board.

3 Because it's possible that the scenario that
4 Frank has suggested is going to take place. And if
5 they want to invite us to their first meeting, that's,
6 I suppose, their prerogative. I'm not sure it can be
7 budgeted for. In other words, it's very hard for us to
8 plan how we're going to be here to guide and help and
9 counsel.

10 So I think we need to have something that's
11 really in place in case the -- I guess I would say the
12 worst case scenario would happen, in which the new
13 board would be nominated and confirmed, and we would
14 just leave.

15 MR. FORTUNO: The point's well taken, and we
16 will certainly follow up on that and take it to heart.

17 MR. GARTEN: Well, it certainly would not hurt
18 to also have a memorandum with a suggested method of
19 appointment on a staggered basis.

20 MR. FORTUNO: Okay.

21 MR. CONSTANCE: I would say also, just the
22 only other thing I would add, is that in contemplation

1 of this and looking at the literature, there are --
2 there is one convention out there now, in terms of new
3 boards when there is a full turnover, to literally do a
4 two-day retreat kind of format, a consultant/staff
5 combination where it really would be intense.

6 It would be a lot more than would normally be
7 the case if you have a staggered and folks learning
8 from each other. So there are conventions out there
9 that assume that and also take that kind of intense
10 approach.

11 CHAIRMAN BeVIER: Right. That's a very good
12 thing for us to take under consideration, for us to be
13 thinking about, because I don't think that this is --
14 as we look to the future, it's possible we have two
15 more meetings, certainly, together. It may not be more
16 than that.

17 So for the good of the Corporation, we need to
18 make sure that something happens, that the new d comes
19 in and hits the ground running. I mean, you talk about
20 a staggered board; that's what we were.

21 MR. GARTEN: We also have to prepare for a
22 celebratory farewell celebration.

1 (Laughter.)

2 MR. FORTUNO: I think it's going to be a good
3 year and a half to two years. But I certainly believe
4 I can plan well in advance. I think it will be a while
5 before that case.

6 MR. CONSTANCE: You'll be in an excellent
7 position, Mr. Garten, to also recommend how to
8 fundraise for that.

9 (Laughter.)

10 CHAIRMAN BeVIER: All right. So we have
11 considered and acted on these recommendations, I
12 believe. Is there a consensus? Mike?

13 MR. MCKAY: Madam Chair, I just want to make
14 sure that with regard to this last issue -- and I think
15 transition is an important issue, and I'm glad that you
16 raised it -- do I understand that there's going to be
17 some memorandum prepared that would contemplate the
18 transition that we might look at at our next meeting?

19 CHAIRMAN BeVIER: That's what I understood we
20 were asking the staff to begin doing. And I'm not sure
21 it needs to be in something like final form, but to get
22 some preliminary thoughts, and so then perhaps we can

1 give you some guidance for the next time. But I do
2 think we'll need something in writing that we can have
3 a look at and consider for next time. Okay. Thanks
4 very much.

5 We have to go back now, Vic, to the --

6 MR. FORTUNO: Charter?

7 CHAIRMAN BeVIER: -- charter. And I think, if
8 I am understanding correctly the lack of questions from
9 the committee, what I am interested in having an
10 explanation from you about is the coordination and
11 oversight of the recruitment of candidates for the
12 president and for inspector general when necessary.

13 MR. FORTUNO: Yes.

14 CHAIRMAN BeVIER: And as you and I have
15 discussed, that departs from our prior practice, which
16 has been for the chair to appoint a search committee
17 each time we've had this issue raise.

18 MR. FORTUNO: In the past, traditionally
19 what's happened is the board established a search
20 committee. And while the bylaws provide that the board
21 makes the appointments to the committees, the practice
22 has been for the board to delegate that piece of it,

1 that is, the assignment to committees, to the board
2 chair.

3 So what's happened is when the need arises,
4 there is established a short-term selection committee.
5 The chairman is delegated the authority to make the
6 appointments to that committee. The chairman, he or
7 she, does so. The committee does its business, and the
8 committee is extinguished at the end of its search.

9 The change here is that there would be the
10 standing committee which, under this proposal, would
11 have the responsibility, when the need arises, to go
12 ahead and do what would ordinarily be done in the past
13 by a search committee.

14 So the question is: Do you want this
15 responsibility placed here, or do you want to continue
16 the practice of the past of establishing a special
17 committee for the exclusive purpose of recruiting and
18 making a recommendation to the board?

