

LEGAL SERVICES CORPORATION  
BOARD OF DIRECTORS MEETING

OPEN SESSION

January 13, 1992

10:00 a.m.

The Washington Court Hotel  
525 New Jersey Avenue, N.W.  
The Ballroom Center  
Washington, D.C. 20001

Board Members Present:

George W. Wittgraf, Chairman  
Guy V. Molinari  
Howard H. Dana, Jr.  
J. Blakeley Hall  
Jo Betts Love  
Penny Pullen  
Thomas D. Rath  
Basile J. Uddo  
Jeanine E. Wolbeck

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Executive Office

Staff Present:

John P. O'Hara, President  
Patricia Batie, Secretary  
David Richardson, Treasurer and Comptroller  
Victor Fortuno, General Counsel  
Emelia DiSanto  
Charles Moses  
Edouard Quatrevaux, Inspector General  
Susan Sparks

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CHAIRMAN WITTGRAF: Good morning. This regularly scheduled meeting of the Board of Directors of the Legal Services Corporation will be in order, this being the annual meeting required by our governing statute.

At this time, we have eight of the 11 members of the Board present. I think the nameplates match up pretty accurately with the people sitting behind them. Also present with us is the president of the Corporation, Jack O'Hara.

It's my understanding that board member Molinari will be joining us momentarily. Because of, on the one hand, a trial commitment, and, on the other hand, a confirmation hearing, board members Kirk and Shumway do not anticipate being able to join us today, although it's possible they will join us through the day by telephone.

At this time, the Chair is prepared to entertain a motion for approval or adoption of the agenda as presented.

## M O T I O N

MR. RATH: So moved.

CHAIRMAN WITTGRAF: It's been moved by Mr. Rath, seconded by Mr. Dana. Is there discussion on the agenda as presented?

1 (No response.)

2 CHAIRMAN WITTGRAF: Hearing none, those who are in  
3 favor of the adoption of the agenda as presented will signify  
4 by saying aye.

5 (Chorus of ayes.)

6 CHAIRMAN WITTGRAF: Those opposed, nay.

7 (No response.)

8 CHAIRMAN WITTGRAF: The ayes appear to have it.  
9 The ayes do have it. The agenda is adopted.

10 The next order of business is the election of a  
11 Chair and Vice Chair for the board. At this time, the Chair  
12 will turn the meeting over to Mr. Rath for the purpose of the  
13 election of a chair.

14 MR. RATH: I guess that means I don't get it.

15 CHAIRMAN WITTGRAF: You said you were too busy,  
16 Mr. Rath.

17 ELECTION OF CHAIRPERSON AND VICE CHAIRPERSON  
18 OF THE BOARD OF DIRECTORS

19 MR. RATH: I'll entertain nominations for the  
20 position of Chairman of this Board.

21 MR. HALL: May I be recognized?

22 MR. RATH: Mr. Hall.

## M O T I O N

1  
2 MR. HALL: I would nominate George Wittgraf to be  
3 our next Chairman of the Board. I think he's demonstrated  
4 his ability to run a board meeting efficiently and has  
5 demonstrated able leadership, and I place his name in  
6 nomination.

7 MR. RATH: Thank you, Mr. Hall. Is there a second  
8 to that nomination.

9 MS. LOVE: Second.

10 MR. HALL: Seconded by Ms. Love. Are there any  
11 further nominations?

12 (No response.)

13 MR. HALL: Hearing none, the Chair will declare the  
14 nominations are closed. All in favor of the nomination of  
15 Mr. Wittgraf to the position of Chairman say aye, please.

16 (Chorus of ayes.)

17 MR. HALL: Contrary minded?

18 (No response.)

19 MR. HALL: The ayes appear to have it. The ayes do  
20 have it. Mr. Wittgraf, you are the Chairman.

21 CHAIRMAN WITTGRAF: Thank you, Mr. Rath. Thank  
22 you. At this time, the Chair is prepared to entertain

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1 nominations for the position of Vice Chair of the Board.

2 Mr. Dana.

3

M O T I O N

4

5

6

MR. DANA: Not wanting to break up a good team, I would move that Guy Molinari be nominated for another term as Vice Chair.

7

CHAIRMAN WITTGRAF: Is there a second?

8

MR. RATH: Second.

9

10

CHAIRMAN WITTGRAF: Seconded by Mr. Rath. Further nominations?

11

(No response.)

12

13

14

15

16

CHAIRMAN WITTGRAF: Hearing none, the Chair the declare that nominations cease. Those who are in favor of the election of Guy Molinari as Vice Chair of the Board of Directors of the Legal Services Corporation will signify by saying aye.

17

(Chorus of ayes.)

18

CHAIRMAN WITTGRAF: Those who are opposed, nay.

19

(No response.)

20

CHAIRMAN WITTGRAF: The ayes appear to have it.

21

The ayes do have it. Mr. Molinari, in his momentary absence, is elected.

22

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1           At this time, it's the privilege of the Chairman to  
2 call upon a former president of the Corporation -- I'm  
3 tempted to say something about the revolving door, but I  
4 won't, out of respect both to the former president and to the  
5 incumbent president -- John Bayly, now Judge John Bayly, to  
6 come forward with Judge Nebeker to make an introduction and a  
7 presentation to the board. Gentlemen.

8                   PRESENTATION BY THE HONORABLE JOHN BAYLY

9                           AND THE HONORABLE FRANK NEBEKER

10           JUDGE BAYLY: Thank you, Mr. Chairman. I'm very  
11 happy this morning to have the opportunity to introduce the  
12 Honorable Frank Nebeker, the Chief Judge of the United States  
13 Court of Veterans Appeals. Before becoming the founding  
14 chief judge of the court, Judge Nebeker distinguished himself  
15 during an extended term of service on the District of  
16 Columbia Court of Appeals.

17                   In addition, Judge Nebeker has contributed to  
18 public service as a recent director of the Office of  
19 Government Ethics, and earlier, before his first appointment  
20 to the bench, as an attorney for the United States.

21                   Judge Nebeker's work as jurist, as government  
22 attorney, and as public servant has led him to a sustained

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1 interest in advancing the rule of law and in bringing its  
2 benefits to all of our citizens. Judge Nebeker's concern in  
3 securing justice for veterans proceeds quite naturally from  
4 his lengthy and from his manifest commitment to justice both  
5 personally and professionally.

6 As you receive the Chief Judge's remarks, I  
7 respectfully urge you to consider them closely. They reflect  
8 the thoughts and the values of a man long devoted to justice  
9 and of an experienced judge who seeks your assistance in  
10 enlarging the rule of law. I thank you, Mr. Chairman, for  
11 this opportunity.

12 CHAIRMAN WITTGRAF: Thank you, Judge. Judge?

13 JUDGE NEBEKER: Thank you, Judge Bayly.

14 Mr. Chairman, Members of the Board, Mr. President, I come  
15 before you this morning to give you a thumbnail and brief  
16 sketch of a new program. I'm the chief judge of a new court,  
17 the seventh time in the history of the United States that a  
18 court has been created by Congress out of, if you will, whole  
19 cloth, no antecedent entity, no one from which to inherit  
20 even a wastebasket.

21 The court is two years old. When it was in the  
22 process of being created, an estimate given by the department

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1 or the then Veterans Administration, reflected somewhere in  
2 the neighborhood of 5,000 appeals a year was anticipated.  
3 That has not turned out to be true, nonetheless, with that  
4 estimate at the time, I asked that the President appoint all  
5 members of the court.

6 It was authorized to have six associate judges or  
7 as few as two. So we got started with a full complement of  
8 judges, and that is indeed fortunate.

9 The first thing that the court discovered is that a  
10 disproportionate number of appeals brought to it were by  
11 unrepresented veterans. That was a disturbing thing, and,  
12 ultimately, has led to my presence here today.

13 Let me give you a brief sketch of veterans process,  
14 for those of you who are unfamiliar with it, and I can assume  
15 you probably are unfamiliar with it. Most members of the bar  
16 are, indeed, are unfamiliar with it.

17 Basically, it is an earned benefits program.  
18 Indeed, it is not viewed as "them against me," the veteran  
19 claimant. It is a paternal, nonadversarial administrative  
20 process in which the veteran bears little burden by way of  
21 proceeding or proof. The veteran must submit what's known as  
22 a well-grounded claim.

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1           Upon having done so, there is no burden on him as  
2 there is in ordinary litigation to establish facts by a  
3 preponderance of the evidence. Indeed, by special  
4 legislation, if the Department concludes that the evidence is  
5 in equipoise, a new term to you, if you're lawyers, the  
6 evidence is in equipoise, the benefit of that doubt goes to  
7 the veteran.

8           We know, in criminal jurisprudence, the burden is  
9 beyond a reasonable doubt, sometimes characterized as almost  
10 near certitude before conviction can be had. We know that in  
11 civil litigation a preponderance of the evidence is enough.  
12 We know that somewhere between is clear and convincing  
13 evidence standard, a standard to be utilized in termination  
14 of parental rights and other more serious matters but not as  
15 serious as criminal law.

16           All right. View it on that scale: Equipoise, well  
17 below the 51/49 percent needed for preponderance of the  
18 evidence standard. I say "well below." If you graphed it,  
19 it would be 1 percent below, but that is significant,  
20 particularly when it is born of an administrative process  
21 where the secretary, the administrator, has the  
22 responsibility of assisting the veteran in gathering the

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1 facts. He does not bear that burden. The veteran does not  
2 bear that burden.

3 The secretary has the obligation of exploring any  
4 theory upon which the veteran might recover, even if he does  
5 not present that theory to the adjudicating officer. Hence,  
6 no adversarial system, no need to exhaust administrative  
7 remedies. You win when the tie is there, because it goes to  
8 the runner. The veterans wins, under those circumstances.

9 There are over 4 million claims filed a year.  
10 Somewhere in the neighborhood of 40,000 get to the Board of  
11 Veterans Appeals. The Board of Veterans Appeals is a two- or  
12 three-member board, a panel of a board of 60-odd people, and  
13 they have, as many administrative tribunals do, original  
14 jurisdiction as well as appellate jurisdiction.

15 Often, it becomes necessary for them to send cases  
16 back to the regional offices. There are, I've forgotten,  
17 somewhere around 100 regional offices throughout the United  
18 States and the Philippines, I might add. We have a number of  
19 cases arising still out of World War II, and the Philippine -  
20 - and the group of Filipinos who served in various capacities  
21 during World War II.

22 There had never been jurisdiction review. Indeed,

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1 it was precluded by statute. Rarely could a case get to  
2 federal district court, and it had to have a constitutional  
3 underpinning to do so.

4 As a result, Congress became aware of the fact that  
5 the board was talking to -- the Board of Veterans Appeals was  
6 talking to itself, was not necessarily being consistent, not  
7 vindictively, of course, but when you have 40,000 appeals  
8 brought, and I assume that at a time after the Korean War and  
9 the War in Vietnam, there were probably even more than that,  
10 with a 60-odd board, it's pretty hard to decide cases with a  
11 great deal of contemplation.

12 Inconsistency was running rampant. There was no  
13 stare decisis. There was nothing upon which to gauge a  
14 standard for review to the extent there was review before the  
15 Board, and things were going in all directions.

16 Ten years it took to create judicial review, many  
17 different ideas, put it all in the federal court where the  
18 Social Security system is. Of course, they took a dim view  
19 of that. Convert the Board into an independent judicial  
20 tribunal and let it handle it. Well, all that's doing is  
21 moving the shell over to the next table, but you still got a  
22 shell game going with it.

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1           So it was finally concluded to create a court. Now  
2 a seven-judge court, there is judicial review at this stage.  
3 It's the first time there is an adversarial nature to the  
4 system, but that adversarial nature, in our court, is a  
5 completely different one, as you can well imagine, since we  
6 have, in review responsibility, the duty to determine whether  
7 the paternal system worked for the veteran, the duty to  
8 determine whether the evidence was as a matter of law in  
9 equipoise rather than sufficient under some other standard.

10           The court has, in its early years, come down with a  
11 decision which pretty well puts it in perspective. If the  
12 veteran's claim is to be denied, the facts must preponderate  
13 against his claim not in favor of it.

14           If they don't preponderate against the claim,  
15 obviously, it's in equipoise, and he wins. That's the nature  
16 of the system, but it feeds on a very complex statutory and  
17 regulatory framework.

18           Title 38 of the Code of Federal Regulations is a  
19 monolith. Nobody can master it. There isn't even an index  
20 yet. I hope someday that can be remedied. Fashion trying  
21 criminal law without an index to the state criminal code.  
22 You wouldn't know where to find it, and it would be catch as

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1 catch can, and that's what's happened in the past before the  
2 Board. That's one the reasons the court has been created.

3 Okay. We're around 2,100 appeals. Two-thirds are  
4 pro say. We recognize that there is no way you can get that  
5 pro say rate down to near zero. Most federal courts run  
6 somewhere between 20 and 30 percent pro say.

7 Why? Simply, they got prisoner litigation. In the  
8 main, that accounts for it. We don't have any prisoner  
9 litigation, yet two-thirds are pro say. They, generally, can  
10 be pro say at the administrative level, at the regional  
11 office level where they live. It's a decentralized  
12 administrative system.

13 It is only centralized if it comes to Washington at  
14 the board level, and even the board may have traveling panels  
15 to go outside to hold informal hearings and adjudicate as a  
16 review, administrative review tribunal.

17 We've got to get that rate down. I will tell you  
18 how I come here today. The Congress has been very indulgent  
19 with this new court, and they've recognized the best we can  
20 do is put the finger in the wind and give a guess as to how  
21 much budget we will need.

22 Last year and the year before, I promised them, in

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1 a rather, shall I say, sophomoric budgetary way, if I didn't  
2 need it, I wouldn't spend it. I guess that's somewhat  
3 refreshing to a few folks up there, but it's disturbing to  
4 others, I might add, feeling they're not vindicated if we  
5 don't spend the money they said we needed or they said we  
6 said we needed.

7 In any event, last year I had a surplus budget and  
8 turned it back. Guessing in the early budget for this  
9 current fiscal year that we would need about the same amount  
10 of money, I asked for it. Again, indulgent, the Congress  
11 gave it to us despite the fact that early in the budget  
12 process but too late for the inertia to be overcome said we  
13 didn't need it. "Well, you're going to get it anyway," and I  
14 got it.

15 All right. A former member of this body, I've  
16 forgotten -- I don't know whether he was on the Board or  
17 whether he was an employee. John Steinberg, who is a  
18 colleague of mine on the court now and had come from the  
19 Committee on Veterans Affairs in the Senate, thought it might  
20 be possible to get legislation through authorizing the  
21 reapportionment, or whatever you want to call it, I'm not  
22 familiar with these budgetary terms, of this nearly \$1

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1 million with the idea of trying to solve this problem at  
2 least on a metropolitan area-wide basis for now.

3 It's a pilot project. He got the legislation  
4 through, and I'm here today. We have submitted to you a  
5 memorandum, draft memorandum of understanding. Maybe some of  
6 you have looked at it.

7 It, basically, purports to do or wants to do three  
8 things: We've got to recruit pro bono assistance for these  
9 veterans. They must, in turn, have mentors and training, and  
10 then there must be some kind of a process of screening the  
11 cases.

12 The pure fact of the matter is that if law firms in  
13 this city are willing to take these cases, and they have  
14 expressed interest in doing so in rather large extent, they  
15 do not want their young associates, and, after all, they're  
16 after experience, to fire blanks, to get cases that there is  
17 really nothing to them.

18 So they're willing to take cases if there is some  
19 meat on them, some merit to them, and, presumptively, there  
20 is merit to at least half of these pro say cases, and,  
21 perhaps, more. We don't know. Obviously, there are some  
22 cases that are not meritorious that would classify as

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1 frivolous or near frivolous. So it's necessary to find out  
2 which cases are which and match them up with volunteer  
3 counsel.

