

LEGAL SERVICES CORPORATION
SUNSHINE ACT MEETING OF THE
BOARD OF DIRECTORS

OPEN SESSION

Monday, November 25, 2002

11:15 a.m.

The Legal Services Corporation
750 First Street, N.E., 11th Floor
Room 11026
Washington, D.C. 20002

BOARD MEMBERS PRESENT:

Douglas S. Eakeley, Chair
LaVeeda Morgan Battle, Vice Chair
John N. Erlenborn
Hewlett H. Askew
Edna Fairbanks-Williams
Maria Luisa Mercado
Thomas F. Smegal, Jr.
Ernestine P. Watlington
Nancy Hardin Rogers
Hon. John T. Broderick, Jr.

Staff Present:

Victor M. Fortuno, Vice President for Legal Affairs,
General Counsel & Corporate Secretary
Randi Youells, Vice President for Programs
Dawn M. Browning, Assistant General Counsel

* * * * *

C O N T E N T S

	PAGE
Approval of the agenda.	3
Consider and act on Board of Directors' Semiannual Report to Congress for the period of April 1, 2002 through September 30, 2002.	3
Consider and act on other business.	19

MOTIONS: Pages 3, 14, 16, 19, 20.

* * *

P R O C E E D I N G S

(11:15 a.m.)

CHAIRMAN EAKELEY: Let me convene the meeting, then. Having convened the meeting, I find I don't have the agenda for the meeting. Why don't we approve the agenda? Any changes or corrections to be made to the agenda?

M O T I O N

MR. SMEGAL: I so move.

MS. WATLINGTON: I second.

CHAIRMAN EAKELEY: All those in favor?

(A chorus of ayes.)

CHAIRMAN EAKELEY: Okay. Now that we've approved the agenda, what's on it?

MR. FORTUNO: The first item, Doug, is the "Approval of the agenda."

The second item is "Consider and act on Board of Directors' Semiannual Report to Congress for the period of April 1, 2002 through September 30, 2002."

CHAIRMAN EAKELEY: Great. Okay. Let me just lead off. I have two comments, and only two comments on our message.

1 First, I -- it seems to me that we ought to be
2 using this report, especially if it's our last, to be
3 reconfirming the need for greater financial support for the
4 work of our grantees and to close the gap between unmet legal
5 needs of the low-income Americans and resources that are
6 available, consistent with our appropriations message.

7 It seems to me that, rather than starting with the
8 announcement of Friends of Legal Services, we might want to
9 work that thematic in both at the beginning in and later on.

10 I had a question also. I defer -- it's great news,
11 but I don't -- are we leading with our chins a little bit in
12 highlighting the fact that we now have a permanent residence
13 funded by others?

14 Then thirdly, I think, related to -- I said I was
15 only going to have two comments, but my third comment is
16 related to the first.

17 When we get to Page 9 and we talk about
18 implementation of the 2000 Census, we say nothing about the
19 fact that that implementation has resulted in the loss of
20 some 39 million, or whatever it is, for the -- and then
21 mention the states that had lost that money.

1 MS. FAIRBANKS-WILLIAMS: Yeah, I wondered about
2 that. I think we should mention the states that have lost
3 the money.

4 CHAIRMAN EAKELEY: Yep.

5 MS. ROGERS: I agree.

6 MR. BRODERICK: This is John Broderick. I had the
7 same concerns at Page 1 here. When we're talking about the
8 new headquarters, which is a phenomenal accomplishment, but I
9 just wonder, to the uninitiated, whether they read that and
10 they think we're empire-building or something.

11 CHAIRMAN EAKELEY: Or don't need as much by way of
12 annual appropriation.

13 MS. MERCADO: That's how I read it. You know, you
14 can't ask for more money when you're building buildings like
15 this.

16 MS. FAIRBANKS-WILLIAMS: The other thing I wondered
17 about on Page 9, your little tree down at the bottom says
18 that you decided to freeze migrant funding because you did
19 not have sufficient information.

20 Is that -- are we allowing ourselves to say that we
21 don't know what the hell we're doing with migrant funding

1 when we say that?

2 MS. YOUELLS: No. What we're saying, and we could
3 make this more clear, what we're saying is that the migrant
4 stream does not track general patterns of population, and
5 there are no current statistics that would give us definite
6 word on what's happening with migrants, so we're going to try
7 to find those figures, who is coming in.

8 MS. FAIRBANKS-WILLIAMS: Well, then that should be
9 -- should say something a little different down there?

10 CHAIRMAN EAKELEY: Yeah, I think it might be
11 helpful to say something like just, our best judgment is that
12 the migrant worker population of the -- the population of
13 migrant workers and their families continues to grow and they
14 continue to be -- to experience legal distress, and that
15 rather than freezing funding, why don't you maybe just say,
16 continued funding at the current level?

