

LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

MEETING OF THE
GOVERNANCE AND PERFORMANCE REVIEW COMMITTEE
OPEN SESSION

Friday, July 27, 2012

8:45 a.m.

Sheraton Ann Arbor Hotel
3200 Boardwalk Street
Ann Arbor, Michigan 48108

COMMITTEE MEMBERS PRESENT:

Martha L. Minow, Chairperson
Sharon L. Browne
Charles N.W. Keckler
Julie A. Reiskin
John G. Levi, ex officio

OTHER BOARD MEMBERS PRESENT:

Robert J. Grey, Jr.
Victor B. Maddox
Laurie Mikva
Father Pius Pietrzyk, O.P.
Gloria Valencia-Weber

STAFF AND PUBLIC PRESENT:

James J. Sandman, President
Richard L. Sloane, Special Assistant to the President
Rebecca Fertig, Special Assistant to the President
Victor M. Fortuno, Vice President for Legal Affairs,
General Counsel, and Corporate Secretary
Jeffrey E. Schanz, 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
Kenneth Penokie, Executive Director, Legal Services of
Northern Michigan
Mary Kavanaugh-Gahn, Deputy Director, Legal Services of
Northern Michigan
Colleen Cotter, Executive Director, Cleveland Legal Aid
Herbert S. Garten, Non-Director Member, LSC
Institutional Advancement Committee
Allan Tanenbaum, Non-Director Member, LSC Finance
Committee

Chuck Greenfield, National Legal Aid and Defender
Association (NLADA)
Don Saunders, National Legal Aid and Defender
Association (NLADA)
Terry Brooks, American Bar Association

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Motions: Pages 4, 4 and 17

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

2 (8:45 a.m.)

3 CHAIR MINOW: Good morning. I'm Martha Minow,
4 and I'm calling to order the meeting of the Governance
5 and Performance Review Committee of the Legal Services
6 Corporation.

7 And I would entertain a motion to approve the
8 agenda from the last meeting.

9 M O T I O N

10 MS. REISKIN: So moved.

11 MS. BROWNE: I'll second.

12 CHAIR MINOW: Everyone in favor?

13 (A chorus of ayes.)

14 CHAIR MINOW: Thank you. And approve the
15 minutes of the last meeting from April 15th. Anyone
16 see any problems?

17 M O T I O N

18 MS. REISKIN: So moved.

19 PROFESSOR KECKLER: Second.

20 CHAIR MINOW: Thank you. I think we can treat
21 that as approved.

22 We have really only two items, and Carol will

1 help us with both of them. This is the staff report on
2 the certification letter that was sent to the
3 committees on the Hill, and then the report on the
4 progress in implementing the GAO recommendations. So
5 thank you, Carol.

6 MS. BERGMAN: Carol Bergman, Director of
7 Government Relations and Public Affairs.

8 On April 16th, we sent up to the Hill,
9 pursuant to the FY '11 Appropriations Committee bill
10 asking for an update of the status of completion on
11 outstanding actions from both GAO and the IG, and we
12 sent a letter of certification on the 16th indicating
13 that all of the GAO 2007 recommendations had been
14 completed, and that all of the outstanding eight audit
15 reports from the IG had been fulfilled. And we
16 attached to that a letter from the IG, verifying that
17 LSC had implemented those recommendations.

18 But the letter had not yet gone out at the
19 meeting of the Committee in April. So it's attached to
20 the materials for this Committee. And if there are any
21 questions, please let me know.

22 CHAIR MINOW: Are there any questions?

1 MS. BROWNE: I had one question, Carol, and
2 it's probably not dealing with the 2007 GAO report.
3 But I notice on page 64 of our board book, which
4 involves -- let's see. It's a memo from David
5 Richardson to the Finance Committee chairman, Robert
6 Grey. And on page 64, it talks about "a program
7 performance for consulting firm to review the internal
8 controls of the grant competition process per a
9 Government Accountability Office recommendation."

10 Is that -- okay.

11 MS. BERGMAN: Thanks. It's actually included
12 in my next report, which is the series of outstanding
13 GAO recommendations. This is on the ones from before
14 that were completed, certifying they were done.

15 CHAIR MINOW: That's what I thought was
16 happening. But I wanted just to make sure I understood
17 the process here.

18 MS. BERGMAN: Yes.

19 CHAIR MINOW: So any questions on the ones
20 that are done, which is the certifying letter?

21 (No response.)

22 CHAIR MINOW: Then let's move to the ones that

1 are outstanding. Oh, Julie?

2 MS. REISKIN: Sorry. This is just a comment.

3 I don't know if anyone in the outside world reads any
4 of these. But I noticed that there were several times
5 in the document where it said -- like it would say,
6 establish a time frame for such-and-such, you know, for
7 something to be done. And you would write in, and it
8 was done.