4 To the extent that this \$1 million can do that over  
5 a two-year period, we have come to you with the aegis of  
6 Congress and ask that you help us in doing that. I  
7 anticipate there is interest in the outside to put together a  
8 program of this kind and see if it won't work on a  
9 metropolitan area-wide basis.

10 I will conclude by telling you one additional thing  
11 that I am aware of, and that is that the pro bono effort that  
12 is already ongoing in the metropolitan area, and primarily in  
13 the District of Columbia here, to represent indigents no  
14 doubt has about all the volunteers can do right now.

15 We are new on the block. We recognize that. We  
16 recognize we are likely to be viewed as diluted, the efficacy  
17 of the projects that are already underway to supply legal  
18 representation to those deemed in need of it, and, surely,  
19 there are plenty who are.

20 New judicial review for veterans claims creates yet  
21 another market for pro bono services, and I can appreciate  
22 the fact that many feel we're intruding on their turf, in a

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1 blunt word. We are. We intend to. Who better than veterans  
2 should successfully invade their turf? They're the ones who  
3 preserved the Union. Without it, there wouldn't be the other  
4 programs.

5 I'll be very happy to entertain questions and  
6 happier if I can answer them.

7 CHAIRMAN WITTGRAF: Thank you very much, Judge.  
8 Questions or comments? Ms. Pullen.

9 MS. PULLEN: What specifically are you asking this  
10 Corporation to do? I've heard get involved but by doing  
11 what?

12 JUDGE NEBEKER: We're asking that you be the alter  
13 ego, if you will, of the court. The court, as an independent  
14 judicial tribunal, is not ethically in a position to, if you  
15 will, broker the cases, the lawyers, and the appellants that  
16 appear before us.

17 Another entity needs to do that, and we need your  
18 help to find and to select and to oversee that entity with us  
19 so that whoever it is by way of your recipient or recipients,  
20 it could be the way you all see fit to do it, really in  
21 coordination with us, one or three, to take care of those  
22 three functions I enumerated.

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1           CHAIRMAN WITTGRAF: Ms. Pullen, as I understand it  
2 from President O'Hara, it was just late this past Friday,  
3 three days ago, that the memorandum of understanding to which  
4 Judge Nebeker referred was delivered to the Corporation.

5           So Mr. O'Hara and his staff really haven't had an  
6 opportunity to review it yet, but the monies, more or less \$1  
7 million over two fiscal years, are to be put into the field  
8 through a request for proposals generated by the Corporation,  
9 I think, to perform the functions described by Judge Nebeker,  
10 I believe.

11           I would guess that by our next board meeting, we'd  
12 have an opportunity to review the proposed memorandum of  
13 understanding with the analysis and suggestions of our staff.  
14 Is that accurate, Judge?

15           JUDGE NEBEKER: That's correct, and, incidentally,  
16 we have a rather short tether, in terms of reporting to  
17 Congress. May, I believe it is, the initial accounting needs  
18 to be made to Congress. So I come to you with, I guess, the  
19 statement we're burning daylight awful fast.

20           CHAIRMAN WITTGRAF: Ms. Pullen.

21           MS. PULLEN: The near million dollars is an  
22 appropriation to the court?

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1 JUDGE NEBEKER: Yes.

2 MS. PULLEN: Which the court would use through LSC  
3 to --

4 JUDGE NEBEKER: On a reimburse basis, yes.

5 MS. PULLEN: -- to fund the attorneys that would be  
6 handling these cases? Find a clearing house to --

7 JUDGE NEBEKER: The attorneys will serve pro bono.

8 MS. PULLEN: Yes.

9 JUDGE NEBEKER: It funds the program that educates,  
10 identifies the cases, recruits the attorneys.

11 MS. PULLEN: Is there anything wrong with the bar  
12 association performing that duty?

13 JUDGE NEBEKER: If they're interested.

14 MS. PULLEN: Thank you.

15 CHAIRMAN WITTGRAF: Mr. Dana.

16 JUDGE NEBEKER: You mean the bar association -- in  
17 the District, when you refer that way, you're referring to a  
18 voluntary association. The D.C. Bar is the official bar  
19 entity and has a rather large pro bono program. I guess I'm  
20 probably a skunk at a lawn party when it comes to them, too.

21 CHAIRMAN WITTGRAF: If I'm understanding the  
22 concept, Ms. Pullen, I think bar association could be a grant

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1 recipient or the grant recipient, but I believe the court is  
2 looking to us to develop the request for proposal from  
3 someone and then to monitor compliance with the effort,  
4 feeling, apparently, that the court is not in the position  
5 that the Corporation is to undertake the development of a  
6 proposal, the funding of a proposal, and the monitoring of a  
7 proposal as the Corporation is, but I don't know that there  
8 are any limitations on who the recipient or recipients of the  
9 monies could be.

10 I don't think there is a requirement. It may  
11 require some input from our legal counsel that it be a basic  
12 field grantee, an existing private, nonprofit corporation  
13 that now receives funds from us. Mr. Dana.

14 MR. DANA: Mr. Chairman, my understanding is the  
15 same as yours. Our understanding is that the court has set  
16 forth certain objectives that it wishes to accomplish with  
17 these funds that, through legislation, it's been possible to  
18 put us in a position to carry out those objectives, and we  
19 would do so with grants, which would be competitively awarded  
20 and, ultimately, we would monitor and evaluate it and report  
21 to both the court and Congress that we have carried out the  
22 objective.

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1 I think it's a compliment, in a very real sense,  
2 that we've been selected by the court to carry this out,  
3 because that is, in effect, our job, is to take federal funds  
4 and distribute it to the people who are providing legal  
5 services, and, in this case, we are providing pro bono  
6 services, not unlike the pro bono services that all of our  
7 grantees encourage through private bar involvement.

8 So we're in this business, and I think it makes  
9 good sense, and it's nice to be able to deal with this worthy  
10 objective and, hopefully, raise the level of representation  
11 before Judge Nebeker's court from the current level, which  
12 is, I gather, just one-third up to two-thirds, if we could.

13 JUDGE NEBEKER: As close as we can get.

14 MR. DANA: If we could achieve that objective,  
15 that's the goal, and we have to figure out a way to use the  
16 resources that Congress and the court have made available in  
17 order to achieve that goal.

18 CHAIRMAN WITTGRAF: Further discussion? Mr. Uddo.

19 MR. UDDO: Judge Nebeker, the pro bono method of  
20 providing representation, was that the court's preference or  
21 is that in the legislation, or is there some reason why it's  
22 been proposed that way?

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1 JUDGE NEBEKER: It's both. It's in the  
2 legislation, and it's the court's preference, in the sense  
3 that the true hard facts of life are there isn't enough money  
4 in these claims to attract, if you will, professional  
5 services for a fee. Very few of them have that kind of money  
6 involved.

7 Historically, you've all heard, I'm sure, of the  
8 \$10 fee limit that existed since the Civil War. Well, that's  
9 gone. Supreme Court sustained it in a case a few years back  
10 as not unconstitutional, but, in the meantime, the Congress  
11 got rid of it.

12 There is a fee mechanism. It's kind of complex,  
13 but it's also paternalistic. The initial administrative  
14 level, there may not be a fee, only if it's been finally  
15 adjudicated by the Board of Veterans Appeals, then,  
16 subsequently, there may be a fee charged, and it's subject to  
17 review for reasonableness. We just don't have that many  
18 cases that present that kind of a problem.

19 I would add, so that you don't understand that  
20 we're trying to go exclusively the traditional pro bono  
21 route, that we're trying to tap another resource of  
22 professional assistance. It's walking a fine line to do it.

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1 Title 18 of the United States Code, Section 205, precludes  
2 conflict of interest by government employees.

3 It is a pretty sacrosanct statute. Nobody likes to  
4 amend it or fool with it, really, and it effectively prevents  
5 government lawyers, among other professionals, of course,  
6 from representing anybody against the United States while  
7 they're still employed by the United States, an  
8 understandable thing to do.

9 The court has requested an opinion of the Attorney  
10 General that representation, if you will, although I don't  
11 like to use the term, I guess I better deny that I used it,  
12 by government lawyers of veterans in our court would not  
13 violate that provision on the thesis that it's a paternal  
14 system, that it's not a claim against the United States as  
15 such.

16 It's simply a matter of determining the eligibility  
17 of earned benefits on the basis of veteran status and that,  
18 being such, it's not truly a claim against the United States  
19 as it would be in the tax court or as it would be under the  
20 Federal Tort Claims Act or something of that nature.

21 That pends. We don't know the answer to it. I've  
22 tried to put the best case forward for the Attorney General

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1 to say, "Oh, it would be all right for these DOD lawyers who  
2 have a little time on their hands," of course nobody's going  
3 to admit they do, but, as a practical matter, we know that  
4 some of these folks would be interested in doing it, in  
5 getting some experience, and that it might indeed be in the  
6 best interests of their own agencies to have them get a  
7 little appellate experience.

8           Despite the unique nature of our court, it's still  
9 just a court of appeals, and it's the same process that you'd  
10 get in any federal circuit court.

11           CHAIRMAN WITGRAF: Mr. Uddo.

12           MR. UDDO: One other question, do you have any  
13 reason to believe that the appropriation is going to be  
14 recurring, or does this seem to be a one-time thing to try to  
15 get this pro bono effort going?

16           JUDGE NEBEKER: If we can make it work, I have  
17 every reason to ask for it to continue, but we've got to  
18 establish that it's working.

19           MR. UDDO: But you would see it as a continuing  
20 appropriation to support a pro bono effort, rather than the  
21 creation of an office to represent these folks with permanent  
22 employees?

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1 JUDGE NEBEKER: Yes. That subject was broached not  
2 by me but by Senator McKulsky from Maryland in hearings on  
3 budget at the beginning of last year, and she made a  
4 statement which was pretty concrete. There is going to be no  
5 public defender service-type entity created to represent  
6 veterans.

7 MR. UDDO: Okay.

8 CHAIRMAN WITTGRAF: Mr. Rath.

9 MR. RATH: Judge, thank you for your time. Just so  
10 I understand it, there is an intermediate level beyond the  
11 agency determination before they get to you?

12 JUDGE NEBEKER: That is the Board of Veterans  
13 Appeals, but it is part of the department.

14 MR. RATH: All right. And that meets regionally  
15 around the country at various sites?

16 JUDGE NEBEKER: It meets nationally here with  
17 traveling panels. Apparently, a veteran, we're all learning  
18 this, including myself, apparently a veteran can ask for an  
19 informal hearing and an appearance before a board.

20 Mr. Adelstone is here and is far more familiar with  
21 this stuff than I am, in which event he may have to wait, but  
22 eventually, a traveling panel of the board will meet with him

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1 wherever he is, otherwise he can come to Washington and have  
2 a hearing here.

3 That is the ultimate review within the Executive  
4 Branch, and, from there, a notice of appeal, if they're going  
5 to take it further, must be filed with the court.

6 MR. RATH: Is that an appeal by right?

7 JUDGE NEBEKER: That is an appeal by right by the  
8 veteran who has been adversely affected. No other appeal  
9 comes to our court, just the veteran who has been denied  
10 benefits. The secretary may not appeal.

11 MR. RATH: All right. And the gravamen of the  
12 complaint is always the denial of benefits?

13 JUDGE NEBEKER: Correct.

14 MR. RATH: And then beyond you is there a level of  
15 review?

16 JUDGE NEBEKER: Yes, there is. In the United  
17 States Court of Appeals for the Federal Circuit. Either  
18 party. The Congress protected the department from us by  
19 allowing him, the Secretary, to appeal to the federal  
20 circuit. The veteran may also appeal, if he has an adverse  
21 decision, and, from there, certiorari to the Supreme Court.

22 MR. RATH: What I was trying to get at is that

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1 the -- and I'm probably wrong on this, but it sounds as  
2 though the work would be centered in and around the District  
3 of Columbia.

4 JUDGE NEBEKER: In the main, it is. Our court is  
5 authorized to travel, to hold hearings. We have yet to do  
6 so. There isn't a need to do so. With two-thirds pro say,  
7 most of the cases are pro say out there in the rest of the  
8 country, and a pro say argument is really not worth the  
9 investment, particularly investment of travel of a panel of  
10 the court.

11 So we simply don't travel. That's why this pilot  
12 project can be metropolitan area-wide only. We can't talk in  
13 terms of Dallas or Atlanta at this point.

14 MR. RATH: You've answered my question. I don't  
15 mean to anticipate your remarks, but just for my benefit and  
16 maybe the other members of the Board, the pilot project we're  
17 talking about is a District of Columbia pilot project,  
18 working with the various bar associations and other  
19 mechanisms that exist in the District?

20 JUDGE NEBEKER: Well, I don't want to confine it to  
21 this side of the Potomac and short of Western Avenue, because  
22 Maryland and Virginia likewise could be involved. We

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1 anticipate, and I'm sorry I neglected to mention this, we  
2 anticipate a very active law school, clinical interest in  
3 this thing, and that's part of it, to get the law schools  
4 involved.

5 Well, you've got a law school in Northern Virginia  
6 that we hope would become interested in it, and who knows,  
7 maybe the Maryland law school would be, too. So it's  
8 metropolitan-wide rather than just District of Columbia,  
9 though I'm certain major effort will be right here.

10 MR. RATH: Thank you, Judge.

11 CHAIRMAN WITTGRAF: Further discussion? Mr. Hall.

12 MR. HALL: Thank you, your Honor, for coming today.  
13 I had a couple questions on this. It starts with an  
14 associate, and I suppose our current providers, those that  
15 the Legal Services funds now, could represent these same  
16 folks, provided they meet certain requirements, such as  
17 eligibility.

18 Do you see very much representation from the Legal  
19 Services programs, our recipients? I seem to sense that the  
20 group of lawyers you plan to draw upon are not.

21 JUDGE NEBEKER: We don't plan to draw ourselves  
22 upon any group. The only group we know is that group which

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1 we contacted through Judge Kramer on our court, who is  
2 chairman of an ABA committee that made an initial probing of  
3 the local law firms.

4 That's something to be worked out. We have no  
5 preconceived notion of who is going to be your contractors,  
6 or your recipients, I guess you'd call them. We have no  
7 perceived notion as to the resources from which we get  
8 representation.

9 We're trying every facet, law schools, the bar that  
10 we know, the bar that you know, and the Executive Branch,  
11 government lawyers, if we can find them, if we can get them.

12 CHAIRMAN WITGRAF: Further discussion?

13 (No response.)

14 CHAIRMAN WITGRAF: Judge, we very much appreciate  
15 your being here. As suggested by Mr. Dana, we would like to  
16 look upon this as a compliment, that the Corporation and its  
17 staff is being given the opportunity to assist. I guess only  
18 time will tell whether we're being praised or damned with  
19 this compliment, but we hope that the memorandum of  
20 understanding can be developed expeditiously and that we'll  
21 be able to help in this effort.

22 JUDGE NEBEKER: I will await hearing from

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1 Mr. O'Hara. Thank you very much for your time.

2 CHAIRMAN WITTGRAF: Thank very much, Judge.

3 JUDGE NEBEKER: Thank you.

4 APPROVAL OF MINUTES OF DECEMBER 10, 1991, MEETING

5 CHAIRMAN WITTGRAF: At this time, and as noted in  
6 the agenda, the Chair is prepared to entertain a motion for  
7 approval of the draft minutes of the Board's last regular  
8 meeting, that having been on December 10, 1991.

