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BOARD OF DIRECTORS  
OPEN SESSION

Friday, January 27, 1995  
1:10 p.m.

Washington Marriott Hotel  
1221 22nd Street, N.W.  
DuPont Ballroom  
Washington, D.C. 20037

BOARD MEMBERS PRESENT:

Douglas Eakeley, Chairperson  
Hulett "Bucky" Askew  
LaVeeda M. Battle  
John Brooks  
John T. Broderick, Jr.  
F. Wm. McAlpin  
Maria Luisa Mercado  
Nancy Rogers  
Ernestine Watlington  
Edna Fairbanks-Williams

STAFF PRESENT:

Alexander D. Forger, President  
Martha Bergmark, Vice President  
Patricia Batie, Secretary  
David Richardson, Comptroller/Treasurer  
Victor Fortuno, General Counsel  
Edouard Quatrevaux, Inspector General  
David Richardson, Comptroller/Treasurer  
Reggie Haley  
Jim Lamb  
Gail Laster  
Merceria Ludgood

OTHERS PRESENT:

Kathleen Welch  
Eli Segal  
Lillian Johnson

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WASHINGTON, D.C. 20006  
(202) 296-2929

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

(1:05 p.m.)

1  
2  
3 CHAIRMAN EAKELEY: Could we have a motion to  
4 approve the agenda as submitted? Actually, before I call  
5 that for a vote, Eli Segal will be doing a presentation on  
6 Americorps. But because of scheduling problems with his  
7 office, we've undertaken to welcome him when he arrives and  
8 let him leave when he has to. Which means that, subject only  
9 to our distinguished president's making his nuptial train, we  
10 will have to just interrupt and regroup after Mr. Segal  
11 arrives. So, subject to that one modification, can we have  
12 an approval to the agenda as submitted?

## M O T I O N

13  
14 MS. WATLINGTON: So moved.

15 CHAIRMAN EAKELEY: All those in favor?

16 (A chorus of ayes.)

17 CHAIRMAN EAKELEY: Any opposed?

18 (No response.)

19 CHAIRMAN EAKELEY: All right, the ayes have it.  
20 Now, you also have the minutes of the December 11-12 board  
21 meeting. Are there any corrections or additions to be made  
22 to those minutes?

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1 (No response.)

2 M O T I O N

3 MR. ASKEW: Move their adoption.

4 MS. WATLINGTON: Second.

5 CHAIRMAN EAKELEY: All right. All those in favor  
6 of approving the minutes as circulated?

7 (A chorus of ayes.)

8 CHAIRMAN EAKELEY: All those opposed?

9 (No response.)

10 CHAIRMAN EAKELEY: We also have had circulated  
11 under separate cover the minutes of the December 12 executive  
12 session. Are there any corrections or additions to be made  
13 to those?

14 (No response.)

15 CHAIRMAN EAKELEY: Hearing none, is there a motion  
16 to approve them as submitted?

17 M O T I O N

18 ALL: So moved.

19 CHAIRMAN EAKELEY: All those in favor?

20 (A chorus of ayes.)

21 CHAIRMAN EAKELEY: Opposed?

22 (No response.)

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1 CHAIRMAN EAKELEY: They ayes have it.

2 ELECTION OF BOARD CHAIR

3 CHAIRMAN EAKELEY: Fourth, election of board chair.

4 Nominations are open.

5 MR. BRODERICK: Mr. Chairman?

6 CHAIRMAN EAKELEY: Mr. Broderick.

7 MR. BRODERICK: I haven't been here -- recently I  
8 haven't been here as much as I would like because of trial  
9 commitments, but my nomination today will at least indicate  
10 that when I am here, I am consistent. So for the third time  
11 in my tenure here on the Board I would like to nominate the  
12 current chairman of the Board for re-election. I think he  
13 has done an outstanding job.

14 Very frankly, every time I nominate you the  
15 sledding seems to get tougher, so I don't know why you would  
16 want me to. But you've done a fabulous job and I think we  
17 all owe you a debt of gratitude and I would hope that you  
18 would be re-elected promptly and unanimously.

19 CHAIRMAN EAKELEY: Well, thank you.

20 MS. WATLINGTON: And I, for the third time, will  
21 second it.

22 CHAIRMAN EAKELEY: Thank you very much. Any other

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1 nominations?