17 MS. FAIRBANKS-WILLIAMS: And that we are continuing
18 to have more and more people, you know, that need help and so
19 on, so that they don't think they need to take that money
20 away from us.

21 CHAIRMAN EAKELEY: Yeah.

1 MS. MERCADO: That's a good point, Edna.

2 MR. BRODERICK: Doug?

3 CHAIRMAN EAKELEY: Yeah?

4 MR. BRODERICK: John Broderick. Let me ask you,
5 your comment, which I thought was a good one, about talking
6 about the needs, the unmet needs, do you envision starting
7 out at Page 1 with that or do you envision maybe even a
8 separate entry with some retrospective?

9 CHAIRMAN EAKELEY: Well, I think that the message
10 itself, we could start off with the first three -- I would
11 take out the Friends of Legal Services paragraph.

12 We could start off with what are now the second,
13 third, and fourth paragraphs, and then add as the last
14 paragraph in the up front overview, saying, "Despite all of
15 these many efforts to maximize the efficient use of federal
16 resources and to leverage them with state and local
17 resources, the need remains vast and unmet."

18 MR. BRODERICK: Would you be inclined, since this
19 is most probably our last semi-annual report to Congress, to
20 say that, to acknowledge that that's undoubtedly true, and in
21 a few lines, to recap what we started and where we are?

1 CHAIRMAN EAKELEY: Well, I would see a paragraph
2 like that here, and then right under "Funding and Grant-
3 Making Activities," on the second page of the background, we
4 could work it in right there.

5 MR. BRODERICK: It might be interesting to let them
6 know where this started in 1993 and where we are now.

7 CHAIRMAN EAKELEY: Mm-hmm.

8 MR. BRODERICK: Which is, we've lost ground from
9 where we started and the needs have grown substantially, and
10 I think it might be worth acknowledging this is probably our
11 last hurrah and we ought to just recap it.

12 CHAIRMAN EAKELEY: All right. I agree with that.

13 MR. ASKEW: Doug, this is Bucky.

14 CHAIRMAN EAKELEY: Yeah.

15 MR. ASKEW: I agree with the suggestion that we
16 move that paragraph, or I don't know if you said take it out
17 or move it, the Friends of Legal Services, but I think we
18 should open with a paragraph along the lines of what I think
19 you originally suggested, which is we're in the third or
20 fourth year of our strategic plan. The emphasis in the
21 strategic plan was improving the quality and improving the

1 quantity of legal services -- I mean, something that frames
2 this from the very beginning, about what the goals of the
3 Board were, or have been, over the last several years, we
4 continue along that line, and then these other paragraphs
5 flow from that.

6 CHAIRMAN EAKELEY: That's good. Actually, that
7 would also let us work in the integrity part of our strategic
8 plan, with compliance, enforcement, and the like.

9 MR. BRODERICK: Yeah.

10 CHAIRMAN EAKELEY: Dawn, are you getting all this?

11 MS. BROWNING: Yes

12 MR. BRODERICK: We may want to remind them, Doug,
13 in a nice way, I think everybody on this phone call who is
14 currently on the Board has been on the Board essentially
15 since day one.

16 I mean, this is a Board that's been in service for
17 nine-plus years, and I think at some point we ought to tell
18 them, as we end nine years in service on the Board, so that
19 somebody reading this will understand it's not coming from a
20 crowd that arrived Tuesday afternoon.

21 MS. FAIRBANKS-WILLIAMS: You know, that sounds like

1 a good idea.

2 CHAIRMAN EAKELEY: I like that, John. Yeah.

3 MR. BRODERICK: I think emphasis on tenure. There
4 aren't too many people who have served on any government
5 board for that long.

6 MS. ROGERS: Doug, on the implementation of the
7 2000 Census?

8 CHAIRMAN EAKELEY: Yep.

9 MS. ROGERS: I'm wondering, and this may not be a
10 good idea, but whether to add a sentence indicating that the
11 relocation or the reassessment has been particularly
12 difficult for those programs that had to be cut in the sense
13 that the cut came at a time when they were also being cut
14 often with their state funding.

15 CHAIRMAN EAKELEY: Yeah, I think that's --

16 MS. ROGERS: And so the appropriation has sought
17 additional funding to try to make that change in the program.

18 CHAIRMAN EAKELEY: I agree. I think we need to
19 find several different ways to work into this, the thematic
20 of the gap and the loss, and how it's compounded by reduced
21 yields on IOLTA, which is under review for constitutionality,

1 and state grants, when the states are under fiscal stress, as
2 well.