9 M O T I O N

10 MR. DANA: So moved.

11 CHAIRMAN WITTGRAF: It's been moved by Mr. Dana.

12 Ms. Pullen.

13 MS. PULLEN: I believe that an amendment is needed  
14 to the minutes.

15 CHAIRMAN WITTGRAF: May I take a second, first?

16 MR. HALL: Second.

17 CHAIRMAN WITTGRAF: Mr. Hall, thank you.

18 Ms. Pullen.

19 MS. PULLEN: I do not know where it would be  
20 appropriate to insert it, probably the transcript will tell  
21 us that, but I do think that it would be appropriate,  
22 Mr. Chairman, to note in the minutes that you announced

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1 during this meeting that Mr. Molinari would be seeking to  
2 join us by telephonic hookup.

3 That did not occur, through no fault of  
4 Mr. Molinari. Attempts were made to arrange that, and they  
5 were unsuccessful, but it was his intent, as you indicated at  
6 the time, and it was through no fault of his that it did not  
7 work out, and, consequently, I think that his attempted  
8 presence in the meeting should be noted in the minutes.

9 CHAIRMAN WITTGRAF: I think what you're suggesting  
10 is accurate and applies equally to Mr. Kirk as it does to  
11 Mr. Molinari. I would ask the secretary, upon review of the  
12 transcript, to add a sentence or a paragraph that summarizes  
13 the comments that I made near the conclusion of that meeting.  
14 Unless there is objection --

15 MR. UDDO: Just one correction.

16 CHAIRMAN WITTGRAF: Unless there is objection to  
17 Ms. Pullen's question, I assume that it will be done.

18 (No response.)

19 CHAIRMAN WITTGRAF: Hearing none, it will.

20 Mr. Uddo.

21 MR. UDDO: My middle initial is incorrect. It's  
22 "J" not "E," and I don't think it want it to be "E."

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1 CHAIRMAN WITTGRAF: And what does "J" stand for?

2 MR. UDDO: Joseph.

3 CHAIRMAN WITTGRAF: Okay. What does "E" stand for?

4 MR. UDDO: Somebody's got to tell me.

5 CHAIRMAN WITTGRAF: Unless there is objection, the  
6 minutes will be corrected to restore to Mr. Uddo his middle  
7 initial "J." Further discussion?

8 (No response.)

9 CHAIRMAN WITTGRAF: Hearing none, those who are in  
10 favor of the approval of the minutes as amended will signify  
11 by saying aye.

12 (Chorus of ayes.)

13 CHAIRMAN WITTGRAF: Those who are opposed, nay.

14 (No response.)

15 CHAIRMAN WITTGRAF: The ayes appear to have it.  
16 The ayes do have it. The minutes as amended are approved.

17 CHAIRMAN'S AND MEMBERS' REPORTS

18 The next item on the agenda are the reports of the  
19 Chair and of the members of the Board. I should say, in  
20 beginning, for the record, and for those of you who haven't  
21 made the connection already that the vice of the Board,  
22 Mr. Molinari, has joined us during our deliberations, and we

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1 welcome him upon his return, and we regret, as suggested by  
2 Ms. Pullen, that due to no fault of Mr. Molinari's, when we  
3 tried to connect him by telephone in the past, it has not  
4 happened.

5 I think that Mr. Kirk is going to continue to hound  
6 the Corporation secretary, Ms. Batie, to the point where we  
7 will eventually have telephonic equipment that works even in  
8 the basement levels in hotels in whatever part of the country  
9 we find ourselves.

10 We did have telephone equipment working last night,  
11 but we had to get out of the basement and go up into the more  
12 open part of the hotel, in fact, to the New Jersey Sandwich  
13 Shop, known locally as The Deli, in order to be able to  
14 connect with Mr. Kirk for purposes of the meeting of the  
15 Office of Inspector General Oversight Committee.

16 I have just a couple of things I would like to  
17 mention. I would take this opportunity, again, to thank  
18 Mr. O'Hara and the staff, and particularly the secretary,  
19 Ms. Batie, and her staff for the annual conference that was  
20 held on Monday, December 9, in St. Louis for the success of  
21 it.

22 I do know already that some very constructive ideas

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1 have come out of that meeting as well as expanded  
2 communication and goodwill between the Board, the  
3 Corporation, and the representatives from the projects across  
4 the country.

5 I thank them for their efforts, and I know, too,  
6 that, in the hope of making such undertakings in the future  
7 better and yet more successful, that Mr. O'Hara and his staff  
8 have sent questionnaires to our friends in the field in order  
9 to get their suggestions on how better to do what we were  
10 doing in St. Louis, and we will take all of those suggestions  
11 seriously.

12 We did have the meetings yesterday and this morning  
13 of all four of standing committees of our Board. The  
14 meetings were somewhat premature in the sense that since our  
15 reappointment, "our" meaning the ten of us not including  
16 Mr. Shumway, I think he continues as a recess appointee from  
17 last August, we went ahead with the committee structure that  
18 we had, had those meetings, even though we had not, either as  
19 the Chair or as was the practice in 1991 as the Board,  
20 approved that committee structure.

21 At this time, I would recommend to the Board for  
22 its approval that the committee structure that was in place

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1 at the end of last year and that was functioning yesterday be  
2 the committee structure utilized by us for 1992.

3 Just to review very briefly, the Audit and  
4 Appropriations Committee is chaired by Mr. Dana and includes  
5 Mr. Uddo and Ms. Wolbeck as members. The Reauthorization  
6 Committee, which is a special rather than a standing  
7 committee of the Board is chaired by Mr. Uddo and includes  
8 Mr. Dana, Mr. Kirk, Ms. Pullen, and Mr. Shumway.

9 The Committee on the Provision for the Delivery of  
10 Legal Services is chaired by Mr. Hall and includes as members  
11 Ms. Love and Ms. Wolbeck. The Operations and Regulations  
12 Committee is chaired by Mr. Rath, includes as members  
13 Mr. Dana, Mr. Kirk, Ms. Love, and Mr. Shumway.

14 Finally, the Office of Inspector General Oversight  
15 Committee is chaired by Mr. Kirk and includes Mr. Hall,  
16 Mr. Pullen, Mr. Wittgraf and Ms. Wolbeck as members. I  
17 should note, as some of you have already, that I function as  
18 a member of only one of the committees. Mr. Molinari does  
19 not serve as a member of any of the committees. That is by  
20 choice of each of us. Mr. Molinari may want to change that  
21 at this point.

22 MR. MOLINARI: Not this year.

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1 CHAIRMAN WITTGRAF: If he does not, then it is  
2 again the Chair's recommendation that the same committee  
3 structure exist for 1992 as existed at the end of 1991, and I  
4 am prepared, if the members of the Board are, to accept a  
5 motion to that effect.

6 M O T I O N

7 MR. MOLINARI: So move.

8 MR. WITTGRAF: It's been moved by Mr. Molinari. Is  
9 there a second?

10 MS. WOLBECK: I second.

11 CHAIRMAN WITTGRAF: It's been seconded by  
12 Ms. Wolbeck. Discussion?

13 (No response.)

14 CHAIRMAN WITTGRAF: Hearing none, those who are in  
15 favor of the motion that the presiding officers and the  
16 members of the Board be as I just described will signify by  
17 saying aye.

18 (Chorus of ayes.)

19 CHAIRMAN WITTGRAF: Those who are opposed, nay.

20 MS. PULLEN: No.

21 CHAIRMAN WITTGRAF: The ayes appear to have it.  
22 The ayes do have it. The motion is adopted. I have nothing

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1 ]further at this time.

2           It's my pleasure to call upon any member of the  
3 Board who has any comments or reports that he or she would  
4 like to present.

5           (No response.)

6           CHAIRMAN WITTGRAF: Hearing none, we will move to  
7 the next item on the agenda, that is the President's report.  
8 Mr. O'Hara.

9                               PRESENTATION OF JOHN P. O'HARA

10                              PRESIDENT, LEGAL SERVICES CORPORATION

11           MR. O'HARA: Thank you, Mr. Chairman. My report  
12 will be brief. I just want to highlight some items that have  
13 come up during the past month. We just heard from Judge  
14 Nebeker on the veterans project, and I want to say that this  
15 was originally brought to our attention by board member  
16 Howard Dana back in the fall, at which time we started  
17 assembling a task force, knowing that this project was coming  
18 our way.

19                              Last week, we met with Judge Nebeker and Judge  
20 Steinberg and Judge Kramer for what they thought was going to  
21 be an hour session. It turned into a two and a half hour  
22 session as we went through what they expected of us and what

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1 we expected from them.

2 We also met with David Adelstone of the National  
3 Veterans Legal Services project, and, finally, we met with  
4 the staff of both the Senate and the House committees, and I  
5 want to say that, in response to some of the comments  
6 earlier, the reason the Corporation was selected, according  
7 to the staff, was because they felt that the accountability  
8 programs which are in place within the Legal Services  
9 Corporation would serve their purposes in controlling the  
10 money, and I think that's a compliment to the Corporation's  
11 work in the past.

12 The project is going to be given a lot of high  
13 level attention, and it will be handled directly out of the  
14 president's office under the leadership of Ken Boehm, who is  
15 a veteran, and Chris Sunset, who happens to be a Vietnam  
16 veteran, will be my point man on this, and he will be working  
17 closely with the other people in this.

18 Chris is a member of the Vietnam Veterans of  
19 America also. The memorandum of understanding was received  
20 late Friday night. We didn't really have a chance to look at  
21 it. So I don't want to comment on it at this time, and that  
22 has been distributed to the members of the task force who are

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1 working on this project.

2 We do have Suzanne Glassow from the General  
3 Counsel's Office who will be involved in that representing  
4 them, John Penzinger.

5 Secondly, during the past month, I made a visit to  
6 the Legal Aid Society of New York. I met with Arch Murray  
7 and Susan Lindenower, spent considerable amount of time with  
8 them and then visited one of their field offices in the Bronx  
9 and met with the staff for well over an hour and received a  
10 lot of input from that office.

11 We also met with the Legal Aid Society of New  
12 Jersey, Dee Miller, who is also a member of our competition  
13 group, and with Middlesex Legal Services, which is headed by  
14 the executive director, Paul Mullen, both very informative  
15 sessions.

16 Next, I want to say that the building lease for the  
17 property has been signed. Everything seems to be working  
18 well. We are in the midst of negotiating the final breakdown  
19 of improvements which will be made in the new property,  
20 eliminating anything which would seem to be excessive in  
21 cost, and we are, at the present time, receiving proposals  
22 for subleasing of the space where we now are and, as of

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1 Friday -- Ken, I think we had proposals which are well in  
2 excess of the rate we are now paying; is that correct?

3 MR. BOEHM: That's right.

4 MR. O'HARA: So we will do well on that also. I  
5 might add also that as a follow-up to a meeting we had  
6 earlier with the representative of the migrant group, we have  
7 received a proposal from Roger, and that proposal is  
8 currently being worked on by our Office of Field Services,  
9 and we hope to reach agreement on that project very shortly.

10 Finally, for the future, the next month or so, I  
11 expect to be visiting with the Legal Aid Foundation of Los  
12 Angeles and San Diego, both of whom have extended an invite  
13 to me, one to make a speech at a dinner honoring a former  
14 president of the Legal Aid Foundation of Los Angeles, which  
15 they expect to be attended by between 400 and 500 people in  
16 Los Angeles, including many of the leading law firms.

17 As I indicated yesterday, in my discussion with the  
18 Audit and Appropriations Committee and with Mr. Hall's  
19 committee, we are revising, updating, improving, and creating  
20 manuals of procedures and guidelines on everything we do  
21 within the Corporation.

22 We want to bring everything together in one place

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1 so that we're not searching out people all the time to find  
2 out what was done in a particular case. We want to put it  
3 down in writing so that not only the Board but also the field  
4 programs will know what to expect and how to go about things  
5 with the Corporation.

6 Finally, I will say that I think our General  
7 Counsel, Vic Fortunato, has been just magnificent in the last  
8 month. He has come up with some ideas and improved our  
9 negotiating position, and I look to settlement of one of the  
10 major lawsuits against the Corporation maybe within the next  
11 week, and that concludes my report.

12 CHAIRMAN WITTGRAF: Thank you, Mr. President. At  
13 this time, it's the Chair's understanding that one of the  
14 members of the president's staff, Ken Boehm, is prepared to  
15 come forward to present a legislative report. Mr. Boehm.

16 MR. BOEHM: Thank you, Mr. Chairman, Members of the  
17 Board. On the legislative front, I think the first item of  
18 business, it gets to the confirmation, of course, is the  
19 reappointment on Friday by the president of ten of the 11  
20 members of the Board.

21 Some of the intricacies of what happens with a  
22 recess appointment have been brought home to the staff over

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1 the last week as we sought to work closely with the White  
2 House and determine what was going to be happening with the  
3 appointments.

4 It's safe to say we have pretty much figured out  
5 there have been some differences of opinion about whether  
6 recess appointment would be made during a short recess or  
7 not, and some of you may have seen the article about that  
8 that appeared in the L.A. Daily Journal.

9 In doing some quick legal research, the state of  
10 the law comes down to this: that the Senate has  
11 traditionally liked a longer recess, 30 days or more, and  
12 this is has been memorialized in a variety of statements  
13 coming from the Senate, including a 1984 Sense of the Senate  
14 resolution to that effect.

15 At the same time, at the White House, regardless of  
16 which party may have been occupying the White House at the  
17 time, has had a more flexible view, and their view tradition  
18 has been stated as ten days or more of a recess was  
19 sufficient for constitutional reasons to have recess  
20 appointments and that they would look to the full  
21 circumstances of the instance as to whether appointments  
22 should be made in a given recess or not.

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1           This all came to a head most recently, because, as  
2 you know, the previous session of Congress didn't end until  
3 January 3rd, a little bit before noon, and then they promptly  
4 went into the new session. So we didn't have a recess  
5 between sessions as we did previously, as members of this  
6 board, most of you were appointed January 2, 1991, and that  
7 was between two sessions of Congress.

8           This time around, there was no recess between the  
9 two sessions, and there was some question as to whether the  
10 President would make the appointment or not. Standing White  
11 House interpretation, again, is that they could do it. They,  
12 in fact, did do it.

13           The only alternative would be to have a complete  
14 vacancy of the Board for a period of time, probably up until  
15 the August recess, and those circumstances were compelling  
16 enough, plus the fact that the current recess, which we're in  
17 now, legislative recess, is an 18-day recess, which is viewed  
18 as lengthy enough.

19           All of this culminated on the recess appointments  
20 being made on this past Friday, the 10th, and the way it  
21 works is your appointments are now in effect until the end of  
22 the next session of Congress, effectively, the end of next

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1 year. There was some --

2 CHAIRMAN WITTGRAF: Excuse me. Mr. Boehm, by next  
3 year, you're referring to 1993, as opposed to 1992.

4 MR. BOEHM: That's correct. Because this gets to  
5 some fairly arcane areas, the reason that your last  
6 appointment, in effect, lasted one year, you were appointed  
7 January 2 of 1991, and your term expired January 3rd of this  
8 year; whereas, this time you're appointed January 10th, and  
9 it runs to the end of the next session of Congress,  
10 effectively at the end of 1993, and it's effectively a two-  
11 year appointment is because the applying law is that the  
12 recess appointment is good until the end of the next session  
13 of Congress and, in fact, this recess that we're in is part  
14 of this session; whereas, before you were between sessions.

15 So, in a sense, you get some extra time, because  
16 then they peg the end of your service or the end of the  
17 recess appointment at the end of -- now all of this was  
18 assuming there is going to be a next recess appointment, and  
19 you won't be confirmed, and, of course, many people remain  
20 optimists that that will occur within the next two years.

21 CHAIRMAN WITTGRAF: May I interrupt you once again,  
22 just briefly?

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1 MR. BOEHM: Sure.