9 We established a time frame, but then you
10 didn't say what it was. And there wasn't a link. And
11 so for an outsider or someone to read it to say, are
12 these guys on track or not, you'd have to go dig up a
13 bunch of stuff. And I was just wondering if it could,
14 in the future, just say what it is or put a link or
15 something.

16 CHAIR MINOW: What is the time frame.

17 MS. REISKIN: Yes. I just don't know if
18 that's possible, or if anyone ever reads these. And if
19 not, maybe it doesn't matter. But I know it was kind
20 of frustrating for me reading that, just looking at it.

21 MS. BERGMAN: Well, again, actually, Julie, if
22 I may, I think you're really referring to the

1 multi-page document on the outstanding GAO
2 recommendations, which actually I don't gotten to. But
3 I think that's a really good idea because --

4 MS. REISKIN: Right. Well, even the ones
5 where it says "Completed."

6 MS. BERGMAN: No, no, no, no, no. They're
7 totally separate. I was referring to a letter that's
8 dated April 16th --

9 MS. REISKIN: Right.

10 MS. BERGMAN: -- that we sent up to the Hill
11 with regard to recommendations that have been closed.

12 MS. REISKIN: Oh, right. Yes. I was
13 referring to the multi-page document.

14 MS. BERGMAN: Exactly. And I just felt it
15 would not be appropriate to put links in this.

16 MS. REISKIN: Right.

17 MS. BERGMAN: But we certainly could put links
18 in the other.

19 CHAIR MINOW: So we'll move from the letter
20 that went up to the Hill already, and move to the
21 outstanding --

22 MS. BERGMAN: Yes. Sorry for the confusion.

1 Okay. So we're now on the multi-page document that
2 lists a series of -- there are 17 recommendations from
3 GAO. Actually -- yes, 17. And there's a status check
4 next to all of them. And Treefa had briefed folks at
5 the April board meeting, and this is really an
6 opportunity to provide a update. And I think that
7 we'll certainly take back, though, Julie, your
8 suggestion about how to make sure that there's more
9 information here.

10 So the really good news is that all of the
11 items that are listed on here as GAO being in the
12 process of formally closing them out, they have
13 indicated to us that they anticipate finally closing
14 them out by August 31st.

15 And in fact, their response in our latest
16 conversation with them was to express gratitude for
17 LSC's timing and diligence in providing evidence of and
18 implementing the recommendations. So that takes care
19 of the first one and the second one, that they expect
20 to send us final notice.

21 The third one which is listed here I think
22 goes to the question, Sharon, that you had about where

1 LSC is engaging an expert to develop and perform an
2 evaluation and assessment of the competitive grants
3 process. There has been a process of an RFP to get in
4 proposals, and that's moved along. Initially there
5 were a couple that were not really on point.

6 We now have one that we anticipate we're going
7 to be able to move forward with that is very responsive
8 to the RFP, and we should be able to move on that right
9 away.

10 On 4, again, is one of the ones that GAO
11 indicates to be completed by August 31st that we have
12 completed -- in other words, that they'll acknowledge
13 it.

14 Outstanding are 5 and 6. And these
15 are -- these were submitted in June, and GAO has been
16 reviewing LSC's request for a closeout. These also
17 have been held up. They expect that they will finalize
18 both 5 and 6 by August 31st, that there's no concern
19 with any of those.

20 Seven and 8 were ones that we had said that we
21 believed were closed in December. Similarly, they
22 expect to be done and to certify that by August 31st.

1 MS. REISKIN: Excuse me.

2 MS. BERGMAN: Yes?

3 MS. REISKIN: Is 8 completed?

4 MS. BERGMAN: Yes. Eight has been completed.
5 That was as of December 2011.

6 MS. REISKIN: Okay. It's just the language
7 sounded futuristic, like it will do this and will do
8 that. I just wasn't sure.

9 MS. BERGMAN: My understanding is that that is
10 completed.

11 On performance management, and we go to items
12 Nos. 9 and -- I got my pages out of order; okay --

13 CHAIR MINOW: Thirteen?

14 MS. BERGMAN: No. We're on --

15 CHAIR MINOW: Oh, I see.

16 MS. BERGMAN: Right. It's No. 9. This is,
17 the Board of Directors is developing a new strategic
18 plan. We've been in the process of revising the
19 employee performance evaluation system. The task here
20 was developing and implementing procedures to link
21 performance measures to specific offices and their core
22 functions.

1 There have been ongoing conversations between
2 Management and the Union to finalize a job analysis
3 questionnaire. And in fact, that has been completed
4 and was sent out to staff on July 25th, to the entire
5 staff of LSC. And they've been given three weeks to
6 complete that questionnaire. So it is all waiting
7 on -- that's the next step in that process. And that
8 applies to, actually, others down here, too.