19 CHAIRMAN BeVIER: Thank you. What is the
20 pleasure of the committee or the thoughts of the
21 committee? Should this be -- should we do it as we've
22 done before, or shall we undertake a new responsibility

1 for us? Tom?

2 MR. MEITES: My sense of this is we should
3 leave this to the board. So I would just -- as a
4 question to raise at the board, I'd leave this issue
5 open.

6 CHAIRMAN BeVIER: Okay. So that when we
7 recommend --

8 MS. SINGLETON: I'm sorry. With the last
9 comments, there were a few that really were broken up.

10 CHAIRMAN BeVIER: Tom Meites suggested that we
11 leave this issue to the board. And so here's what I
12 propose to do.

13 When I bring our charter to the board with our
14 recommendation, the recommendation will include
15 adoption of the charter with one exception, and that is
16 that we want the board's advice and counsel and
17 decision about what to do about VI(7). And what the
18 board decides is what we will then include in the
19 charter. Is that your --

20 M O T I O N

21 MR. MEITES: Yes. I will turn that into a
22 motion.

1 CHAIRMAN BeVIER: That's a motion. Is there a
2 second?

3 MR. GARTEN: Second.

4 CHAIRMAN BeVIER: Sarah, was that clear?

5 MS. SINGLETON: Yes, it was. Thank you very
6 much.

7 CHAIRMAN BeVIER: With that motion, are we
8 ready to consider this charter and to vote on this
9 motion? All those in favor --

10 MR. STRICKLAND: Remind Vic about the comma,
11 now.

12 CHAIRMAN BeVIER: I will tell Vic about the
13 comma. We have to include one comma and take one out.
14 So it's a wash, basically.

15 All right. So that --

16 MR. MEITES: Lillian, we have to vote on the
17 motion.

18 CHAIRMAN BeVIER: Oh, I thought we did. All
19 those in favor say aye.

20 (A chorus of ayes.)

21 CHAIRMAN BeVIER: Opposed?

22 (No response.)

1 CHAIRMAN BeVIER: The motion carries. Thank
2 you.

3 Now we have the --

4 MR. FORTUNO: Madam Chairman, I just would
5 like to ask, I don't know if at the outset -- I've been
6 asked to see to another matter, so I was out of the
7 room when you got started. But I don't know whether
8 there was any discussion of a change to the agenda or
9 if you wanted me to address that.

10 CHAIRMAN BeVIER: We did discuss the agenda,
11 we changed it, and we adopted it as modified in the
12 board book -- no, not in the board book. As
13 modified --

14 MR. FORTUNO: This morning at breakfast.

15 CHAIRMAN BeVIER: It was modified this morning
16 at breakfast, yes. That's correct.

17 We have item 6 on the agenda is to consider
18 and act on procedures and timetable for annual
19 performance review of the president. I suggest that
20 it's premature for us to talk about this until we have
21 gone into closed session. And so I would move that we
22 proceed to consider and act -- we have decided, No. 7,

1 the board voted on having the discussion with the
2 inspector general in closed session.

3 That brings us to No. 8 on the agenda,
4 consider and act on other business. Is there other
5 business to come before the governance and performance
6 review committee?

7 MR. FORTUNO: If I may, Madam Chairman, again,
8 one last question.

9 CHAIRMAN BeVIER: Yes?

10 MR. FORTUNO: There was a ethics training in
11 the morning, and I don't know whether that was again
12 something you covered in the course of No. 5 before I
13 got here. I take it that the desire of the board was
14 to note on the record, whether here or at the board
15 meeting, the fact that the training on the code of
16 ethics and conduct did in fact occur and to note who
17 was present. So I would do that.

18 CHAIRMAN BeVIER: Thank you. John did make
19 sure that that was on the record, but I think it's
20 something that will be mentioned -- it certainly is
21 something that I will mention again at the meeting when
22 I'm reporting about this meeting.

1 MR. FORTUNO: Thank you very much.

2 CHAIRMAN BeVIER: Thank you. No other
3 business, as I can hear it?

4 (No response.)

5 CHAIRMAN BeVIER: Is there public comment?

6 (No response.)

7 CHAIRMAN BeVIER: There being no public
8 comment, I would like to go into closed session
9 pursuant to the agenda.

10 (Whereupon, at 11:15 a.m., the committee
11 adjourned to executive session.)

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