2 CHAIRMAN WITTGRAF: I think everything that you've  
3 just stated applies to the ten of us.

4 MR. BOEHM: Right.

5 CHAIRMAN WITTGRAF: The nine of us here and  
6 Mr. Kirk.

7 MR. BOEHM: Right.

8 CHAIRMAN WITTGRAF: Mr. Shumway, I believe, is in a  
9 different position. He was made a recess appointee in August  
10 of 1991. His recess appointment would end, if he's not  
11 confirmed by nomination in the meantime, at the end, then, of  
12 the 1992 congressional session; whereas, the rest of our  
13 recess appointments, as you've described, would end at the  
14 end of the 1993 congressional session; is that correct?

15 MR. BOEHM: That's absolutely correct, yes. So  
16 that's the status, and it is a little bit confusing, and, in  
17 the course of learning quite a bit about it, we checked with  
18 an individual, Dr. Lewis Fisher, who has written the book on  
19 recess appointments.

20 He's an expert with the Congressional Research  
21 Service. We checked with the counsel to the U.S. Senate. We  
22 checked with the White House Counsel's office. We, in

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1 effect, checked with every one of the limited number of folks  
2 in the world who deal with this subject, and that's the  
3 conclusion that was reached.

4 CHAIRMAN WITTGRAF: Before we touch on other  
5 legislative matters, is there discussion regarding recess  
6 appointments?

7 (No response.)

8 CHAIRMAN WITTGRAF: Hearing none, go ahead,  
9 Mr. Boehm, please.

10 MR. BOEHM: Yes. In other legislative matters, of  
11 course, the reauthorization is scheduled to be taken up once  
12 Congress returns at the end of this 18-day recess. There is  
13 nothing that has been scheduled yet.

14 The majority leader of the House will be meeting  
15 with the Speaker of the House, and they'll be determining  
16 some schedule. We may find out by the end of this month when  
17 it would be scheduled, and this, again, is the bill that was  
18 reported out of the House Judiciary Committee dealing with  
19 reauthorization of Legal Services Committee. So that is  
20 expected to be dealt with in this session of Congress.

21 As for confirmation, I visited with Senator  
22 Kennedy's staff that deals with Legal Services matters this

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1 past week, and, as yet, there is no scheduling or clues as to  
2 when exactly confirmation might take place.

3 In other legislative matters, you had the address  
4 from Judge Nebeker this morning, and it has been mentioned we  
5 have the staff committee looking into that, and that is an  
6 additional legislative matter. We do have, I think it was  
7 touched on a little bit, we have until May 12th to get the  
8 funds out into the field for that Veterans Appeal pro bono  
9 effort.

10 The chief counsel of the Senate Veterans Committee,  
11 Bill Brue, who we had met with, and his counterparts in the  
12 House Veterans Committee, Kingstone Smith and Pat Ryan, all  
13 indicated there is some flexibility in that date.

14 They want to see this problem addressed. They  
15 don't want to be arbitrary about it. The date was put in  
16 there because they prefer faster action, but they are  
17 flexible and will work with us on that.

18 The second date that is important is that there is  
19 a 180-day rule in that legislation, veterans legislation. We  
20 have to report back to the House and Senate Veterans  
21 Committees as to how the program has been doing, 180.

22 So it's effectively 30 days out from the RFP and

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1 the money being contracted or granted out. We will give a  
2 report to the House and Senate Veterans Committee on how it's  
3 being spent.

4 They're going to do their own independent  
5 evaluation towards the end of the project, which is only to  
6 be expected because, as was earlier mentioned, there is  
7 thought that this, hopefully, will work and will be the  
8 prototype for an ongoing effort to provide pro bono  
9 representation to the court.

10 One other thing that I didn't hear but may have  
11 been mentioned is that we have plans to meet with all the  
12 major veterans service organizations that deal in this area  
13 as well. There was some conference report language about the  
14 \$950,000 that goes for this project that we should work with  
15 the veterans groups on this.

16 As was mentioned, there was an awful lot of  
17 flexibility, and that was purposeful. They don't have, as  
18 Judge Nebeker mentioned, preconceived notions as to who  
19 should get it, exactly how it should be spent. They laid out  
20 some of the elements.

21 Clearly, they want it to go for a pro bono effort.  
22 Attorneys fees are specifically disallowed as a reimbursable

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1 item, but after that they gave wide discretion to the  
2 Corporation, of course. While we have the responsibility to  
3 do that, they're going to be making sure that we achieve  
4 their ends.

5 Throughout it all and under leadership of Jack  
6 O'Hara, we've made it clear to all the principals who were  
7 involved in this before we came along that the entire RFP  
8 process would be done in consultation with all the major  
9 institutions and individuals, the judges, the committees of  
10 the House and Senate and the veterans groups that have had a  
11 role in shaping this. So that is on track, and it's being  
12 done in a very open and consultative way.

13 That really concludes the legislative report,  
14 unless there are specific questions about anything.

15 CHAIRMAN WITTGRAF: Discussion?

16 MR. MOLINARI: Mr. Chairman.

17 CHAIRMAN WITTGRAF: Mr. Molinari.

18 MR. MOLINARI: In consultation with the president,  
19 having missed the last meeting, I'm not up to speed on this  
20 veterans function, but I would like to volunteer my services  
21 with the staff that's going to be working on that.

22 Time is always a problem with me, but that's a

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1 committee that I served on, the Veterans Affairs Committee in  
2 the House. I'm familiar with the members, most of the  
3 members, and I think it's a wonderful plan, from what I've  
4 heard. I would like to volunteer my time and come back to  
5 Washington when needed to work on it and see if I can help in  
6 any way to put this thing across.

7 CHAIRMAN WITTGRAF: Mr. Dana.

8 MR. DANA: If I'm correct, I think, Ken, that in  
9 addition to the veterans groups, the Corporation has its own  
10 grantee in this area as well that has been working in the  
11 area of veterans law.

12 MR. BOEHM: Yes, that's correct, the National  
13 Veterans Legal Services Project. David Adelstone and Bart  
14 Stitehman were here earlier. They are the co-executive  
15 directors of the project.

16 Both Jack and I had met with them back in November,  
17 I guess David Adelstone and I have had ongoing correspondence  
18 and phone calls. We've been provided a copy of their 1,300-  
19 page, two volume book on veterans legal issues, which is the,  
20 in effect, bible of veterans legal issues.

21 We did have a meeting with them immediately  
22 following the meeting with the judges. We're consulting with

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1 them closely on that. It is, as you know, one of our 17  
2 support centers. It's one of the newer ones, being  
3 established in 1980, and I think, even though they gave us  
4 maximum flexibility, the report language and what the judges  
5 have told us, and so forth, they don't have preconceived  
6 notions, but they'd like to get as many parties out there as  
7 possible.

8 Their goal, and I think the Judge made it clear, is  
9 they want to leverage the resources out there. There is not  
10 enough money to do to job to the extent that we could use all  
11 of the key players that know quite a bit about this fairly  
12 narrow area of the law to get maximum resources brought to  
13 bear on that big pro say case load that they're going to be  
14 having.

15 MR. DANA: I think we had some evidence of this at  
16 our Audit and Appropriations and our Provisions Committee  
17 meeting yesterday, but this really underlines the point that  
18 pro say is not cheap.

19 Even though the lawyers and, in some cases,  
20 paralegals and paraprofessionals involved are volunteering  
21 their time, any kind of an adequate or any kind of a good  
22 program involves dollars and cents. It involves

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1 coordination. It involves training, expertise, and an  
2 ongoing staff function.

3 The fact that we have \$1 million, in effect, to  
4 generate a pro bono program in one large community is some  
5 evidence of the cost of doing the job right.

6 MR. BOEHM: No, that's correct. In fact, I've  
7 heard the figure for the DAV, the Disabled American Veterans,  
8 which handles quite a bit of their special types of cases,  
9 disability cases, before this court, the Court of Veterans  
10 Appeals, the figure of \$5,000 to \$7,000 in costs per case,  
11 maybe 100 hours of legal work.

12 For example, many of these are medical cases, and  
13 there is a reason to have expert medical opinion and  
14 extensive background checks and so forth. So you're right,  
15 many of these cases can be complicated, and a further  
16 limiting factor is, while they're complicated, sometimes the  
17 amounts of money are fairly limited, and there is a limited  
18 -- the one thing that I don't think was mentioned that may  
19 have some bearing on this problem are being argued this week  
20 before the Court of Veterans Appeals, sitting en banc Judge  
21 Nebeker and the six associate justices, is a case involving  
22 equal access to justice, its applicability to these types of

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1 cases.

2 Bart Stitehman, is who the co-executive director of  
3 the National Veterans Legal Services Project, a group we were  
4 just discussing, one of our grantees, is going to be arguing  
5 that case before the court en banc on January 15th, this  
6 week.

7 That may have a long-term bearing, if legal fees  
8 can be given, granted to some of these cases, but the  
9 expectation is, after it's argued here, it may be appealed  
10 out to the federal appellate courts and so forth. So, for  
11 the short term, at least, a lot is riding on our success in  
12 developing a pro bono effort.

13 CHAIRMAN WITTGRAF: Mr. O'Hara.

14 MR. O'HARA: Thank you, Mr. Chairman. Mr. Dana,  
15 I'm not sure whether you were present when I started my  
16 presentation, but I did want to say a thank you to you for  
17 the heads up you gave us on this veterans thing, which  
18 enabled us to move out very quickly and get our own task  
19 force established with Ken at the leadership.

20 MR. DANA: Thank you, sir.

21 CHAIRMAN WITTGRAF: Further discussion?

22 (No response.)

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1           CHAIRMAN WITTGRAF: I believe Mr. Boehm is going to  
2 talk briefly about the role of himself and the people with  
3 whom he works in his capacity as counsel to the Board.  
4 Before he does that, I've got one matter I want to  
5 underscore.

6           I think it's a matter that Ken has visited with  
7 many of the members of the Board about if not all of the  
8 members, and that is that in the nomination, recess  
9 appointment, confirmation process, we are all required to  
10 fill out lots of forms, none of which, unfortunately, will be  
11 going up into flames, at least until after we've filled them  
12 out.

13           They do tend to be very duplicative, unfortunately,  
14 and I guess that's because the Executive Branch and the  
15 Congressional Branch of the government are interested in many  
16 of the same things, but, unfortunately, do not necessarily  
17 share the information with one another.

18           My point is to underscore the effort that I know  
19 Ken has been making is that to the extent that any of us have  
20 not, on the one hand, completed the questionnaire requested  
21 by the Senate Labor and Human Resources Committee, we must do  
22 that, if we are to be considered for confirmation.

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1           If there are matters to be further answered or  
2 blanks to be completed, that, perhaps, were uncompleted or  
3 inadequately completed in the paperwork required by the White  
4 House in the Executive Branch, please assist Ken as  
5 expeditiously as possible.

6           One the one hand, the White House certainly wants  
7 to be in a position that it's done everything it could to  
8 make sure that our nominations are ready to be considered by  
9 the Senate. On the other hand, we hope that the Senate will  
10 have everything that it needs so that it can move to  
11 consideration.

12           So if Ken is wanting you to give him some  
13 information, or if he's prodding you to complete some forms,  
14 please take him seriously, because it's a vital -- it's an  
15 essential part of the process yet, and I think among us we do  
16 still have some loose ends that need to be tied.

17           MR. RATH: May I ask a question?

18           CHAIRMAN WITTGRAF: Mr. Rath.

19           MR. RATH: Number one, living in my part of the  
20 country, filling out those financial reports on a yearly  
21 basis is ever more depressing, but do I assume that silence,  
22 if not acquiescence, is some sign as to what you've done is

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1 okay? Because I hear nothing. It's like the great black  
2 hole.

3 MR. BOEHM: No. The fact that you were reappointed  
4 means you're clean.

5 (Laughter)

6 MR. RATH: No, I don't mean that, but I mean  
7 especially with the Senate form.

8 MR. BOEHM: From the Senate, no. Here is where the  
9 Senate is on it: They are --

10 MR. RATH: Do they ever look at them?

11 MR. BOEHM: They have not -- they do several  
12 different things. One is they have their own investigators,  
13 and at such point, before they announce confirmation  
14 hearings, there is going to be several different things  
15 happening.

16 One is you'll be getting a series of policy-types  
17 of questions from senators or from the committee. "What do  
18 you think about this or that vis-a-vis the Legal Services  
19 Program?"

20 The other thing you're going to see, because  
21 friends of your will contact you the same way they do for any  
22 background check, is their own investigators will pick up all

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1 the information that has been forwarded to the Senate  
2 committee and do their own check.

3 Now, a lot of times, this is, frankly, almost pro  
4 forma. The extent to which those investigators do any  
5 further investigating is really at the discretion of the  
6 senators on the committee, but those are two things you may  
7 be hearing from them in the future that you haven't up to  
8 this point.

9 The only other thing is they do need all the  
10 paperwork in before they start on anything. Now, that  
11 committee does have a number of things on its plate in  
12 addition to -- it's the Labor and Human Resources Committee  
13 of the Senate.

14 CHAIRMAN WITTGRAF: Mr. Uddo.

15 MR. UDDO: Just for timely information, and yours,  
16 too, Ken, I did get a call from a Senate committee staffer  
17 about a clarification of an answer on my questionnaire. So  
18 somebody is looking at them.

19 MR. BOEHM: Okay. No, I sent down with Lisa  
20 Merman, who is Senator Kennedy's staffer that is working on  
21 this, and went through her log and asked her a number of  
22 questions last week. They are carefully checking them in,

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1 and everything is -- there is also two other levels, for  
2 those of you who really enjoy this process, there are two  
3 other levels of corrections, paperwork, and so forth.

4 In the next couple weeks, you may get calls from  
5 the Office of Government Ethics. They have the new versions  
6 of the 278s that you submitted most recently to the White  
7 House, and each one is being given, detailed to a separate  
8 staffer over there. That's the way they do it.

9 So you may get a call from somebody from the Office  
10 of Government Ethics in the next couple of weeks. They're  
11 just comparing your current forms, these are the 278s, with  
12 previous forms and so forth.

13 Also, the White House has gone over them, and there  
14 are a number of just minor points, and, for those purposes,  
15 they have asked the Corporation, in the person of Pat Batie  
16 and myself, to just check with you informally and go over.  
17 It's just to make sure that all the paperwork is in order.

18 So in the next several weeks, you may get calls  
19 either from the Office of Government Ethics or from Pat Batie  
20 and myself. In those cases, it's mostly they're just  
21 comparing the previous 278s that you submitted with the  
22 current one, and, in some cases, there may be, because some

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1 of these are fairly detailed, there may be some minor  
2 discrepancies.

3 CHAIRMAN WITTGRAF: Further discussion?

4 (No response.)

5 CHAIRMAN WITTGRAF: I would ask Mr. Boehm that  
6 perhaps you could follow-up on the initiative taken by  
7 Mr. Roberts of the L.A. Daily Journal to determine whether or  
8 not Mr. Hall has qualified for the Guinness Book of Records as  
9 the recipient of four recess appointments.

10 MR. BOEHM: The figure, for those of you who saw  
11 the article, was that the President has made 34 recess  
12 appointments of which 23 were Legal Service Board, and this  
13 is prior to this most recent round. So that actually  
14 increases our percentage. So when they think recess  
15 appointments in the Office of White House Counsel, they think  
16 Legal Services.

17 CHAIRMAN WITTGRAF: Well, some of us are really  
18 just at two or three. Mr. Hall, I believe, is at four, and I  
19 do believe may hold a record that will be noted with an  
20 asterisk somewhere in the annals of U.S. history.

21 MR. BOEHM: I think that is the record, actually.  
22 I did ask Dr. Fisher if that was, and he wasn't sure, but he

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1 said he could look.

2 CHAIRMAN WITTGRAF: Mr. Boehm, we'd be delighted to  
3 have you proceed to your report regarding your functions and  
4 those of your colleagues, in your capacity as counsel to the  
5 Board.