2

M O T I O N

3

MS. BATTLE: I move the nominations.

4

CHAIRMAN EAKELEY: Is there a second to that?

5

ALL: Second.

6

M O T I O N

7

CHAIRMAN EAKELEY: Motion that the nominations be

8

closed. All those in favor?

9

(A chorus of ayes.)

10

CHAIRMAN EAKELEY: One abstained. Any opposed?

11

(No response.)

12

CHAIRMAN EAKELEY: All those in favor of yours

13

truly as chair for as long as this year lasts?

14

(A chorus of ayes.)

15

CHAIRMAN EAKELEY: Opposed?

16

(No response.)

17

CHAIRMAN EAKELEY: Thank you very much.

18

ELECTION OF BOARD VICE CHAIR

19

CHAIRMAN EAKELEY: Election of Board vice chair.

20

M O T I O N

21

MS. MERCADO: I move that Nancy Rogers be nominated

22

as vice chair by acclamation.

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1                   CHAIRMAN EAKELEY: Is there a second to that  
2 motion?

3                   MS. BATTLE: Second.

4                   CHAIRMAN EAKELEY: Any discussion?

5                   (No response.)

6                   CHAIRMAN EAKELEY: Any other nominations?

7                   (No response.)

8                   CHAIRMAN EAKELEY: All those in favor of the  
9 motion, nomination by acclimation of Nancy Hardin Rogers?

10                   (A chorus of ayes.)

11                   CHAIRMAN EAKELEY: All those opposed?

12                   (No response.)

13                   CHAIRMAN EAKELEY: Nancy, welcome back.

14                   MS. ROGERS: Thank you.

15                   CONSIDER AND ACT ON BOARD COMMITTEE ASSIGNMENT

16                   CHAIRMAN EAKELEY: We have Board committee  
17 assignments. I just might mention one thing here, I'm not  
18 sure where the bylaws will be when presented tomorrow,  
19 LaVeeda. The Ops and Regs Committee, with some wonderful  
20 help from Laurie and Victor and Linda Perl, have come up with  
21 a new set of bylaws that really are a major, major  
22 improvement.

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1           There was one open item left at the end of the  
2 committee meeting this morning that may preclude us from  
3 voting to approve the bylaws at this meeting. When we get to  
4 approve the bylaws, or get to consider them, we may want to  
5 reconsider -- in conjunction with a report on the ad hoc  
6 governance committee -- setting up new or different committee  
7 structures and, indeed, whether to delegate Board authority  
8 to an executive committee or not.

9           Those issues are not here now, and my proposal  
10 would be that we continue with the current committee  
11 structure. In other words, continue with three standing  
12 committees which are not authorized to act on behalf of the  
13 Board, but which would continue until we change bylaws and  
14 course to operate as they have been in the past. The  
15 Provisions Committee, Audit and Appropriations and Ops and  
16 Regs.

17           And I'm open to other suggestions for changing  
18 things, but it seems to me that since we will have an ad hoc  
19 governance committee report and a whole set of new bylaws to  
20 operate under, it makes sense to continue with the current  
21 structure for the interim.

22           MS. BATTLE: So moved.

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1 MS. MERCADO: The chair appointed.

2 MR. ASKEW: Right. That's what I thought.

3 CHAIRMAN EAKELEY: We started that way in November  
4 of 1993. But if you want to change it -- otherwise, then,  
5 hearing none, all those in favor of the motion?

6 (A chorus of ayes.)

7 CHAIRMAN EAKELEY: All those opposed?

8 (No response.)

9 CHAIRMAN EAKELEY: Then subject to negotiations off  
10 the record, in between meetings today and tomorrow, the chair  
11 will reappoint the committees as currently constituted and as  
12 currently chaired.

13 REPORT OF THE CHAIRMAN

14 CHAIRMAN EAKELEY: All right. Now, chairman and  
15 members' reports. Well, are there any other committee  
16 assignments that need addressing? I think the ad hoc  
17 committees constitution last month stands until extinguished,  
18 so I don't think we need to deal with that again. So I think  
19 we'll just proceed in this fashion for now.

20 I don't have much by way of a chairman's report,  
21 other than to say that I came down to visit with a number of  
22 our Congressional representatives several times in the past.

