

**Legal Services Corporation
Meeting of the Audit Committee
Open Session
Friday, July 27, 2012**

Chairman Victor B. Maddox convened an *open session* meeting of the Legal Services Corporation's ("LSC") Audit Committee ("the Committee") at 9:27 a.m. on Friday, July 27, 2012. The meeting was held at the Sheraton Ann Arbor, 3200 Boardwalk Street, Ann Arbor, MI 48108.

The following Committee members were present:

Victor B. Maddox, Chairman
Harry J.F. Korrell, III (by telephone)
Gloria Valencia-Weber
David Hoffman (Non-Director Member) (by telephone)
Paul L. Snyder (Non-Director Member) (by telephone)

Also attending were:

James J. Sandman	President
Richard L. Sloane	Chief of Staff and Special Assistant to the President
Rebecca Fertig	Special Assistant to the President
David L. Richardson	Comptroller and Treasurer
Jeffrey E. Schanz	Inspector General
Matthew Glover	Associate Counsel, Office of the Inspector General
Joel Gallay	Special Counsel to the Inspector General, Office of the Inspector General
David Maddox	Assistant Inspector General for Management and Evaluation, Office of the Inspector General
Carol Bergman	Director, Office of Government Relations and Public Affairs
Carl Rauscher	Director of Media Relations, Office of Government Relations and Public Affairs
Glenn Rawdon	Program Counsel, Office of Program Performance
Len Sanchez	Executive Director, Neighborhood Legal Services Michigan
Allan Tanenbaum	Non-Director Member, LSC Finance Committee
Chuck Greenfield	National Legal Aid and Defender Association (NLADA)

The following summarizes actions taken by, and presentations made to, the Committee: Chairman Maddox called the open session meeting of the Committee to order.

MOTION

Professor Valencia-Weber moved to approve the agenda. Mr. Korrell seconded the motion.

VOTE

The motion passed by voice vote.

MOTION

Mr. Korrell moved to approve the minutes of the Committee's June 25, 2012 meeting. Mr. Hoffman seconded the motion.

VOTE

The motion passed by voice vote.

Ms. Higgins, Director of Human Resources, presented a report on the 403(b) annual plan review and gave an update on the 403(b) plan annual audit.

Next, in discussing the Audit Committee charter revisions, Chairman Maddox acknowledged receipt of the Office of Inspector General's memorandum raising a number of objections. The Committee members briefly shared comments on the matter.

MOTION

Professor Valencia-Weber moved to table any action on the revised Audit Committee Charter so the Committee has the opportunity for further discussion and reconsideration. Mr. Snyder seconded the motion.

VOTE

The motion passed by voice vote.

Mr. Schanz, Inspector General, briefed the Committee on two reports recently issued by the Office of the Inspector General, and reported on the selection of WithumSmith+Brown to audit LSC's 2011 financial statements. Mr. Schanz answered Committee members' questions.

Chairman Maddox invited public comment and received none.

There was no other business to consider.

MOTION

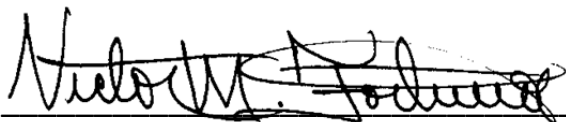
Professor Valencia-Weber moved to adjourn the meeting. Mr. Hoffman seconded the motion.

VOTE

The motion passed by voice vote.

The open session meeting of the Committee adjourned at 9:56 a.m.

I hereby certify that this is a true and correct copy of the minutes adopted by the Legal Services Corporation's Audit Committee on September 30, 2012.

A handwritten signature in black ink, appearing to read "Victor M. Fortuno", written over a horizontal line.

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