6 MR. BOEHM: And mindful of the fact you have a full  
7 agenda, I'll keep this very brief. I, of course, have been  
8 with the Corporation since the fall of 1989 with the Office  
9 of Policy Development and Communications.

10 There was a minor reorganization in February of  
11 '91, in part, because, as you know, just the month before,  
12 board committees had been selected for the first time. The  
13 first year, of course, January -- I mean, 1990, this Board  
14 about not have committees.

15 It was envisioned there was going to be more  
16 committees work and more work in the executive branches just  
17 dealing with board matters, confirmation, and so forth.  
18 So there was some need for some had assistance there.

19 So the Office of Assistant to President and Counsel  
20 to the Board was made, and, in terms of areas of  
21 responsibility, there is the area of confirmation, which  
22 we've just discussed in some detail, and in that regard I act

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1 as liaison among the various entities, the Senate Committee,  
2 the Office of Government Ethics, and the White House  
3 Counsel's Office and also work in assistance with Pat Batie  
4 on those matters.

5 In terms of competition, I serve on the staff  
6 working committee dealing with competition issues, and they  
7 have had ongoing meetings, as you know, over the previous  
8 months, including now we have the advisory group that meets  
9 as well on a variety of other matters, including legislative  
10 matters most recently and again just touched on this morning  
11 the \$950,000 appropriation for the Court of Veterans Appeals  
12 pro bono project. I act to assist Jack O'Hara on those types  
13 of issues.

14 On one issue that just sort of came my way earlier  
15 this past year, I've put an awful lot of time in, which is  
16 the office relocation, and in that I spent a great deal of  
17 time last year, in terms of looking at locations and working  
18 in negotiation sessions and worked very closely with Dave  
19 Richardson on that. He is the controller, of course, is very  
20 familiar with those issues and worked closely on that.

21 Now, of course, we've passed that, and we're  
22 getting more into the space planning and the logistics of the

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1 move, and I can just say briefly that we are currently on  
2 schedule and under budget for that, and some of the -- we've  
3 had very good results, initial results, in getting interest  
4 in marketing the current space.

5 We have a letter of intent that went out this past  
6 week to a private group. The GSA is looking at it for five  
7 or six different government entities, and we've had about 25  
8 other groups express interest.

9 Again, this is not through any great efforts so  
10 much on our parts as we happen to be so fortunate to be in a  
11 small area of the city that has a 1 percent vacancy rate, and  
12 there is a lot of government agencies, including NASA that  
13 have relocated there and want space. So that's a big area of  
14 what we've been doing.

15 Then more recently, I've been doing some media  
16 liaison and congressional liaison, working closely with Jack  
17 O'Hara who, of course, spent 24 years up on the Hill and has  
18 been tracking our relationships with the Hill. It's very  
19 important as we go into both confirmation, reauthorization,  
20 the veterans issues, and so forth.

21 So in the area of both media liaison and  
22 congressional liaison, I handle parts of those functions,

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1 most recently, for example, with Charley Roberts. We were in  
2 touch on a regular basis to when the appointments might come  
3 out of the White House and related issues.

4 Finally, in an area in which I was busier earlier  
5 last year and I suspect to be busy as things maybe pick up  
6 this year is committee support, as members of the Board have  
7 either researched for themselves or their committee that  
8 needs undertaking.

9 For example, the Reauthorization Committee last  
10 year, we scheduled four hearings where there was, I believe,  
11 about 50 participants in a period of several months in San  
12 Francisco, Chicago, in the Washington area, and I did a lot  
13 of the staff support for those committees, and that's  
14 something that I'm available to do.

15 We've put a lot of time and effort into preparation  
16 for board meetings and committee meetings, and I frequently  
17 work closely with the others in the executive branch, both  
18 Jack, of course, as well as Pat Batie on preparation for  
19 that. So that, in a nutshell, is the function I've been  
20 performing.

21 CHAIRMAN WITTGRAF: Thank you, Mr. Boehm. Is there  
22 discussion?

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1 (No response.)

2 CHAIRMAN WITTGRAF: Thank you very much. Anything  
3 further you'd like to touch on, Mr. O'Hara?

4 MR. O'HARA: No, sir.

5 CHAIRMAN WITTGRAF: With the completion, then, of  
6 the President's report, the Chair is prepared to move to  
7 Agenda Item 7, and that is the Inspector General's report, or  
8 at least that portion that is to be covered in open session  
9 rather than closed session. For that purpose, the Chair  
10 recognizes our Inspector General, Mr. Quatrevaux. Good  
11 morning.

12 PRESENTATION OF EDOUARD QUATREVAUX  
13 INSPECTOR GENERAL, LEGAL SERVICES CORPORATION

14 MR. QUATREVAUX: Good morning, Mr. Chairman and  
15 directors. I have three information items for you this  
16 morning. The first deals with the staffing of the office.  
17 As you recall, the budget that the Board approved for the OIG  
18 staffs and organization, that includes an assistant for  
19 audits.

20 I'd like to introduce to you this morning Ms. Karen  
21 Voellm -- please stand, Karen. Thank you -- who began in  
22 that position on the 30th of December. She is in the process

1 of --

2 CHAIRMAN WITTGRAF: Could you, Mr. Quatrevaux, both  
3 for the record and for our information, spell her last name?

4 MR. QUATREVAUX: Certainly. My last name is  
5 spelled --

6 CHAIRMAN WITTGRAF: No, no, her. Her. I've seen  
7 yours.

8 MR. QUATREVAUX: The court reporter has it,  
9 V-o-e-l-l-m.

10 CHAIRMAN WITTGRAF: Say it again.

11 MR. QUATREVAUX: Voellm, V-o-e-l-l-m, Karen, with a  
12 K.

13 CHAIRMAN WITTGRAF: Thank you.

14 MR. QUATREVAUX: She is in the process of  
15 interviewing applicants for two auditor positions and is well  
16 along with that process, and I hope by the next time I report  
17 to you, I'll be able to say that we have a full audit staff.  
18 Also, beginning this morning, is a new investigator, Ms. Mary  
19 Green, a veteran of the New York Police Department.

20 The second item deals with the information program  
21 that I described to you earlier, which is to describe both  
22 internally and externally to LSC the functions of the Office

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1 of the Inspector General so that we'll have complete  
2 understanding.

3 Internally in the Corporation, the Office of Human  
4 Resources is scheduling a series of small meetings with all  
5 of the employees for next week, at which time we'll explain  
6 to the employees what the office does, what its functions  
7 are, how it goes about it, what their rights and  
8 responsibilities are.

9 Externally, I have accepted an invitation to  
10 address the SCLAID committee of the American Bar Association  
11 in Dallas at the end of this month.

12 The last item deals with GAO's special review of  
13 the implementation of the IG Act at LSC. To refresh your  
14 memories, this was at the request of the Senate Governmental  
15 Affairs Committee, and, as you know, Mr. Kirk, Chairman of  
16 the Board's OIG Oversight Committee and myself visited with  
17 that staff last month.

18 The latest development on that was an interview  
19 Mr. Wittgraf had, as Chairman, with two senior audit  
20 personnel of the General Accounting Office yesterday. I have  
21 no idea as to what the next development is. I think we're  
22 probably in a position now where we'll just sit back and wait

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1 for their report or at least the draft report and have the  
2 opportunity to comment on it when we do receive it.

3 That's all I have for Open Session. Can I take any  
4 questions?

5 CHAIRMAN WITTGRAF: Discussion?

6 (No response.)

7 CHAIRMAN WITTGRAF: Thank you, Mr. Quatrevaux. At  
8 this time, the Chair is prepared to entertain a motion for  
9 the Board to proceed to Executive or Closed Session for  
10 discussion of those matters of which notice was given  
11 previously.

12 M O T I O N

13 MR. UDDO: So moved.

14 CHAIRMAN WITTGRAF: It's been moved by Mr. Uddo.  
15 Is there a second?

16 MR. MOLINARI: I'll second.

17 CHAIRMAN WITTGRAF: It's been seconded by  
18 Mr. Molinari. Discussion?

19 (No response.)

20 CHAIRMAN WITTGRAF: Hearing none, those who are in  
21 favor of the motion to proceed to Closed or Executive Session  
22 will signify by saying aye.

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1 (Chorus of ayes.)

2 CHAIRMAN WITTGRAF: Those who are opposed, nay?

3 (No response.)

4 CHAIRMAN WITTGRAF: The ayes appear to have it.

5 The ayes do have it. We will proceed to Executive Session

6 with the admonition that it's the Chair's hope that we will

7 return to open session by 1 p.m. at the latest.

8 (Whereupon, at 11:37, the open session of the Board

9 of Directors of the Legal Services Corporation was

10 adjourned.)

11

\* \* \* \* \*

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(1:55 p.m.)

1  
2 CHAIRMAN WITTGRAF: At this time, the Board will  
3 return to Open Session. We will proceed, as scheduled, to  
4 Agenda Item No. 13, consideration of the report of the  
5 Board's Committee for the Provision of the Delivery of Legal  
6 Services.

7 To that end, the Chair recognizes the Chair of that  
8 committee, Mr. Hall.

9 CONSIDERATION OF PROVISION FOR THE DELIVERY

10 OF LEGAL SERVICES COMMITTEE REPORT

11 MR. HALL: Thank you, Mr. Chairman. The Provisions  
12 Committee did meet on several items, chiefly to attempt to  
13 make some recommendations or provide information to the Audit  
14 and Appropriations Committee and their deliberations that  
15 followed directly after our committee.

16 We looked at three things chiefly: the  
17 consideration of guidelines used for unsolicited proposals  
18 for Corporation grants, including innovative grant awards and  
19 whether or not an amount should be set aside to do those two  
20 things.

21 We then looked at different vehicles through which  
22 the Corporation could assist LSC funded grantees to recruit,

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1 retain staff attorneys. Included in that was some discussion  
2 on the REGGIE program, some discussion on loan repayment and  
3 other type of benefits that might be available to retain  
4 staff attorneys.

5 The last thing we looked at was the issue of some  
6 type of funds to be set aside for client advocacy. The  
7 Committee did make a recommendation concerning that we should  
8 set aside \$1.5 million to be used for the purpose of awarding  
9 unsolicited grant proposals and innovative grant awards for  
10 the '93 budget mark.

11 Some of the discussion centered on who would get  
12 these awards. There was no decision made. I think one of  
13 the issues was should it be solely LSC programs, or should it  
14 be open to anyone? As I understand it, that issue is still  
15 open and is being studied further by the staff and will be a  
16 topic for further committee meetings.

17 So far as the REGGIE program and the loan repayment  
18 was concerned, we did not make a recommendation on that.  
19 Instead, we discussed it. I think one of the ideas that came  
20 forth in either this committee or the following committee was  
21 that, perhaps, a blend of the two might be a workable  
22 situation. I believe that staff is preparing more

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1 information on that.

2           The third thing we talked about was the, as  
3 mentioned, was the client advocacy money, and the Committee  
4 did recommend that the amount of \$300,000 be set aside to  
5 fund that, although, again, we weren't specific as to exactly  
6 what we would be funding, and I'll say that the amount that  
7 the Committee recommended on that as well as the amount that  
8 the Committee recommended on the unsolicited and innovative  
9 grants weren't firm amounts.

10           There weren't a lot of figures to work on, and I  
11 think some of them may have been revised at the following  
12 committee meeting, and, with that, I shall end my report.  
13 Thank you, Mr. Chairman.

14           CHAIRMAN WITTGRAF: Thank you, Mr. Hall. If I've  
15 understood you correctly, there is nothing that you did that  
16 requires Board action. You did convey those specific  
17 recommendations yesterday from your Committee to Audit and  
18 Appropriations Committee?

19           MR. HALL: That's correct.

20           CHAIRMAN WITTGRAF: Discussion?

21           (No response.)

22           CHAIRMAN WITTGRAF: Hearing none, the Chair is

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1 prepared to proceed to Agenda Item 14; that is, consideration  
2 of the report of the Audit and Appropriations Committee.

3 Mr. Dana.

4 CONSIDERATION OF AUDIT AND APPROPRIATIONS COMMITTEE REPORT

5 MR. DANA: Mr. Chairman, our Committee,  
6 Ms. Wolbeck, Mr. Uddo, and myself was joined by Mr. Hall,  
7 Ms. Love, and Mr. Wittgraf immediately following the  
8 Provisions Committee meeting and really continued the  
9 deliberation that was started there.

10 We, as the Board knows, have been dealing with both  
11 the -- we're dealing with the issue of the -- well, at the  
12 outset of the meeting, we dealt with some preliminary matters  
13 and adopted a consolidated operating budget for 1992 which  
14 supplemented the M&A budget that the Board adopted at the  
15 last meeting.

16 The consolidated operating budget appears on page  
17 14 of the Green Book that is available in the room, and we  
18 adopted, in effect, column 4 as the consolidated operating  
19 budget for 1972 in the form of a recommendation to this  
20 Board.

21 You should note that it includes the \$950,000 that  
22 involves the U.S. Veterans Appeals funds and involves a

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1 transfer of \$67,320 from basic field to the Native American  
2 line to reflect a historic adjustment that is annually made  
3 to accommodate one of our grantees.

4 M O T I O N

5 MR. DANA: With that, Mr. Chairman, I would move  
6 that the Committee's recommendation set forth on page 14 of  
7 the Green Book be adopted as the Corporation's COB for this  
8 fiscal year.

9 CHAIRMAN WITTGRAF: If the Chair accepts the report  
10 of the Committee as its motion made and seconded, that motion  
11 is now under discussion. Is there discussion?

12 (No response.)

13 CHAIRMAN WITTGRAF: Hearing none, those who are in  
14 favor of the motion, which is the adoption of the  
15 consolidated operating budget for the Legal Services  
16 Corporation for Fiscal Year 1992 as shown on page 14 of the  
17 Committee Book, the Green Committee Book prepared and  
18 distributed yesterday will signify by saying aye.

19 (Chorus of ayes.)

20 CHAIRMAN WITTGRAF: Those who are opposed, nay.

21 (No response.)

22 CHAIRMAN WITTGRAF: The ayes appear to have it.

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1 The eyes do have it. The consolidated operating budget for  
2 Fiscal Year 1992, as presented, is adopted. Mr. Dana.

3 MR. DANA: Mr. Chairman, I'm distributing at this  
4 time a piece of paper entitled, "Funds That Are Available For  
5 Board Action." This is intended to be just available to  
6 board members so that they may understand the level of  
7 flexibility that we have at this time concerning corporate  
8 funds.

9 Just to make it clear, in the first column, these  
10 were funds available for Board action as of 10/1/91. In the  
11 second column, these are the funds that we took from the  
12 various places indicated in column 1 and transferred them to  
13 M&A for purposes of the M&A budget for 1992.

14 The Operation and Regulations Committee, the  
15 Competition Committee, has felt the need at various times of  
16 a little bit more money, perhaps \$300,000 or \$400,000, and we  
17 have identified places in the budget in the third column  
18 where that money could come from, should they covet  
19 additional funds.

20 We have sometimes talked about and will talk again,  
21 I guess, later today, but the provisions talked about these  
22 unsolicited grants, and carryovers. We have identified,

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1 still in column 4, the sources of funds available for Board  
2 action, still available, even after columns 2 and 3 are  
3 reduced from column 1.

4           These funds are available for subsequent Board vote  
5 to direct it in one way or another or, indeed, for management  
6 carrying out the various responsibilities that Congress has  
7 complemented, as set forth in the first column. That's,  
8 really, an information item, but it's helpful, I think, to  
9 have that available to you when you're looking around to  
10 tackle a project.