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1 month, and wrote every member of my congressional delegation  
2 just to alert them to the program and its worthiness to  
3 support.

4           And I think that, clearly, as we confront a new or  
5 a renewed pressure for deficit reduction and a new Congress,  
6 many of whose members are not as familiar with the Legal  
7 Services Corporation and its work as we might hope for, we  
8 all have some renewed commitment to do as much as we can  
9 directly in communication with the Congress to maximize the  
10 support in the Congress for our program and its budget.

11           We don't know at the moment, and we won't know  
12 probably until the eve of the President's budget speech --  
13 which will hopefully take less than an hour and 20 minutes --  
14 what our final number will be in the President's budget. But  
15 at last look we were still at \$440 million with the O&B  
16 recommendation.

17           We are considering the desirability of pursuing  
18 reauthorization legislation, as well as maximizing an  
19 appropriations request. And we're looking to everyone in the  
20 room helping us do what we can to do the best for the Legal  
21 Services program and its recipients.

22           And that's the end of my report. We're going to

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1 have committee reports tomorrow, but why don't we just go  
2 around the table and ask the relative stranger at the far  
3 left whether he has any members' reports. John.

4 MR. BRODERICK: My status has been that I spent  
5 nine of the last 35 days waiting for juries, so I haven't had  
6 a lot of time. But I, obviously, Mr. Chairman, am concerned  
7 about our status and about our funding, and I think it is of  
8 absolute necessity that we secure a very firm commitment from  
9 the Administration, in a very visible and public way, to  
10 support our program. And I understand from my discussions  
11 with the chairman that you've been very active and aggressive  
12 in doing that.

13 But short of that, I think all of us -- and those  
14 of us not on this board, frankly -- have got to make a  
15 renewed effort to work the halls of Congress, as I know all  
16 of you have been doing in the last six weeks. But I think  
17 it's at a very precarious time and I think it's essential  
18 that the Administration, and the President, in particular,  
19 publicly support the work of this Corporation. And I hope  
20 that when we're here again I will have more to report about  
21 my own efforts, which have been delayed because of my own  
22 commitments.

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1           CHAIRMAN EAKELEY: Well, we're delighted to have  
2 you here and back.

3           MR. BRODERICK: Thank you.

4           CHAIRMAN EAKELEY: Nancy.

5           MS. ROGERS: I think each of us has a report back  
6 from the visits that we've done and the conversations that  
7 we've had. But it does seem that there is a real desire, on  
8 the part of a number of people new in Congress, for change.  
9 And it may be, I don't know how strong the force is, an  
10 irresistible force. And so I'm pleased that actually, we've  
11 had some conversations, I think, among the staff about  
12 different ways to accomplish the same thing if it does become  
13 necessary to think about changing in some ways.

14           CHAIRMAN EAKELEY: Thank you, and thanks for your  
15 extra efforts and the extra distances you've traveled  
16 recently. Maria Luisa.

17           MS. MERCADO: Yes. In talking about different ways  
18 of doing things, I was sharing with Nancy that today and  
19 tomorrow there is an ADR seminar workshop training and farm  
20 workers and workers, and agri business individuals, farmers  
21 in Texas, in south Texas, which shows some of the creative  
22 ways in which Legal Services does some of its legal work, as

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1 well. And I think it was unthinkable that you could get  
2 growers and farm workers together to do dispute resolutions.

3 And so that was my latest, first hand work with  
4 which some of the Legal Services programs are doing.

5 On the other front, we're trying to coordinate with  
6 bar leaders and other leaders in Texas who have a lot of key  
7 people in Congress, to make them aware of the work the Legal  
8 Services does in their areas. And I'm sure we'll be  
9 coordinating that.

10 CHAIRMAN EAKELEY: John.

11 MR. BROOKS: A couple of things, Mr. Chairman. I  
12 think the ABA effort, headed up by George Bush now, is to  
13 arouse the troops in the private bar and the business  
14 community everywhere in the country is bearing proof. And  
15 Massachusetts is a good group of bar people.

16 There have been two meetings, to my knowledge. One  
17 with a relatively freshman Republican who, being educated as  
18 he was by his constituents and knowledgeable people who  
19 visited him, seemed to open his eyes and be very receptive --  
20 from knowing nothing about the Legal Services up to that  
21 point.