9 On No. 10 is waiting on the final
10 implementation of the Board's strategic plan. And I
11 know that Jim plans to address that in his presentation
12 to the Board.

13 PROFESSOR KECKLER: Carol?

14 MS. BERGMAN: Please.

15 PROFESSOR KECKLER: You said you're doing 10.

16 I just wanted to add that aside from the strategic
17 plan, that also Operations and Regulations is amending
18 its charter in partial response to that issue, to
19 involve it.

20 MS. BERGMAN: Very good. Great. I will
21 update this. That's great to add. Thank you.

22 No. 11, staffing needs assessment. Similarly,

1 this was obviously drafted before the job analysis
2 questionnaire had been complete and sent out to the
3 staff. But again, that's the status of that, is moving
4 forward.

5 CHAIR MINOW: Let me ask a question that's
6 about 11.

7 MS. BERGMAN: Please.

8 CHAIR MINOW: It says, "In discussion with
9 Union." Is this something the Union actually has to be
10 involved in, or how does this work?

11 MS. BERGMAN: Jim, perhaps you're better
12 positioned to answer that.

13 PRESIDENT SANDMAN: The Union's participation
14 in this is important. Whether it's legally required,
15 I'm not certain. But we did come to an agreement with
16 very productive discussions. The Union understands the
17 need for us to have an effective performance management
18 system; it's been very cooperative in doing this. And
19 we've made progress.

20 CHAIR MINOW: Well, that's great. I just
21 wanted to be clear as to that. And I think there are a
22 couple others that make references to discussions with

1 the Union. It's wonderful to have a good, cooperative
2 relationship. But we cannot hold up our responsiveness
3 to Congress based on whether or not the Union is going
4 to participate.

5 PRESIDENT SANDMAN: We've had exactly that
6 discussion with the Union, about the importance of
7 this.

8 CHAIR MINOW: Great. Thank you.

9 MS. BERGMAN: Okay. So moving on to 12, it's
10 obviously in the exact same category. This is the
11 mechanism to ensure that staff receive annual
12 performance assessments. Obviously, again, the first
13 step is the job analysis questionnaire.

14 CHAIR MINOW: Can I just make one comment on
15 that one?

16 MS. BERGMAN: Sure.

17 CHAIR MINOW: We had fallen so far behind, and
18 we're often in a given year working on catching up to
19 performance reviews from a year or two before. So I
20 just wonder if we can just start at the present when we
21 do put in place the new process and not try to catch
22 up.

1 PRESIDENT SANDMAN: That is the plan.

2 CHAIR MINOW: Great.

3 MS. BERGMAN: And obviously, there's listed
4 here the completion date of 2014 to GAO. And they
5 appreciate what these are waiting on and what that
6 process is about, and are not looking for the same
7 timeline for these.

8 Budget controls in No. 13: Obviously, this is
9 one of the ones that they expect to certify by August
10 31st. And that's true for 14 and 15. These were all
11 closed last year.

12 And 16 is the grant application processing and
13 award. This is developing procedures for providing and
14 periodically updating training. LSC has been in the
15 process of finalizing the training procedures manual;
16 it was actually submitted to GAO on July 25th. And
17 they actually expect to be able to review it and get
18 back to us and finalize it by the end of August as
19 well. And 17, similarly, we believe was closed out in
20 December. And they again expect to certify that by the
21 end of the year as well.

22 So I think that completes the report.

1 CHAIR MINOW: Thank you very much.

2 Any further questions about the status of any
3 of these or how we're going?

4 (No response.)

5 CHAIR MINOW: All right. So when we're
6 awaiting GAO closeout, it's just their procedures.
7 Right? We have nothing further to do?

8 MS. BERGMAN: That's correct.

9 CHAIR MINOW: All right.

10 MS. BERGMAN: And their response has been very
11 positive to everything. They have not identified
12 anything that they are concerned about or needing
13 additional information.

14 CHAIR MINOW: That's excellent. Well, I think
15 we're on track, then, to get these all done. That's
16 wonderful.

17 That actually is the end of the prearranged
18 topics. I wonder if there's any other business anyone
19 wants to raise?

20 (No response.)

21 CHAIR MINOW: One topic that we may address in
22 the future in this Committee, and I'm not sure about

1 that, is research. But we're not at a moment where we
2 can do that -- that is, outcomes research.

3 So let me turn to public comment.

4 (No response.)

5 CHAIR MINOW: Then I will consider and act on
6 a motion to adjourn.

7 M O T I O N

8 MR. LEVI: So moved.

9 CHAIR MINOW: And a second?

10 MS. REISKIN: Second.

11 CHAIR MINOW: Great. I think that we will now
12 adjourn the meeting of the Governance and Performance
13 Review Committee. Thank you all very much, and thank
14 you, Carol.

15 (Whereupon, at 9:00 a.m., the Governance and
16 Performance Review Committee was adjourned.)

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