11           Finally, Mr. Chairman, if there are no questions on  
12 that, we turn to the issue of the 1993 budget mark, the  
13 request of Congress. I think it may be helpful for Board  
14 members to turn in the Green Book to page 17. Seventeen  
15 through 21 represent five proposals that had been presented  
16 by various Board members prior to the meeting.

17           The Committee, working with other Board members  
18 present, decided that it would take Proposal 1 and focus on  
19 it as the vehicle for determining what lines we wanted to  
20 include and for determining the amount that we wished to be  
21 recommending to you.

22           Let me just indicate the changes that we proposed,

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1 based upon Proposal 1, to convert it into what is the  
2 Committee's recommended, not unanimous recommendation. We  
3 moved Item 1-A(5) to its own separate heading called  
4 "Innovative Grants," and raised that amount to 1.5 million.

5 Under 1-B(3), we changed the title to "Attorney  
6 Recruitment Program," and we added an item under Board  
7 Initiatives called "Timekeeping Initiatives," for half a  
8 million dollars.

9 In subsequent efforts, we felt that a better  
10 presentation of the various corporate initiatives or Board  
11 initiatives would be to move them up to a separate heading,  
12 and what we have distributed to the Board today is a revision  
13 of our, or a recasting of the Committee's recommendation.  
14 It's entitled "Proposal A." It should be distributed to the  
15 members of the public.

16 The Board should focus at the top of page 2 of this  
17 presentation. We have created a heading entitled "Three,  
18 Corporation Initiatives," and have various subheadings  
19 entitled, "Innovative grants, Competition Initiatives,  
20 Consolidation Initiatives, Timekeeping Initiatives, Pro Bono  
21 Project Awards, and Other Initiatives," for a total of  
22 \$5,700,000.

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1           On page 1, we have the Attorney Recruitment Program  
2 of 4 million. At the bottom of the page, we have Client  
3 Training and Self-Help Programs of 1 million, and we have, in  
4 the other subject that this Board has not really devoted any  
5 time to is the Item 2-A(2), which is the National Resource  
6 and Training Center, something that Congress did at the end  
7 of the last session to fund a project in Des Moines, Iowa for  
8 1.3 million, and our Committee is proposing that we  
9 supplement that funding to bring it up to a nice, round \$2  
10 million in this coming year.

11           Those are the details. The subject on which your  
12 Committee was divided was how much we should ask Congress  
13 for, and the vote was two of your Committee voted in favor of  
14 Proposal A, asking Congress for a total of \$525,034,000.

15           Mr. Uddo could not endorse that amount and has made  
16 his proposal in the nature of a minority report, which is  
17 also distributed and is before you and is, in large measure,  
18 identical to Proposal A, except it is reduced to a level of  
19 exactly \$500 million, but many of the -- there are some  
20 variations in the lesser amounts, but I'm not sure that there  
21 were intended to be differences.

22           MR. UDDO: There are some differences in the

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1 distribution.

2 M O T I O N

3 MR. DANA: I see. Rather than to make a  
4 comprehensive report as to the rationale that the  
5 Committee -- well, let me just say that, as to the gross  
6 amount, the Committee was persuaded that the need is there,  
7 that there are substantial, overwhelming, unmet needs for  
8 legal services for the poor in this country and that even  
9 this amount would not accomplish that objective but that this  
10 had some symmetry to recommend it, because it  
11 recommended -- it was a 50 percent increase, represents a 50  
12 percent increase in basic field funding, a 25 percent, I  
13 believe, increase in other support, a somewhat less than that  
14 increase in M&A, and it attracted a majority of the Committee  
15 to its banner, and it is the Committee's recommendation 2 to  
16 1, and I would make that in the form of a motion for the  
17 Board's consideration.

18 CHAIRMAN WITTGRAF: Thank you, Mr. Dana. Again,  
19 the Chair interprets the Committee's action as having been  
20 the moving of the report, so-called Proposal A, and  
21 determines that that is the proposal or the subject that's  
22 before the Board for discussion at this time. Is there

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1 discussion? Mr. Uddo.

2 MR. UDDO: Mr. Chairman, the reason that I felt  
3 compelled to propose different figures, in many ways, this is  
4 all very much a guessing game at this point for a variety of  
5 reasons. One is, we don't know what the '90 census is going  
6 to show, even though that's one of the major justifications  
7 for proposing such a significant increase.

8 I think we're all fairly well convinced that the  
9 census is going to show a large enough increase that it's  
10 going to require some significant increase in the funding  
11 available, but we don't know those figures yet.

12 That's one reason, I think, for somewhat more  
13 moderation in the bottom line figure that we pick, because I  
14 think we ought to reserve the possibility of the figures not  
15 being as high or as dramatic as some of the pre-released  
16 speculation suggests.

17 Secondly, I think that the \$500 million figure  
18 represents a significant increase, even in the face of a  
19 fairly dramatic rise in the number of eligible clients that  
20 the census is likely to demonstrate.

21 Secondly, I think that some of the line items that  
22 show differences between my proposal and the majority

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1 proposal are of, again, some significance with respect to  
2 things like the National Resource Training Center, with  
3 respect to some of the initiatives.

4 I think that there are some justifications for some  
5 different numbers, but most important I think that we need to  
6 take these increases with some eye toward future growth and  
7 what future growth is going to look at.

8 As Mr. Wittgraf said yesterday, we're only making  
9 recommendations. That's a fact, and we have no idea what the  
10 appropriations process is likely to do, but I think that in  
11 order to defend the recommendation that we make, we have to  
12 try to have some sufficient rationale for it.

13 I don't think that because we don't do the  
14 appropriating we can't have some eye toward how we're going  
15 to justify the increases, and I think that the \$500 million  
16 proposal is one that has a good deal of justification to it.

17 The 50 percent increase to the field programs I  
18 think is very important, from some of the other proposals  
19 that tended to provide an across-the-board increase and not  
20 more for direct delivery in field programs, which I think  
21 would be a mistake, but I think both of these proposals  
22 preserve that particular view that more of the increase

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1 should go to field programs.

2 I don't think there is any doubt that an increase  
3 is justified and needed. There was a freeze budget that the  
4 Corporation operated on for the entire time that I was on the  
5 Board before, and I don't think there is any doubt that there  
6 was significant increase not only in demand, demand in  
7 numbers of persons who needed the services, but in terms of  
8 real dollar increases. If you're operating under a freeze  
9 budget for any period of time, you're actually losing money.  
10 Everybody knows that.

11 On the other hand, one thing that I don't think the  
12 majority proposal takes into consideration is that over that  
13 same period of time there have been significant alternatives  
14 sources of funding that have had an effect on the total  
15 dollars available for the delivery of legal services.

16 We know that IOLTA funding has increased. We know  
17 that private sources of funding have increased. We know that  
18 the pro bono effort has increased, and also everyone should  
19 take note that this budget is trying to further encourage and  
20 reward those pro bono efforts, because we have a line item in  
21 here for pro bono project awards, which is something that  
22 came out of our conference in St. Louis where it was

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1 suggested that that is something that maybe the Corporation  
2 has overlooked in trying to encourage for pro bono activity  
3 and not doing something to foster that in a more concrete  
4 way.

5 I think, if you consider all the other sources of  
6 funding that have developed over the years, that the increase  
7 of \$500 million combined with that is a more significant  
8 increase in funding than it appears on the surface, and I  
9 think it's an eminently justifiable one.

10 Let me say a couple of other things. There are  
11 some lines on here that I think may eventually have to change  
12 no matter which budget is adopted. For example, the Attorney  
13 Recruitment Program is \$4 million in that line, and yet we're  
14 at a stage where we have no idea what that looks like, what  
15 it's going to be, what sort of demand there is going to be  
16 for it.

17 We're in a market right now where you might not  
18 have to do too much to recruit attorneys, and people are  
19 looking for jobs, but yet there may be things that we can do.  
20 It may turn out that \$1 million would be plenty enough to  
21 reinstitute some sort of attorney recruitment program.

22 So I think everyone has to keep in mind that that

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1 figure could change. The Client Training and Self-Help  
2 Program you see in both budgets carries a figure of \$1  
3 million, and Mr. Hall mentioned that his committee had  
4 proposed \$300,000.

5 I think that the reason for the disparity is there  
6 is a disagreement that surfaced on the Committee yesterday as  
7 to what kind of client program that would be. The reason I'm  
8 supporting \$1 million is because I'm not supporting the idea  
9 of a national client organization, which probably could be  
10 funded at the level that Mr. Hall's committee suggested or  
11 maybe even less.

12 My thought, and, again, this is something that  
13 needs to be worked out over the future, is money that could  
14 be disbursed to local boards to do things to train and  
15 incorporate clients more effectively at the local board level  
16 without the need for a national organization.

17 So that number could change. If, ultimately, the  
18 Corporation decides to support a national client  
19 organization, I don't think that would require or justify \$1  
20 million to support the work of one centralized national  
21 organization.

22 Very important to me is Roman Numeral III, as well

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1 as the other people on the Committee and other folks who  
2 submitted budgets, because, in No. 3, I think you see  
3 reflected what I would very candidly called a quid pro quo  
4 for the increased level of funding that's being recommended  
5 in either budget.

6 One of the things that we've heard over the years  
7 about some of these so-called reform initiatives, you can  
8 call them anything you want, I think initiatives is a good  
9 way to describe them, usually we hear that there are support  
10 for these things but suspicion of the folks who are in charge  
11 of the Corporation and whether or not they're the right ones  
12 to do it and whether or not they'll do a good job of it.

13 I think these two budget proposals make it very  
14 clear that this is a Board that is acting in good faith, that  
15 is trying to do the right thing, that folks ought not be  
16 suspicious of, and I think that's been demonstrated not only  
17 by these budget figures that are being proposed but by the  
18 selection of Mr. O'Hara as president and the way that he and  
19 the staff have conducted themselves since he's been selected  
20 president.

21 I hear this from people in the field. So I think  
22 that all those things are being taken to heart and being

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1 taken seriously; therefore, I think that Roman Numeral III is  
2 very important, because there are things in there that should  
3 now become cooperative efforts between the Corporation and  
4 the field to make them work, the Competitive Competition  
5 initiative. Timekeeping is something that I insisted be in  
6 here.

7           The Chairman's concern with consolidation; all  
8 those are things that I think we ought now be able to work  
9 cooperatively one, because I think it's pretty clear that  
10 we're all working and operating in good faith, and I think  
11 those are all in here for purposes of saying, "Let's do that.  
12 Let's increase the level of funding, but let's work together  
13 on some of these things and dissipate some of this ongoing  
14 suspicion and distrust that has infected the Corporation for  
15 a number of years."

16           All that taken together, I think the \$500 million  
17 figure is one that significantly increases the funding, tends  
18 to meet the need, in combination with the other sources of  
19 funding and yet still leaves some room for growth, if, when  
20 the census figures come out and other things change, we  
21 determine that we haven't gone far enough, but I'd rather  
22 error on the side of caution at this point rather than go

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1 that extra step.

2 CHAIRMAN WITTGRAF: Do I take that, Mr. Uddo, as a  
3 motion for a substitution of your proposal for the Committee  
4 report?

5 MR. UDDO: I guess, procedurally, that would be the  
6 best thing to do, to make it a substitute motion and have it  
7 voted on before the main motion.

8 M O T I O N

9 CHAIRMAN WITTGRAF: Is there a second?

10 (No response.)

11 CHAIRMAN WITTGRAF: It's the Chair's understanding  
12 that that motion fails for want of a second. We're back on  
13 the motion that's the Committee report. Is there discussion?

14 MR. MOLINARI: Do you want a discussion on the  
15 amount itself, or do you just --

16 CHAIRMAN WITTGRAF: Mr. Molinari.

17 MR. MOLINARI: Mr. Chairman, I cannot believe that  
18 this Board would seriously consider telling the appropriation  
19 committees of Congress that we're seeking, in this day and  
20 age, a 50 percent increase or anywhere near that figure in  
21 one year.

22 I guess there are two general approaches to the

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1 question of the funding for the Corporation. One, perhaps,  
2 is what's going through your minds, and I wasn't there, and  
3 that is, "Let's shoot for a high figure, and if we shoot for  
4 a high figure, the possibilities of us winding up with more  
5 is greater than if we seek a more modest sum."

6 I think that's a mistake, having served in Congress  
7 for nine years and having gone through that same process,  
8 going through that same process right now, very painful  
9 process in New York where our city and state are on their  
10 bended knees, and I am one that makes decisions on how to cut  
11 budgets.

12 So I look more to and reward those who are trying  
13 to do their job and come up with realistic figures than those  
14 who give us figures that we consider pie in the sky or  
15 insulting to our own intelligence, knowing that they can't  
16 get it.

17 I think it's very important that the  
18 recommendations of this Committee be received by the -- and I  
19 know some of the people that serve on those committees, and I  
20 think I know some of their attitudes, is that "The  
21 Corporation is doing a good job. They're doing a better job.  
22 There is less controversy. Things are moving in the right

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1 direction, and, yes, they're asking for an increase, but look  
2 at the increase that we received last year or the year  
3 before," and I think you get a pretty fair idea as to what we  
4 could hope to get.

5 Certainly, we're in a presidential election cycle,  
6 and there is going to be a great deal of emphasis this year  
7 on the budget deficit, as there was four years ago. I feel  
8 very strongly that if we come up with any increase that's  
9 anywhere near the Budget Proposal 1 or Mr. Uddo's substitute,  
10 we're going to lose a great deal of our bargaining power with  
11 the respective committees, and I think it would be a sad  
12 mistake on our part.

13 MR. DANA: Mr. Chairman.

14 CHAIRMAN WITTGRAF: Mr. Dana.

15 MR. DANA: I think it's always dangerous to, when  
16 you know as little as I do, to argue with someone who knows  
17 as much as you do.

18 MR. MOLINARI: Sounds like a con job to me, Howard.

19 MR. DANA: My sense is that you may well be right,  
20 that, in fact, we may again, as we did the last two years, be  
21 debating with Congress as to whether or not we get a 6  
22 percent increase or an 8 or 9 percent increase, and that's

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1 been the debate over the last few years.

2           However, I see our responsibility -- however, it is  
3 also true that, if I can read the tea leaves from Portland,  
4 Maine, that it is possible that this is a year in which,  
5 through legislation, the budget agreement may be adjusted  
6 such that the relationship between Defense and the other side  
7 of the budget may be a year ahead of time, may be adjusted.

8           If that is so, it seems to me that this Corporation  
9 ought to be aggressively arguing its case for substantial  
10 increased funding to perform the function that we're about,  
11 which is to provide justice to the poor in this land.

12           I think that there is some evidence that we are in  
13 the neighborhood of 20 percent of the way there, with all of  
14 the effort that we have put in with IOLTA, with pro bono,  
15 with everything we're there, we're still only about 20  
16 percent of the way there with half a million dollars of  
17 combined resources.

18           Using that analysis, we're really talking about a  
19 \$2.5 billion job. So we're adding 150 million on top of  
20 where we are now, in terms of cosmic or in terms of gross  
21 resources. It doesn't get us there. It doesn't get us  
22 anywhere near there, and it is my hope, whether we're at 500

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1 or 525, that is a difference as a tactic.

2           Whether we are at 375 or 5, that's a statement, and  
3 you may well be right that they will laugh at us on the Hill.  
4 I do not think that's the case, and I do think that the need  
5 is there.

6           I think we have 14 legal need studies. We have  
7 immense number of evidence, a lot of evidence out there that  
8 there are millions of people who need help and can't get it  
9 because the resources aren't available, and I think, given  
10 that data and given no evidence to the contrary, that we  
11 ought to be aggressively asserting to Congress and the  
12 Administration that we need additional funding.