22 I visited Representative Markey, who is my

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1 Congressman, last week, and I came away with several things.  
2 One of which I think we should all bear in mind, which arose  
3 out of the hearing in the House on the Corporation for Public  
4 Broadcasting at which Representative Markey testified.

5 His testimony was aired to the public on PBS,  
6 McNeil-Lehrer and others, and his telephones rang off the  
7 hook immediately with an outpouring of support. And he urged  
8 us to get the exposure, maximum exposure through TV and any  
9 other methods of any hearing relating to the Legal Services  
10 Corporation, on the theory that the more the public is aware  
11 of what the proposals are from the Republican leadership, the  
12 more likely there is to be significant public outcry and  
13 public reaction and public support.

14 So to the extent that we can get PBS, CNN, whoever  
15 it is, to be sure to cover whatever hearings there are on the  
16 Corporation, I think it would be highly desirable to do so.  
17 Various other theories he had about the constituency and the  
18 reasons for the present Congress, but I won't get into that  
19 right now.

20 CHAIRMAN EAKELEY: Thank you. LaVeeda.

21 MS. BATTLE: Yes. Thank you. Well, I'd like to  
22 start with my opportunity as a member of the access to Legal

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1 Services Committee for the state bar in Alabama to  
2 participate in some comprehensive efforts being undertaken in  
3 Alabama to get all of the county bar associations and all the  
4 state bar association and city bar associations and  
5 individual lawyers involved in the whole process of ensuring  
6 that the Alabama delegation is fully aware of the interest  
7 that lawyers and clients have in Alabama to preserve legal  
8 services.

9 I was just amazed, when I had the opportunity to  
10 meet there, with the kind of work that had already been done  
11 by the time I got there, with information that they had that  
12 was current. So the information flow is good, it seems to  
13 me. But the next step is assuring that as much as we can  
14 that people do respond and do get information out to others  
15 so that they are aware of what is going on.

16 We had an opportunity to meet with Senator Heflin  
17 and Congressmen Bevill and Taylor on yesterday. And I  
18 thought that those meetings did go, at least in two parts,  
19 well. I think getting information is extremely key to a  
20 number of them and I think Congressman Bevill pointed out  
21 that a lot of the new members really don't know much about  
22 Legal Services, and so it is important that they be educated

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1 with regard to what our program is about and the implications  
2 of what is being considered at present.

3 The other opportunity, I guess, that I had was to  
4 stand in for Alex last Friday in Seattle, Washington at the  
5 Goldmark luncheon that was held by the Washington Legal  
6 Foundation. And there we had a good group of people,  
7 including Supreme Court justices, appellate court justices,  
8 city council persons and others who had an opportunity to  
9 hear at present where things are and to become educated about  
10 what the process is at this point.

11 So I think that some of the work is being done and  
12 I think that I agree with what John and Maria and Nancy and  
13 John have said about what we have before us.

14 CHAIRMAN EAKELEY: Edna.

15 MS. FAIRBANKS-WILLIAMS: We have a coalition  
16 started in Vermont against the Contract for America -- we  
17 call it Contract for Disaster. It discusses the cuts for  
18 food for children, legal aid, welfare, Medicaid, housing and  
19 everything. This coalition is with legal aid people, with  
20 the liaisons with Lehy, Jefferts and Sanders, with the  
21 elderly, AARP, United Way, low income, the disability, five  
22 CAP agencies and others.

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1           We came together in Montpelier to start to  
2 strategize, and we will be meeting once a week from now on  
3 for ways to contact the legislature and so on. With their  
4 aides working with us, I'm sure that they will definitely  
5 hear what we have to say in Vermont.

6           CHAIRMAN EAKELEY: Ernestine.

7           MS. WATLINGTON: I met with Representative Gekas  
8 yesterday, and he's head of the Governmental Relation Crime  
9 Committee, which the Legal Services is under. He came in --  
10 we had an opportunity while we were waiting for him to come,  
11 he was not going to let us leave until he met with us. He  
12 was busy but his senior staff and his legislative aide had an  
13 opportunity to inform them of Legal Services work. His  
14 senior staff is very interested in what is being done in  
15 Pennsylvania. We're going to be able to get some other  
16 information for them when they're doing that.

