

LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

TELEPHONIC MEETING OF THE
INSTITUTIONAL ADVANCEMENT COMMITTEE

OPEN SESSION

Tuesday, September 4, 2012

11:04 a.m.

Legal Services Corporation
3333 K Street, N.W.
Washington, D.C. 20007

COMMITTEE MEMBERS PRESENT:

John G. Levi, Chairperson
Martha L. Minow
Robert J. Grey Jr.
Charles N.W. Keckler
Father Pius Pietrzyk, O.P.
Herbert S. Garten (Non-Director Member)
Frank B. Strickland (Non-Director Member)

BOARD MEMBERS PRESENT:

Julie A. Reiskin

STAFF AND PUBLIC PRESENT IN THE CORPORATION'S OFFICES:

James J. Sandman, President

Rebecca Fertig, Special Assistant to the President

Kathleen McNamara, Executive Assistant to the
President

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

Atitaya Rok, Staff Attorney, Office of Legal Affairs

Jeffrey E. Schanz, Inspector General

C O N T E N T S

OPEN SESSION	PAGE
1. Approval of agenda	4
2. Approval of minutes of the Committee's meeting of July 27, 2012	4
3. Consider and act on the Development Plan	4
4. Public comment	17
5. Consider and act on other business	17
6. Consider and act on adjournment of meeting	17

Motions: 4, 4, 12, 18

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

2 (11:04 a.m.)

3 CHAIRMAN LEVI: I'm going to call the meeting
4 to order, And ask for a motion to approve the agenda.

5 M O T I O N

6 PROFESSOR KECKLER: So moved.

7 FATHER PIUS: Second.

8 CHAIRMAN LEVI: Can I have a motion to approve
9 the minutes?

10 M O T I O N

11 MR. GARTEN: So moved.

12 CHAIRMAN LEVI: Second?

13 PROFESSOR KECKLER: Second.

14 CHAIRMAN LEVI: All in favor?

15 (A chorus of ayes.)

16 CHAIRMAN LEVI: We've received a development
17 plan, which I think is a combination of work of our
18 consultant, Bob Osborne, and then actually -- not
19 taking a crack at it -- with Jim. But certainly it is
20 open to all of us for comment. But its outgrowth is
21 the discussion that we had at our last meeting.

22 And I just want to see what people think about

1 it and if there's changes, recommendations, or
2 thoughts.

3 MR. GARTEN: Herb Garten here. I think
4 that -- I didn't find anything about -- I mentioned it
5 in the position description about that the plan is not
6 intended to undermine the separate fundraising
7 activities of LSC grantees. And I think it would be
8 helpful if, somewhere in these plan objectives, a
9 similar statement is included.

10 CHAIRMAN LEVI: I thought we put something
11 like that in there, Atitaya. Did we?

12 MS. ROK: I'm sorry. Can you repeat what the
13 similar --

14 CHAIRMAN LEVI: Competing with the grantees.
15 I thought -- maybe I'm getting confused with the
16 strategic plan's language. But --

17 MR. GARTEN: There is some reference to it
18 somewhere in here that I saw, but it really didn't
19 stand out the way it does in the position description,
20 "Principal Duties and Responsibilities."

21 CHAIRMAN LEVI: That's fine. We can put a
22 bullet on the plan objectives.

1 FATHER PIUS: Yes.

2 CHAIRMAN LEVI: Any other suggestions?

3 MR. GARTEN: Just a comment.

4 DEAN MINOW: It's Martha. I wondered about
5 the call for such -- for four people. That's a very
6 large staff when we've had none.

7 CHAIRMAN LEVI: Well, I wonder about that,
8 too. That was Bob Osborne's suggestion.

9 MR. GREY: What was your question, Martha?

10 DEAN MINOW: Why is there a call for four
11 people in a staff when we've never done anything like
12 this before and have no indication that it's going to
13 work? That's very expensive.

14 PRESIDENT SANDMAN: This is Jim. I think the
15 intention was that that would be a number that we would
16 move to over time.

17 MR. GARTEN: It says here three years. And
18 the question is whether it would be self-funded, too.

19 FATHER PIUS: Yes. It does say "by year 3."

20 CHAIRMAN LEVI: "Is probably needed by
21 year 3," it says.

22 DEAN MINOW: I mean, that's a very large group

1 for -- it has to be just rule of thumb that the office
2 can generate enough to triple or quadruple the
3 salaries. But even so, that's a minimum, and I
4 just -- I think it's kind of backwards. I think that
5 first you come up with ideas about what are benchmarks,
6 and then you figure out what the staffing will be and
7 whether you're making those benchmarks and can grow the
8 staff.

9 PROFESSOR KECKLER: I think that it's -- he's
10 imaging what could be done over time. But I think
11 you're right that it might be wise in the plan itself
12 to be clear that the growth of the staff is tied to the
13 growth of the development.

14 DEAN MINOW: Exactly. Thank you. Well said.

15 CHAIRMAN LEVI: I think we can make that edit.

16 MR. GARTEN: And we should.

17 MR. STRICKLAND: John, this is Frank. You
18 mentioned a moment ago about the effort of becoming
19 self-funding. And it's intended that it's paid out of
20 the LSC budget until that time?