3 But yes, I agree that that would be important, both
4 in the implementation of the Census discussion, as well as in
5 the up front discussion about the inadequacy of federal
6 funding.

7 I do like the idea of sort of starting out saying
8 something like, this may be -- that this Board has been
9 reporting to the Congress for the past nine years. This may
10 be its last -- well, and we welcome the opportunity to
11 address the Congress one more time and provide our
12 perspective.

13 MS. ROGERS: I'm going to have to leave the
14 meeting. I'm sorry.

15 I think this is a good report, and all the
16 suggested changes of the discussion sound consistent with
17 what I believe, so I have no problems with the direction of
18 the discussion.

19 CHAIRMAN EAKELEY: Okay. Well, thank you very
20 much, Nancy.

21 MS. ROGERS: Thank you.

1 MS. BATTLE: Nancy, before you go, I'd like to make
2 a quick announcement for all of the members of the Board, if
3 you would, and if the staff could e-mail the performance
4 review forms so that we can all get those forms in. The due
5 date is upon us, and we've only gotten one in, I think
6 Edna's.

7 So if you would, all members of the Board, get your
8 -- if you can't find your materials from the last Board
9 meeting, Vic, if you could e-mail the forms to each of the
10 members of the Board so that they could respond and we could
11 finalize the performance review, I certainly would appreciate
12 it.

13 CHAIRMAN EAKELEY: Vic, could you add me to the e-
14 mail list of Board members in remiss?

15 MR. FORTUNO: Okay, will do.

16 MR. BRODERICK: Nancy?

17 MS. ROGERS: Yes.

18 MR. BRODERICK: Happy Thanksgiving.

19 CHAIRMAN EAKELEY: Yeah, happy Thanksgiving, Nancy.

20 MS. ROGERS: Same to all of you.

21 CHAIRMAN EAKELEY: And everybody else, too.

1 MS. ROGERS: 'Bye 'bye.

2 MR. BRODERICK: 'Bye.

3 CHAIRMAN EAKELEY: I think we've got consensus on
4 the subjects we've discussed so far. Are there any other
5 comments or suggestions on any other parts of the text?

6 MS. YOUELLS: Doug, this is Randi. I have some
7 questions about the specificity on Page 11 under "Private
8 Attorney Involvement."

9 Mentioning programs by name and then saying that
10 we've granted or denied waivers, without any explanation I
11 think may hold some of those programs out to more scrutiny
12 than would be necessary.

13 CHAIRMAN EAKELEY: Well, I thought the whole
14 section was a little bit more detailed than we normally have
15 provided, and I know John Eidleman's got a lot to report, but
16 I -- do we need that one particular subsection in there?

17 MR. ASKEW: I don't believe so.

18 CHAIRMAN EAKELEY: Yeah. I think my inclination
19 would be to take it out altogether. How does everybody else
20 feel about that?

21 MS. BATTLE: I agree.

1 M O T I O N

2 MR. ASKEW: So moved.

3 MR. ERLNBORN: The private attorney involvement
4 part?

5 CHAIRMAN EAKELEY: Yes, just that section.

6 MS. BATTLE: Naming those programs.

7 MR. ASKEW: Didn't Mauricio e-mail us or fax us
8 additional language for this report to be added?

9 MS. BROWNING: Yes.

10 CHAIRMAN EAKELEY: I thought that was in what we
11 got from Dawn under the November 18 memo.

12 MS. BROWNING: No, on November the 19th, Mauricio
13 gave some additional language about the budget, and I e-
14 mailed and/or Federal Expressed that additional language to
15 each of you on the 19th.

16 MS. FAIRBANKS-WILLIAMS: It came in under funding
17 and grant-making activities. I have it here. Do you want me
18 to read it?

19 CHAIRMAN EAKELEY: Yeah.

20 MS. FAIRBANKS-WILLIAMS: Okay.

21 "LSC provides funding to legal services programs

1 serving indigent persons throughout the 50 states and
2 District of Columbia, Puerto Rico, the U.S. Virgin Islands,
3 Guam, and Micronesia. To carry out the purposes of the LSC
4 Act, President Bush has recommended an LSC appropriation of
5 \$329,397,000 for fiscal year 2003.

6 "On July 18, 2002, the Senate Appropriations
7 Committee approved the Commerce, Justice, State, and
8 Judiciary appropriations bill which included LSC's FY '03
9 appropriations. To date, there has been no vote in the full
10 Senate. The House has yet to act on the bill in committee.

11 "Currently, LSC is being funded at FY '02 levels
12 and is operating under a continuing resolution set to expire
13 on January 11, 2003."