17           But he came in, he said the good news was that he  
18 would never vote for Legal Services to be abolished; but as  
19 far as more monies, that he couldn't say -- or less money.  
20 So we had to -- we were very pleased to hear that, and look  
21 forward to our working with him.

22           I'm also involved with the housing coalition, and

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1 we have started doing a lot of alert on where we've got to do  
2 because, as you know, I do low income housing and this is  
3 going to really affect -- when they're talking about  
4 dismantling HUD, so I've been working on a state level of  
5 alert, but that which has a lot to do with our legal services  
6 program that we'll do a lot of work together on that.

7 And I'm going to try to start work now to get to  
8 SPECTRE.

9 CHAIRMAN EAKELEY: Thank you very much. Bucky.

10 MR. ASKEW: State bar of Georgia has been quite  
11 active already and perhaps Alex is going to tell us about the  
12 ABA effort in Dallas, but the president of our state bar came  
13 back from that meeting inspired -- not that he needed to be -  
14 - but it gave him a great deal of incentive and the board of  
15 governors has already adopted a resolution which has been  
16 transmitted Thursday to every member of the delegation from  
17 the 26,000 members of the state bar of Georgia.

18 There is a good bit going on there that's -- times  
19 of adversity bring out the best in people and people are  
20 really responding well in Georgia, especially the bar  
21 leadership, to what they perceive as a difficult time ahead.  
22 And I think they will be quite active with the ABA over the

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1 next few months.

2 CHAIRMAN EAKELEY: Bill.

3 MR. McALPIN: As in Georgia, the Missouri bar has  
4 taken a strong, active role. Annually it puts together a  
5 legislative agenda, preservation of the Corporation is the  
6 number one item on that agenda. In support of it, the top  
7 officers of the Missouri bar and a few other carefully chosen  
8 people will come to Washington next week to meet with the  
9 entire Missouri delegation on the subject of the preservation  
10 and support of the Corporation.

11 In preparation for that, the bar has been furnished  
12 and has utilized some of the materials put out by the  
13 Corporation, but has gone beyond that and has attempted to  
14 put together materials talking about precisely what the  
15 program does in the state of Missouri, and what is the  
16 clientele and what are they doing about it.

17 We have some kudos from our information director,  
18 because the Missouri bar has put together a video, an eight  
19 minute video narrated by Kellon Winslow, a former all  
20 American football player at the University of Missouri, who  
21 was also an end for the San Diego Chargers for a number of  
22 years and who has recently passed the bar and is practicing

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1 in Kansas City. It's a very good short video, and Jim Lamb  
2 has a copy of it here, and I think that we have no pride in  
3 authorship and we're willing to let anybody that wants to,  
4 use it.

5 One thing I've learned since I came here in the  
6 last couple of days, because of some questions that were  
7 asked, is that as important as it is to tell what the program  
8 is doing in the state of Missouri now, maybe we need to say  
9 what will happen if the program is cut or abolished. And I  
10 had a few questions put to me that way. We hadn't really  
11 addressed it from that perspective. But I'm about to call  
12 back to St. Louis and suggest that we need to put that on the  
13 agenda or in the materials for presentation next Wednesday,  
14 as well.

15 CHAIRMAN EAKELEY: Thank you. All right, next  
16 agenda item -- unless there is any discussion or questions --  
17 our inspector general's report.

18 REPORT OF THE INSPECTOR GENERAL

19 MR. QUATREVAUX: Thank you, Mr. Chairman. The only  
20 thing I have for you this afternoon is that since the last  
21 meeting we sent you a summary of our review of the 1993  
22 financial statement audits of our grantees. And I just want

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1 to mention two concerns that we had from that review, and I  
2 mention them in the hope that the field and PAG and everyone  
3 else will share the same concern that we have.

4 The first was there was the most frequently  
5 reported deficiency by the independent auditors dealt with  
6 missing or inadequate documentation. And the concern is  
7 particularly with cash disbursements, that's an area that  
8 grantee management should pay attention to.

9 We have essentially the same concern with respect  
10 to client trust funds. Although the frequency is not high  
11 there, this is essentially because of the nature of it. The  
12 most vulnerable to loss type of transaction that a program  
13 typically faces, so that's an area that management should  
14 place emphasis on.