21 CHAIRMAN LEVI: Well, I think, to get started,
22 probably. But we should be trying to find grants.

1 There are organizations that help establish. My
2 understanding, where not-for-profits had not had
3 development operations, there are foundations and
4 entities that are willing to offer support for that to
5 try to establish the office. And I would certainly
6 want to try to get some of that support if we can.

7 And then what I -- obviously, if we can't, I'd
8 like to proceed anyway. But the issue there is that
9 usually, with positions of this kind, with fundraising
10 folks you say basically you want to make sure you
11 fundraise at least something more than your salary,
12 certainly.

13 And so I don't know; self-funding may be a
14 funny phrase in the context of this Board. But
15 certainly, when not-for-profits analyze whether a
16 development position is paying for itself, they look at
17 what's the return on the investment.

18 MR. STRICKLAND: Right.

19 PROFESSOR KECKLER: This is a question for
20 Jim. At our last meeting -- and we can just talk about
21 this later, perhaps, if need be -- we were inquiring
22 into the legal infrastructure for our development

1 operation, and the Office of Legal Affairs was going to
2 develop something on that. I was wondering how that's
3 proceeding.

4 MR. FORTUNO: This is Vic. And if I may, Jim,
5 is it all right just to note that we should be able to
6 send you something. We do have an opinion; we should
7 be able to send you something in writing later today.

8 CHAIRMAN LEVI: But it supports it?

9 PROFESSOR KECKLER: Thanks.

10 MR. FORTUNO: It does, yes.

11 CHAIRMAN LEVI: Any other comments or
12 suggestions on the draft? And Frank Strickland, how
13 are you doing?

14 MR. STRICKLAND: I'm doing well. John is
15 addressing the fact I tore my hamstring muscle about a
16 month ago. So I'm doing quite well. Thank you for
17 asking.

18 CHAIRMAN LEVI: I thought maybe you were
19 having to be operated on. I wasn't clear.

20 MR. STRICKLAND: No, no. It was not that
21 severe. Physical therapy has done wonders for me. So
22 I'm up and about, and none the worse for the wear so

1 far.

2 CHAIRMAN LEVI: Okay. Any other comments?
3 Changes? These have all been good suggestions.

4 MR. GREY: John, this is Robert. I think I
5 would be a little bit careful on the alumni constituent
6 side -- I'm sorry, the constituent slide about former
7 employees. I think, from an alumni standpoint, just
8 as a general proposition, that's fine.

9 But for a fundraising alumni group, or tied
10 to this, I'd just be a little bit careful about
11 identifying former employees. That may be viewed as
12 over-reaching by Congress or somebody else looking at
13 this.

14 CHAIRMAN LEVI: I see what you -- so on the
15 alumni constituency?

16 MR. GREY: Yes. I think in a general sense
17 that you want everybody to be an alumni of or friends
18 of LSC.

19 CHAIRMAN LEVI: Right.

20 MR. GREY: But tied specifically to the
21 fundraising side of this, I would leave former
22 employees off the list just because I think it doesn't

1 show good form. I mean, it looks like we're digging a
2 little bit too deep a hole.

3 CHAIRMAN LEVI: Do folks agree? I think
4 that's a good observation. Jim, do you have an
5 objection to that?

6 PRESIDENT SANDMAN: No. I think that's a good
7 suggestion.

8 CHAIRMAN LEVI: Yes.

9 MR. GREY: And it may be -- grantee leaders,
10 I'm not sure, is the same thing. I'm not sure exactly
11 what that means. But it's got employees there, too,
12 and I would think you want to leave that off.

13 CHAIRMAN LEVI: Right.

14 MR. GREY: But for grantee leaders, I'm not
15 sure that that's -- I don't know exactly who that is.
16 I don't know whether that's volunteers or whether those
17 are paid executives or what that is. So we just need
18 to figure out what that is, who those individuals are.

19 CHAIRMAN LEVI: I think they were volunteer
20 leaders, but --

21 MR. GREY: That makes sense, then. But I
22 would just leave all these employees off.

1 CHAIRMAN LEVI: Any other comments?

2 (No response.)

3 CHAIRMAN LEVI: Well, we'll circulate a
4 revised draft. And in the meantime, and I guess we
5 won't -- because we do -- I guess what we could do
6 is say we'll revise the draft, and based on that
7 prospective revision, act on the plan as the
8 suggestions for revisions are made today, trusting
9 that they can be made. And then we don't have to
10 reconvene to vote it.

11 But what do people feel about that?

12 MR. GARTEN: I think it's a good procedure.

13 CHAIRMAN LEVI: Well, why don't we
14 make -- someone could move to adopt the plan, as
15 amended through our discussion today. And we'll
16 circulate a new draft, and if people have any concerns
17 about how we reflect it, we can adjust it. If
18 that's --

19 M O T I O N

20 MR. GARTEN: I so move.

21 CHAIRMAN LEVI: Is there a second?

22 MR. GREY: Second.

1 CHAIRMAN LEVI: All in favor?

2 (A chorus of ayes.)