14 MR. ERLNBORN: That looks like it's incorporating
15 the last paragraph on Page 2.

16 CHAIRMAN EAKELEY: I don't have that, and I
17 obviously grabbed the wrong materials when I --

18 MR. ERLNBORN: I think, Doug, you got the one
19 that we were all sent.

20 CHAIRMAN EAKELEY: Yep.

21 MR. ERLNBORN: Dawn may have a later version.

1 CHAIRMAN EAKELEY: Yeah.

2 M O T I O N

3 MR. ERLNBORN: I'd just move that we'd add
4 Mauricio's language to the report at the appropriate place,
5 and that's in this Page 2.

6 CHAIRMAN EAKELEY: Yep.

7 MS. WATLINGTON: What happened about those names?
8 Is that deleted? Those programs' names?

9 MR. ASKEW: Yeah.

10 CHAIRMAN EAKELEY: Any other -- let's just go
11 through this quickly, if we could, then.

12 We've talked about the message and funding.

13 Management initiatives, any suggested changes for
14 Pages 3, 4, 5, that technology, 6, 7, 8? See, this is what
15 happens when McCalpin's not with us.

16 MS. WATLINGTON: I was just thinking the same
17 thing.

18 (Laughter.)

19 CHAIRMAN EAKELEY: Nine, 10, and then we dealt with
20 11.

21 Hearing none, I -- Victor, when is this due?

1 MR. FORTUNO: This is due the 30th.

2 MR. SMEGAL: 30th of November?

3 MR. FORTUNO: Yes.

4 CHAIRMAN EAKELEY: I think it would be helpful if
5 you and Dawn could craft -- could work in the comments that
6 we discussed and maybe solicit Mauricio's input, as well, and
7 I think we've got enough time, even though it's Thanksgiving
8 weekend.

9 What I'd like to do is maybe ask you to recirculate
10 this to the Board.

11 MR. FORTUNO: Sure.

12 CHAIRMAN EAKELEY: Or do you want to -- or what's
13 your preference, Board? Would you prefer seeing this again
14 or authorizing, delegating to me the final editorial
15 negotiation strategy?

16 MR. BRODERICK: Be happy to give it to you, Doug,
17 if you want it.

18 MS. FAIRBANKS-WILLIAMS: Yeah.

19 CHAIRMAN EAKELEY: I'd be -- I mean, I'd love to
20 get -- well, it's really whatever your preference is.

21 MR. ASKEW: Doug, I'd feel very disappointed if

1 Bill McCalpin didn't get an opportunity to amend it.

2 MS. WATLINGTON: I would, too.

3 CHAIRMAN EAKELEY: We'll give him that.

4 MS. WATLINGTON: We'll give you that, if you make
5 sure that Bill has an opportunity to see it.

6 CHAIRMAN EAKELEY: I will do that.

7 MS. WATLINGTON: Okay.

8 CHAIRMAN EAKELEY: Is everyone comfortable with
9 that process?

10 CHORUS: Yes.

11 CHAIRMAN EAKELEY: All right. Then I would
12 entertain a motion to approve the draft report as we have
13 discussed it to be amended, subject to final editorial
14 approval by your chairman.

15 M O T I O N

16 MS. MERCADO: So moved.

17 MS. WATLINGTON: Second.

18 CHAIRMAN EAKELEY: Any discussion?

19 (No response.)

20 CHAIRMAN EAKELEY: All those in favor?

21 (A chorus of ayes.)

1 CHAIRMAN EAKELEY: All those opposed?

2 (No response.)

3 CHAIRMAN EAKELEY: The ayes have it. Thank you for
4 that.

5 What's left on the agenda?

6 MR. FORTUNO: Item Number 3 on the agenda is,
7 "Consider and act on other business."

8 CHAIRMAN EAKELEY: Is there any other business to
9 come before this Board?

10 MR. ERLNBORN: Just happy Thanksgiving.

11 CHAIRMAN EAKELEY: Yes. Thanks. Happy
12 Thanksgiving to you all.

13 Anything else?

14 MR. FORTUNO: I was wondering whether that requires
15 a second.

16 CHAIRMAN EAKELEY: The happy Thanksgiving? A
17 motion to amend will require a second -- not to amend, a
18 motion to adjourn.

19 M O T I O N

20 MS. WATLINGTON: So moved.

21 MS. FAIRBANKS-WILLIAMS: I second that one.

1 CHAIRMAN EAKELEY: All those in favor.

2 (A chorus of ayes.)

3 CHAIRMAN EAKELEY: The ayes have it. We are
4 adjourned. Again, happy Thanksgiving. We'll see you next
5 month, after the holidays. What am I talking about.
6 January.

7 (At 11:32 a.m., the meeting was adjourned.)

8 * * * * *