13           I respect your assessment; in fact, I endorsed it  
14 and have on three prior occasions, not necessarily yours, but  
15 I have felt the two prior years that it would be silly to do  
16 what I am hoping this Board will do this year, but this year,  
17 I think, given the fact that there is a new census, there  
18 will be soon to be a new realization of the number of people  
19 that exist, and I hope that this Board will endorse the  
20 Committee's recommendation that we seek a substantial  
21 increase in funding this year.

22           CHAIRMAN WITTGRAF: Mr. Molinari.

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1 MR. MOLINARI: If I may just respond, Mr. Chairman.  
2 I don't disagree what you said, in terms of the need, Howard.  
3 I think, if the policy of the Board were to try to annunciate  
4 the needs of the Corporation to fulfill the total demand,  
5 then, indeed, we might want to put forth a budget of \$2.5  
6 billion with the statement that this is our considered view  
7 as to the total amount that it would take to provide the  
8 desirable services to all.

9 If, on the other hand -- I, personally, was  
10 delighted last year at the increase that we received, and I  
11 think that was a reflection on how the congressional  
12 committees were viewing the workings of this particular  
13 corporation.

14 The problem that I see and the concern that I have  
15 is we run of risk of some members -- they're operating under  
16 a lot of pain, the cuts that they have to go through now, and  
17 they're under tremendous pressure -- is that we run the risk  
18 of them saying, "What the hell are they doing over there? We  
19 gave them what we thought was a good increase last year, and  
20 now look what they're doing."

21 That's the mentality that sometimes prevails, and,  
22 you know, it's a calculated risk. Where do you want to go

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1 in? What kind of message do you want to send them? Is it  
2 the right message? Is it the wrong message? There is always  
3 a gamble. There is always a risk associated with it.

4 My own view, and I'm no expert, I mean, we're  
5 dealing with human beings, so they all disagree, but I've  
6 been involved in some of that process, and my own view is  
7 we'd be making a mistake coming in with anywhere near those  
8 figures.

9 CHAIRMAN WITTFGRAF: Mr. Rath.

10 MR. RATH: Thank you, Mr. Chairman. I have a  
11 travel problem, so I have to go, but were I to be here, I  
12 would cast a vote in favor of the Committee recommendation,  
13 keeping in mind the sound advice of the Vice Chairman.

14 I would do it on several bases. First, we are  
15 still asking for a very small percentage of what the federal  
16 government spends each year. So while it is an enormous  
17 increase and a significant increase, it is not one that is a  
18 budget-breaker, in my judgment, and that is kept in mind with  
19 the reallocation of federal spending that is going to go on  
20 in this budget.

21 Second, I don't think we can rely, as we have in  
22 the past, on the safety net of things like pro bono and

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1 IOLTA. There is a recession out there in the real world.  
2 The pro bono hours are going to be cut back, because law  
3 firms are going to try and stay in business.

4 IOLTA is uniquely captive to what interest rates  
5 are, and, if you looked at your passbook lately or your CDs  
6 lately, ain't nobody earning what they did a year ago.  
7 So even if the same amount of dollars are in there, they're  
8 not going to produce as much, in terms of program support  
9 than we've had before.

10 Third, and, in my judgment most significant, is the  
11 nature of our role. It is to perform somewhat of a difficult  
12 balancing job between a perspective that we all bring to the  
13 Board, a political perspective that we represent, in terms of  
14 the appointing authority, but also to be a vehicle by which  
15 the Congress, the appropriating authority, hears of need.

16 Balancing all of those, I come out on the side of  
17 making a statement that speaks to the need. There is  
18 genuine, unassailable, unmistakable need, and it's getting  
19 greater. It's not dissipating. It's not going away.

20 I don't care what the census numbers say, because  
21 they're already old, this recession, in a place like my  
22 state, is cutting into this population and throwing people

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1 into categories, demographic categories, that they've never  
2 been before, and the need for representation of those people,  
3 the need for the demand that that's going to put on the  
4 programs is extraordinary.

5 I opt, rightly or wrongly, to be the vehicle which  
6 expresses that need to the Congress, and this is a reasonable  
7 number. They can then make a judgment rightly or wrongly  
8 which way to go, but this is a reasonable way to make a  
9 statement about the extraordinary need, the extraordinary  
10 pain that exists within this country at this time.

11 So unless we vote in the next five minutes, I won't  
12 be here, but I would vote in favor of the Committee report.

13 CHAIRMAN WITTGRAF: Ms. Pullen.

14 MS. PULLEN: Thank you, Mr. Chairman. I think the  
15 focus and passion that has been expressed here for the  
16 mission of this program is commendable, and I'm sure that all  
17 of us have a commitment to the mission of this program, or we  
18 would not be putting in vast amounts of time in deliberating  
19 the way that it is being conducted and in helping to shape  
20 that to the extent that we can, in our authority.

21 I share Mr. Molinari's concern, though, about the  
22 practical effect of throwing a 50 percent-style increase at

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1 Congress and the President at any time, let alone now.

2 This is a time when legislators, such as our  
3 congressmen, are faced with the need to cut spending, and for  
4 an agency to show so little regard to that process that they  
5 need to be engaging in right now is to invite their  
6 disrespect, which can last for a very long time.

7 Further, Ladies and Gentlemen, I do not believe  
8 that there is any practical reason whatsoever to hope that a  
9 budget approaching this near 50 percent increase would  
10 ultimately emerge, and I believe it is irresponsible to offer  
11 to the field programs that are watching this Board's efforts  
12 an absolutely impossible dream.

13 You are kidding yourselves, and you were kidding  
14 them, and they deserve more respect from this Board than  
15 that. Mr. Chairman, this agency did receive an increase last  
16 year because of the efforts to restore respect and has used  
17 that increase well. It was a modest increase.

18 It has been noted that we are in a recessionary  
19 time, and that is certainly true, but we ought to bear in  
20 mind, during that recessionary time, as we suggest policy,  
21 that there are many people being hurt by this recession who  
22 are hard-working, tax-paying citizens who, if you took this

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1 policy to its rational conclusion, would be forced by the  
2 government to share more of their resources when their  
3 resources are dwindling by their own downsizing in their jobs  
4 or temporary periods of unemployment.

5 It is time for the government of the United States  
6 to make a commitment to the restoration of our economy by  
7 respecting those tax-paying citizens and recognizing the  
8 difficulty under which they are living today.

9 Mr. Chairman, I have been asked to express these  
10 thoughts on behalf of both myself and Mr. Kirk, who is not  
11 able to join us at the moment and who is not able to exercise  
12 his right of joining us by telephone because of the technical  
13 difficulties which this room presents and preclude him from  
14 his rights to make these comments, but we conferred last  
15 evening, and he asked me to please share these comments with  
16 the Board, and I offer them to you as my own as well as his.

17 In that spirit, I would like to call the Board's  
18 attention to page 21, Proposal No. 5, which was authored by  
19 Mr. Kirk. I am not intimately familiar with all of the  
20 rationale behind the various decisions that he made in  
21 offering this proposal, but, to me, its bottom line is  
22 attractive, and its top line is attractive.

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1           CHAIRMAN WITTGRAF: The budget proposal appearing  
2 at page 21 of the Committee Book, the Green Committee Book,  
3 dated January 12, 1992, it being described as Proposal 5, has  
4 been moved and seconded. Discussion.

5           (No response.)

6           CHAIRMAN WITTGRAF: I guess I'd like to be heard at  
7 this point. If I might, let me speak briefly first in  
8 opposition to the motion, because I think, unfortunately, it  
9 leaves out an awful lot of important work done during the  
10 months of December and January but both the so-called  
11 Provisions Committee of our Board, and the Audit and  
12 Appropriations Committee of our Board.

13           I concur in many of the comments made earlier by  
14 Mr. Uddo regarding the elements, some of which are  
15 politically important, all of which I think are important as  
16 we look at new and better qualitatively, quantitatively ways  
17 to deliver legal services, the kinds of things that are  
18 contained in or under Roman Numeral III, Corporation  
19 Initiatives of so-called Proposal A.

20           I think, unfortunately, little of the thought  
21 behind those initiatives nor of the thought behind the  
22 Attorney Recruitment Program initiative or the Client

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1 Training Self-Help Programs initiative is to be found in  
2 Proposal 5, the alternative before the Board at this time.

3 I commend Ms. Pullen and Mr. Kirk, Mr. Molinari is  
4 the seconder, for recognizing the need to increase  
5 substantially the funds that are going into the direct  
6 provision of legal services through the so-called field  
7 programs, but I do think there are some other things that  
8 we're obligated to do as well, as a Board, in response to the  
9 Congress, in response to your general obligation of trying to  
10 do better in the provision of legal services, and I don't  
11 think that those obligations are addressed in Proposal 5.

12 Beyond that, let me speak, while I'm taking the  
13 floor, in general support of Proposal A, and many of the  
14 comments, I guess, or many of the thoughts I hold, have  
15 already been put forth very well by Mr. Rath and Mr. Uddo and  
16 Mr. Dana, and I'll try not to repeat them. I just want to  
17 make a few contextual comments or circumstantial comments  
18 that I don't think have been made already.

19 I can't take away from in any way or contradict the  
20 perspective that Ms. Pullen, as an incumbent legislator  
21 dealing with a budget dilemma brings to this question or that  
22 Mr. Molinari, as a former member of Congress having to deal

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1 with budgets, brings to this matter, but I do think that the  
2 perspective that causes all of us, including a former member  
3 of Congress, including an incumbent representative to serve  
4 on this Board, is a perspective that's different from that of  
5 the appropriator of funds in a state legislative body or in  
6 the federal legislative body.

7           Those are the men and women who have to make the  
8 decisions. I believe that we are the men and women who have  
9 to dream the dreams, and I'll say that, I guess, because  
10 Ms. Pullen talked, and I understand, of raising false hopes  
11 through an impossible dream, but I do think we have something  
12 of an obligation to dream dreams.

13           Actually, I don't see Proposal A as being such a  
14 grand dream. If the need is so great as portrayed in the  
15 state surveys summarized before our former president, David  
16 Martin, in his analysis of ten of those surveys, if the need  
17 that's being met is something like 20 or 25 percent, then  
18 whether it's 350 million, 400, 450, 500, we're still not  
19 going to be meeting the need in any significant way.

20           I think we have to dream this dream on behalf of  
21 the people who have the need, the people in the field who are  
22 trying to meet that need, because, if you look at the history

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1 of this effort, the 25 or 26 years, you see that during a  
2 tough decade, the decade from Fiscal Year 1981 to Fiscal Year  
3 1991, there was an increase of \$7 million over 11 fiscal  
4 years.

5 If my memory serves me correctly, the Fiscal Year  
6 1981 budget was some \$321 million. With the assistance of  
7 David Richardson, I know that the Fiscal Year 1991 budget, 11  
8 fiscal years later, was just \$328 million. It took 11 years  
9 for the money appropriated by Congress to get back to where  
10 it had been before.

11 There are lots of reasons that I certainly won't go  
12 into at this point for the fact that that is the history, but  
13 I think it's very significant history. It's not as if we're  
14 trying to add some dollars on top of an ever-increasing level  
15 of funding.

16 I believe we're trying to make up for a level of  
17 funding that was, for a variety of reasons, made static for  
18 more than a decade.

19 Mr. Molinari talked about credibility, and I'm very  
20 sensitive to that, in part, I guess, because I've been the  
21 one who has had the most dealings the last couple of years  
22 with the two appropriation subcommittees and with some of the

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1 individual members of those committees, and certainly there  
2 are people that Mr. Molinari knows and people I've come to  
3 know a little bit.

4 I believe that our increased credibility, due to  
5 the sincere efforts of this Board, due to the efforts of  
6 David Martin, due to the efforts of Jack O'Hara, due to the  
7 efforts of our staff, that that increased credibility did  
8 allow us, for Fiscal Year 1991, to receive an appropriation  
9 that was 95.7 percent of what we requested.

10 The Board recommended or requested 343,000,000. We  
11 ultimately received 328,000,000. That increased credibility  
12 in 1992, Fiscal Year 1992, I think helped with our request of  
13 \$355 million being funded at \$350 million, a 98.6 percent  
14 level as to the request we made.

15 I guess we get to the question of do we build on  
16 the credibility, or do we utilize the credibility for  
17 something greater? I think we have the credibility, as a  
18 Board, as the president, as the staff, to make the case for  
19 substantially increased funding. I believe that static  
20 period needs to be made up for with a leap forward, a leap  
21 up, a catch up.

22 It just seems to me that in the year when the

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1 census and the poverty data and the census come out and show  
2 us some 15 percent increase in poverty in the country in a  
3 year in which we are working together, the Corporation with  
4 the field, the Corporation with the Congress, that we have  
5 the increased credibility we've all been talking about, that  
6 this is the year in which we should make the case for the  
7 catch-up.

8 I understand Mr. Molinari's view that we should  
9 continue to build on our credibility and do it in a  
10 cautiously credible way, but I think it's appropriate at this  
11 point in time that we take our credibility, and we utilize it  
12 to make the case for the need that exists.

13 So I share many of the concerns, many of the  
14 thoughts of my colleagues, those colleagues with whom I  
15 happen to disagree, but I reach a different conclusion, and  
16 that is that now is the time to dream the dream rather than  
17 putting it off indefinitely.

18 For those reasons, which took me longer to state  
19 than I had hoped, I oppose so-called Proposal 5, the  
20 substitute motion, and ask the Board to consider adoption of  
21 the Committee report as presented initially. Further  
22 discussion? Ms. Love.

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1 MS. LOVE: Mr. Chairman and other Board Members, I  
2 am a dreamer, too. I am a client, a very proud client.  
3 There are some poor people out there that is just as proud as  
4 I am. I will dream and shoot by best shot for the top  
5 dollar, because they should understand there are poor people,  
6 and it's getting greater, the numbers. They're not getting  
7 smaller.

8 Being a client, I look at the matching funds that  
9 these campaign runners for President that the taxpayer is  
10 matching, I think, I'm almost sure, the dollars for them to  
11 run for president. Some will win, and some will lose. Only  
12 one will win, but the poor people right now, they're not  
13 winning. So I'm sorry, I have to go for the top dollar for  
14 all the poor people, not just black.

15 CHAIRMAN WITTGRAF: Further discussion?

16 MR. HALL: Mr. Chairman.

17 CHAIRMAN WITTGRAF: Mr. Hall.

18 MR. HALL: I'm kind of the opinion that Congress  
19 won't punish us or scorn us for asking for a larger figure,  
20 but I'm certainly moved by Guy, because he happens to have a  
21 bit of personal knowledge in that area.

22 I sit back and guess at it. I think that something

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1 may go on such as the worst that could happen to us would be  
2 that they would think, "Well, these guys are unrealistic with  
3 us. There is no way that we can appropriate that much money  
4 for them. So we're going to go ahead and give them the 6 or  
5 8 or 10 percent increase. That's just all we can do, and  
6 they'll have to understand it."

7           Then, on the other hand, I don't think they'll say,  
8 "We'll, these guys are trying to lowball us or highball us  
9 into raising it up, and we're going to show them that that's  
10 not going to work." I don't believe that that's how it goes.  
11 I don't think we can lose by asking for a higher figure.

12           I've always thought we had a duty to ask for a  
13 higher figure in the past. I haven't always voted for a  
14 higher figure on some of the same basis of the arguments that  
15 we have here, but things have changed a little bit since  
16 then.

17           We have been getting some increased funding. We  
18 have a pretty good track record, I think, and if we're ever  
19 to get some serious consideration -- I think we will get  
20 serious consideration this year, but I don't see that it's  
21 going to be a detriment to us in the future, and I really  
22 don't see that it's going to be a detriment to us in the '93

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1 budget mark.

2           So whether it's 500 or 525, I don't think either  
3 one of those figures really fully meet the need, but either  
4 one of those would be acceptable, and I think it's probably  
5 the better thing to do to ask for the higher figure.