3 CHAIRMAN LEVI: Then we were given a job
4 description for a chief development officer, and I
5 would like to discuss that, and also see whether we can
6 get this approved so we can get moving.

7 One of the things that's been striking this
8 year under Jim's leadership is, in fact, we've had some
9 development activity. Maybe we could have had even
10 more. But the development activity, in my judgment,
11 has not been insignificant when you put a dollar number
12 next to it. It's in the hundreds of thousands.

13 And so I think we do need to establish this
14 role. And as we have learned from other hiring with
15 LSC, because of the complexity of the organization and
16 our ability to pay, it takes quite a long time to
17 complete a hiring.

18 And so I not saying we have to move on this
19 today. But the sooner we do, the chance of getting the
20 role filled, I think we have to be realistic here.

21 MR. FORTUNO: If I may, John -- this is Vic
22 Fortuno again -- unless that comes under item 3,

1 consider and act on the development plan, it's not on
2 the agenda for today.

3 CHAIRMAN LEVI: It is. No. It's on number 4,
4 item 4. Consider and act on a job description for a
5 chief development officer.

6 MR. FORTUNO: That was removed.

7 CHAIRMAN LEVI: Not from mine.

8 DEAN MINOW: It's not in the Federal Register.

9 FATHER PIUS: Not yet, John.

10 CHAIRMAN LEVI: The Federal Register notice
11 that I have? It's been removed?

12 MR. FORTUNO: Do you have a signed Federal
13 Register notice, or were you looking at some earlier
14 draft?

15 CHAIRMAN LEVI: Well --

16 MR. FORTUNO: Because the notice signed on
17 August 28th and submitted to the Federal Register
18 doesn't have that item.

19 CHAIRMAN LEVI: Okay.

20 MR. FORTUNO: And I'm being told that that was
21 removed.

22 DEAN MINOW: Who removed it and why?

1 MS. ROK: This is Atitaya. It was removed
2 from the Federal Register notice because the position
3 is not an officer position.

4 CHAIRMAN LEVI: Oh, I understand. I know why.
5 Because it's not an officer position. But we still
6 want to have -- didn't we sent around the job
7 description?

8 MS. ROK: We did, yes.

9 CHAIRMAN LEVI: Yes. And I do want to have a
10 conversation about it. But I think the point was that
11 it didn't require a committee vote. That's the issue.

12 DEAN MINOW: So I don't know that we need to
13 actually meet as a committee to discuss this.

14 CHAIRMAN LEVI: No. Although if people have
15 input on the draft --

16 DEAN MINOW: Sure. So there's no problem
17 discussing it because it falls under the implementation
18 of the plan.

19 CHAIRMAN LEVI: That's correct. That's what
20 we decided. And I was part of that decision; I
21 apologize for not remembering that.

22 DEAN MINOW: But unless I'm missing something,

1 Vic, there's no problem discussing this?

2 MR. FORTUNO: No.

3 PRESIDENT SANDMAN: The position description
4 wasn't sent in this most immediate email. It was sent,
5 what, several months ago, the one that we had first
6 looked at many months ago?

7 MS. ROK: This is Atitaya. I sent it, I
8 believe, last week soliciting input from the committee
9 members.

10 CHAIRMAN LEVI: Well, I tell you what. Since
11 we don't have -- why don't you recirculate it today.

12 MS. ROK: Sure.

13 CHAIRMAN LEVI: And people can take a look at
14 it. If they have comments, they can send an email, if
15 people didn't have a chance to take a look at it. But
16 it's a fairly standard position description, and it
17 seems to cover, in my view, what the plan calls for.

18 But if folks have -- it will get posted, so if
19 folks have concerns or questions or issues, they should
20 either say that now or they can send an email to me or
21 Jim, or both.

22 MR. GARTEN: John, Herb Garten here. I did

1 receive it, and as I commented earlier, there was
2 language in it that I thought was very appropriate.

3 CHAIRMAN LEVI: Right.

4 MR. GARTEN: I think it was very well written,
5 and I'm very much in favor of it.

6 MR. GREY: Robert Grey. Me, too.

7 CHAIRMAN LEVI: Okay. Any public comment?

8 (No response.)

9 CHAIRMAN LEVI: Any other business?

10 (No response.)

11 CHAIRMAN LEVI: Anybody want to present us
12 with a million dollar gift?

13 (Laughter.)

14 CHAIRMAN LEVI: I didn't hear that, so okay.

15 MR. STRICKLAND: The check's in the mail,
16 John.

17 MR. GARTEN: I'm buying some lottery tickets,
18 John.

19 CHAIRMAN LEVI: I guess I was short a zero on
20 that, anyway. So in any event, with that, I don't hear
21 any other comments or issues. Could we have a motion
22 to adjourn?

1 M O T I O N

2 DEAN MINOW: So move.

3 FATHER PIUS: Seconded.

4 CHAIRMAN LEVI: All in favor?

5 (A chorus of ayes.)

6 CHAIRMAN LEVI: Thank you, everyone.

7 (Whereupon, at 11:22 a.m., the Committee was
8 adjourned.)

9 * * * * *

10

11

12

13

14

15

16

17

18

19

20

21

22