6           CHAIRMAN WITTGRAF: Further discussion? Mr. Uddo.

7           MR. UDDO: I just would go on record, I think a  
8 couple of problems with Bud's proposal, and, again, it's  
9 partly because he hasn't had a chance to participate in some  
10 of what went on yesterday, but it lacks the initiatives  
11 programs that have been worked into these two other budget  
12 proposals, which I really think is essential to whatever sort  
13 of increase we ask for.

14           I mean, I think that that makes both of those  
15 requests more plausible, because they are tied to the notion  
16 that some of this money is going to do some of the things  
17 that many in Congress have said they'd like to see done and  
18 to make some of the changes and improvements that we've all  
19 discussed and agreed we should be trying to implement.

20           So I think Bud's proposal lacks that, plus I don't  
21 think that the increase is going to be reflective of the kind  
22 of documented increased demand that the census is going to

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1 show us.

2           Let me say something. I guess I'm sort of at odds  
3 with everybody on this. I think my proposal, and I guess, to  
4 some extent, Proposal A, are, frankly, more realistic  
5 proposals than people seem to believe. At the risk of  
6 raising the ire of some, I don't think it's a \$2.5 billion  
7 need frankly.

8           I mean, I've read the need studies, and I'm  
9 familiar with them. I think that there is always problems  
10 and debates and disputes as to what are needs and, you know,  
11 if the availability of the services is unlimited, they are  
12 going to appear to be a lot higher than maybe they are.

13           So I think that these figures are sort of in the  
14 range of what's realistic to try to meet the need out there,  
15 and I wouldn't personally sell it as this is just a little  
16 fraction of what's really needed. I think it's more  
17 reflective of what's really needed. Whoever knows exactly  
18 what the figure is? But I see it as a fairly realistic  
19 approach.

20           I don't see it as an attempt to highball, hoping  
21 we're going to come out somewhere lower. At least, in my  
22 mind, with the new census coming out and what we see in the

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1 need studies and my own discount of some of the conclusions  
2 of the need studies, I think it's a fairly realistic area to  
3 be in, and I am concerned, of course, by two things, one that  
4 Guy said.

5 He knows those folks certainly better than I do,  
6 and I would hope that they would not take this in any fashion  
7 other than in an attempt to try to show them a figure that we  
8 think is a realistic figure and then leave it to them to use  
9 their best judgment, but also, Tom said something that I  
10 really hadn't thought that much about, as obvious as it is,  
11 and that's the constraints on IOLTA because of the decline in  
12 interest rates.

13 It's a very obvious point and completely escaped  
14 me, but even if the same amount of money were going into the  
15 IOLTA accounts, it's going to produce less income because the  
16 interest rates are about through the bottom right now.

17 That, I think, strengthens the argument that the  
18 alternative sources are going to be less than they were, but  
19 that's my problem with Bud's proposal, that I think that it  
20 does not take account of some of those things that have been  
21 discussed over the past two days.

22 CHAIRMAN WITTGRAF: Further discussion?

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1 (No response.)

2 CHAIRMAN WITTGRAF: Hearing none, those who are in  
3 favor of the substitute proposal, the Pullen motion, Proposal  
4 No. 5 on page 21 of the Green Book, will signify by saying  
5 aye.

6 MS. PULLEN: Please take a roll call, Mr. Chairman.

7 CHAIRMAN WITTGRAF: A roll call has been requested.  
8 Those who are in favor of the substitute motion, Proposal No.  
9 5, appearing at page 21 of the Green Book, will signify by  
10 saying aye.

11 (Chorus of ayes.)

12 CHAIRMAN WITTGRAF: Those who are opposed will  
13 signify by saying nay. The Chair will call the roll.

14 Mr. Dana.

15 MR. DANA: Nay.

16 CHAIRMAN WITTGRAF: Mr. Hall.

17 MR. HALL: Nay.

18 CHAIRMAN WITTGRAF: Ms. Love.

19 MS. LOVE: No.

20 CHAIRMAN WITTGRAF: Mr. Molinari.

21 MR. MOLINARI: Aye.

22 CHAIRMAN WITTGRAF: Ms. Pullen.

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1 MS. PULLEN: Aye.

2 CHAIRMAN WITTGRAF: Mr. Uddo.

3 MR. UDDO: No.

4 CHAIRMAN WITTGRAF: Mr. Wittgraf votes no. The  
5 motion is defeated. We're now on the original motion, that  
6 being the report of the Audit and Appropriations Committee.  
7 Is there discussion?

8 (No response.)

9 M O T I O N

10 CHAIRMAN WITTGRAF: The Chair is prepared to  
11 proceed to a vote.

12 MS. PULLEN: Please take a roll call.

13 CHAIRMAN WITTGRAF: Ms. Pullen again requests that  
14 the vote be recorded as to the individual members. The Chair  
15 will call the ayes and nays, beginning with Mr. Dana. The  
16 vote is on the report of the Audit and Appropriations  
17 Committee.

18 Mr. Dana.

19 MR. DANA: Yes.

20 CHAIRMAN WITTGRAF: Mr. Hall.

21 MR. HALL: Yes.

22 CHAIRMAN WITTGRAF: Ms. Love.

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1 MS. LOVE: Yes.

2 CHAIRMAN WITTGRAF: Mr. Molinari.

3 MR. MOLINARI: No.

4 CHAIRMAN WITTGRAF: Ms. Pullen.

5 MS. PULLEN: No.

6 CHAIRMAN WITTGRAF: Mr. Uddo.

7 MR. UDDO: Yes.

8 CHAIRMAN WITTGRAF: Mr. Wittgraf votes yes. The  
9 ayes appear to have it. The ayes do have it. The report is  
10 adopted.

11 The Chair recognizes Ms. Pullen for the report of  
12 the Office of Inspector General Oversight Committee.  
13 Ms. Pullen.

14 CONSIDERATION OF OFFICE OF THE INSPECTOR GENERAL  
15 OVERSIGHT COMMITTEE REPORT

16 M O T I O N

17 MS. PULLEN: Mr. Chairman, in Open Session last  
18 evening, the Committee agreed to hold further consideration  
19 of the draft management response to the Inspector General's  
20 semi-annual reports that have been filed up to September 5,  
21 1991.

22 By way of further report, the Committee and,

1 subsequently, the Board, have considered the question of a  
2 letter to be sent to Honorable John Glenn and Honorable John  
3 Conniers, in their official capacities in the Congress, and I  
4 move now that that letter be sent.

5 CHAIRMAN WITTGRAF: Is there a second? Excuse me,  
6 I believe that is the report of your committee, Ms. Pullen,  
7 and I'll take that committee report as a motion made and  
8 seconded.

9 MS. PULLEN: Thank you, Mr. Chairman.

10 CHAIRMAN WITTGRAF: I believe that the members of  
11 the Board, in Executive Session, received drafts of that  
12 letter. There was discussion about a few stylistic changes  
13 to be made to it. Is there discussion on the motion?

14 MS. PULLEN: I call the question, Mr. Chairman.

15 CHAIRMAN WITTGRAF: Those who are in favor of the  
16 presentation of the letter discussed in Executive Session to  
17 Senator Glenn and Representative Conniers will signify by  
18 saying aye.

19 (Chorus of ayes.)

20 CHAIRMAN WITTGRAF: Those opposed, nay.

21 (No response.)

22 CHAIRMAN WITTGRAF: The ayes appear to have it.

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1 The ayes do have it. The motion is adopted. Further matters  
2 from that Committee for the Board's consideration,  
3 Ms. Pullen, at this time?

4 MS. PULLEN: That concludes our report at this  
5 time, Mr. Chairman.

6 CHAIRMAN WITTGRAF: Thank you, Ms. Pullen. The  
7 Chair recognizes Mr. Dana, in the absence of the Chair of the  
8 Operations and Regulations Committee, Mr. Rath, to give the  
9 report of that committee. Mr. Dana.

10 CONSIDERATION OF OPERATIONS AND REGULATIONS

11 COMMITTEE REPORT

12 MR. DANA: Mr. Chairman, our committee met this  
13 morning from 8:00 to 9:15, received a report from Kathy  
14 deBettancourt and Charley Moses of the Competition Committee.  
15 No action was taken. Their report was a report, really, of  
16 the second meeting of the Advisory Committee that has been  
17 established by the president to work with the in-house  
18 Competition Committee to develop standards for approaching or  
19 for developing a competition study.

20 We are making, they feel, and I think that the  
21 Committee felt very pleased with the level of cooperation and  
22 progress that has been made to date.

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1           The Committee and the Advisory Committee have  
2 another meeting scheduled in early February, and we are  
3 proceeding, as they used to say, with all deliberate speed,  
4 recognizing the felt need to get about this, but also I think  
5 that the president and Ms. deBettancourt and the chairman of  
6 the Operations and Regs Committee have indicated that we want  
7 to do it right.

8           We want to make sure that whatever we learn from  
9 this competition study is accepted by the Corporation and the  
10 field as the product of a scholarly and thoughtful  
11 undertaking, and that's the overriding charge, and I would  
12 report that that appears to be happening, and we were very  
13 pleased.

14           CHAIRMAN WITTGRAF: Mr. Dana, am I correct in my  
15 understanding that a report was presented, a written report,  
16 two pages in length was presented by Ms. deBettancourt  
17 highlighting the so-called performance areas with which the  
18 demonstration projects anticipate being concerned?

19           MR. DANA: Yes.

20           CHAIRMAN WITTGRAF: Mr. President, I'd ask that all  
21 of the members of the Board, in light of the fact that most  
22 of them were not present for the committee meeting this

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1 morning be provided with a copy of the so-called performance  
2 area summary prepared by Ms. deBettancourt.

3           Similarly, I'd ask that all of the members of the  
4 Board be provided with a list of the advisory group  
5 membership, a very broad-ranging, excellent membership, so  
6 that all of the members of the Board are aware of who the  
7 members of that advisory group are as well as with a list of  
8 the current staff members who are working with that advisory  
9 group.

10           I think those were the materials, as I recall, that  
11 were handed out at the meeting this morning?

12           MR. DANA: Correct.

13           CHAIRMAN WITTGRAF: Discussing? Mr. Uddo.

14           MR. UDDO: This is not on this committee. Have you  
15 moved off of this committee?

16           CHAIRMAN WITTGRAF: I think we're still regarding  
17 the report of the Operations and Regulations Committee.  
18 Further discussion in that regard?

19           MR. UDDO: Well, yes, I do have a question --

20           CHAIRMAN WITTGRAF: Mr. Uddo.

21           MR. UDDO: -- along the lines of the discussion  
22 about the budget. It's my understanding, Howard, that there

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1 has been a fairly positive experience in this Competition  
2 Committee, and there seems to be a fairly constructive  
3 atmosphere and a sense that the field and the Corporation are  
4 working together pretty effectively on this?

5 MR. DANA: I think that, and I've talked with  
6 people on the Committee, both in the staff and in the  
7 Advisory Committee, and all reports are positive. In terms  
8 of the level of thoughtfulness and openness and free exchange  
9 of ideas, I think everybody is approaching this thing with a  
10 level of seriousness and constructiveness that you couldn't  
11 ask for anything more.

12 CHAIRMAN WITTGRAF: Further discussion?

13 (No response.)

14 CHAIRMAN WITTGRAF: Thank you, Mr. Dana. Agenda  
15 Item 17, Consideration of Other Business. Mr. Uddo.

16 CONSIDERATION OF OTHER BUSINESS

17 MR. UDDO: Mr. Chairman, in the heat of the moment  
18 on the vote on the budget, I failed to indicate on the record  
19 my standard procedure of recusing myself from voting on  
20 certain parts of the budget, in particular Roman Numeral IB  
21 and, under this form of the budget, Roman Numeral III,  
22 because those sections of the budget involve line items that

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1 turn, because of the Board's desire to be very directly  
2 involved with those efforts.

3 MR. UDDO: All right, and attorney recruitment and  
4 the client initiative.

5 CHAIRMAN WITTGRAF: I believe, as Mr. O'Hara can  
6 tell you in more detail, that as to the attorney recruitment  
7 ideas, be it some combination of fellowships and loan  
8 repayments, just recently the staff has begun working to that  
9 end, and we did yesterday receive very valuable input from  
10 several program representatives, and I'm sure we'll be  
11 looking for more of that.

12 As to the client either training or self-help  
13 initiatives, that may be the knottiest, k-n-o-t-t-i-e-s-t,  
14 problem of all, and it may be that we, as a Board, need to  
15 have that on our agenda to try to resolve the direction in  
16 which we're headed for the reasons that you summarized in  
17 your comments earlier this afternoon.

18 That's my understanding of where those initiatives  
19 lie and where the burden lies as to responsibility for them.  
20 Mr. President.

21 MR. O'HARA: Thank you, Mr. Chairman. Mr. Uddo,  
22 the Chairman is quite correct. Some of these things are

1 already underway. We have staff papers on most of them. We  
2 are reaching out and have reached out to the field on some of  
3 the other issues.

4 We had a project director who wrote a paper on  
5 timekeeping for our first news letter. We expect to have  
6 another paper from another project director in our next news  
7 letter, which will come in February, but we will move on none  
8 of these without consulting with the Board.

9 I think you know that's my style of operation. The  
10 papers will come to the Board when they're ready. Some of  
11 them are not quite at the point where I would like to submit  
12 them to the Board.

13 MR. DANA: Mr. Chairman.

14 CHAIRMAN WITGRAF: Mr. Dana.

15 MR. DANA: I think Mr. Uddo's point was  
16 unquestionably particularly of interest to Ms. deBettancourt,  
17 who has the, typically may well have the responsibility of  
18 translating what we just did into a request to Congress where  
19 a description of what it is that we mean by the \$4 million  
20 for Attorney Recruitment and \$1 million for Client  
21 Involvement.

22 So I do think that where there is some lack of

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1 definition and where there is some uncertainty on the part of  
2 the Board as to what the definition should be, the time to  
3 resolve that would be before or at the next meeting, because  
4 it's shortly after that that we need to make our presentation  
5 to Congress.

6 So it may be that the definition or the words that  
7 go with this proposal should be available to us reasonably in  
8 advance of the next meeting so that we have an opportunity to  
9 fine tune what it is that we meant.

10 CHAIRMAN WITTGRAF: Mr. Dana, might I suggest that  
11 between now and our next meeting, some four weeks from now,  
12 that being the day before the New Hampshire primary, the  
13 staff will develop for our review a first draft of the  
14 narrative or contextual material to accompany our budget  
15 recommendation to the Congress.

16 MR. DANA: Great.

17 CHAIRMAN WITTGRAF: And we can review that, and it  
18 may be, then, in that context we'll have to grapple with the  
19 question raised by Mr. Uddo, are we looking towards self-help  
20 that's promise oriented or -- excuse me, client advocacy  
21 that's program oriented or client advocacy that takes the  
22 form of a national organization, or both? Further

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1 discussion?

2 (No response.)

3 CHAIRMAN WITTGRAF: The Chair is now prepared to  
4 entertain a motion to adjourn.

5 M O T I O N

6 MR. MOLINARI: So moved.

7 MR. UDDO: Second.

8 CHAIRMAN WITTGRAF: It's been moved by  
9 Mr. Molinari, seconded by Mr. Uddo that we adjourn. Those  
10 who are in favor will signify saying aye.

11 (Chorus of ayes.)

12 CHAIRMAN WITTGRAF: Those who are opposed, nay.

13 (No response.)

14 CHAIRMAN WITTGRAF: The ayes appear to have it.  
15 The ayes do have it. We stand adjourned.

16 (Whereupon, at 3:14 p.m., the Board of Directors  
17 Meeting of the Legal Services Corporation was adjourned.)

18 \* \* \* \* \*

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