15 CHAIRMAN EAKELEY: Obviously, you've discussed this  
16 with OPEAR or with Alex, Ed, or is this --

17 MR. QUATREVAUX: We've passed the report to them,  
18 we haven't discussed the details of it yet.

19 CHAIRMAN EAKELEY: It would be useful to consider  
20 ways to enhance the security in both of those areas, I should  
21 think, and get that word out to the field.

22 MR. QUATREVAUX: Right.

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1 CHAIRMAN EAKELEY: Maria Luisa.

2 MS. MERCADO: Mr. Quatrevaux, assuming that we can  
3 get all the comments out for application, and get a new audit  
4 card and we pass the GAGAS, which we probably will, will some  
5 of these concerns that you have take care of themselves by  
6 going through a GAGAS system for --

7 MR. QUATREVAUX: No. All that will do is just more  
8 accurately identify where there is a problem. It's really  
9 the executive directors' and their financial and  
10 administrative staff that need to ensure that documentation  
11 is there for the cash disbursements and that the client trust  
12 receipts are properly reported.

13 MS. MERCADO: So this would not be something that  
14 would be in a quality control that GAGAS does? It wouldn't -  
15 -

16 MR. QUATREVAUX: I'm afraid not.

17 MS. MERCADO: Okay. Thank you.

18 CHAIRMAN EAKELEY: Anything else? Any questions?

19 (No response.)

20 CHAIRMAN EAKELEY: I just wanted to say thanks for  
21 the extra effort that you and your staff have expended, along  
22 with the extra effort that Alex and his staff have expended

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1 in the last week or two. I think we're really talking about  
2 getting to an enhanced level of cooperation in terms of  
3 efficiency and effectiveness of operation within the  
4 Corporation, and both within the Corporation and as it  
5 relates to the Office of the Inspector General and we depend  
6 on that. I just wanted to voice my thanks for that, as well.

7 MR. QUATREVAUX: Thank you, Mr. Chairman.

8 CHAIRMAN EAKELEY: All right. Why don't we go on  
9 to the president's report. Alex, why don't you just take  
10 over, since Martha just left the room.

11 REPORT OF THE PRESIDENT

12 MR. FORGER: Thank you, Mr. Chairman. As I  
13 reflected back thinking of the State of the Union Address and  
14 State of the Corporation Address, I will spare you all that.  
15 But I couldn't help but reflect back to a year ago this time,  
16 as the Board and staff were just getting underway.

17 We've had a good stretch of 10 months to do a lot  
18 of the internal activity that was required, and to do a lot  
19 of reconfiguring of our activities and programs. And we had  
20 a very broad agenda, initially. It certainly has narrowed  
21 down in its focus in recent times. But at least we have had  
22 the advantage of getting a number of things underway during

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1 this 10 month period.

2 As I look at the issues of program and governance  
3 and personnel and relationships, it has been, I think, a very  
4 active time, and I think a good one for the Corporation and  
5 certainly a rewarding one for many of us.

6 I think on the governance level we have sort of  
7 evolved into a smooth working relationship Board and  
8 management, and relations with fields and other entities.  
9 And while we have a slight deferral on our ad hoc committee  
10 on governance, I think that's purely an internal aspect that  
11 is simply fine tuning the way we will be functioning.

12 I feel most rewarded with the support of the Board  
13 and the relationship between the Board and management, and  
14 think that we have established a good method of functioning.  
15 I'm very pleased with that from a personnel point of view.  
16 This time last year we had a provisional or transition team  
17 of a few folks seeking to take on a great many issues in a  
18 short space of time.

19 From that we have evolved into a superb, high  
20 quality, almost virtually filled-out staff with OPS and OPEAR  
21 directors in place; with communications now in the hands of  
22 good expertise, Jim Lamb, who will address us in a few

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1 minutes; governmental relations with Gail Laster, who has  
2 been superb in giving us insights and guidance on the Hill.  
3 We have done remarkable work, I believe, on the information  
4 system, and our communications and technology we have moved  
5 forward staffing both Merceria and John with program officers  
6 and that process continues forward. We'll be making some  
7 more offers this next week.

8           And this leaves only the position of director of  
9 administration that has not yet been filled. That will be  
10 posted this next week, and we would expect to fill that  
11 position in a few weeks.

12           One of our first agenda items there is to review  
13 personnel policies. The inspector general has been urging us  
14 to review many of the policies that either are in place or  
15 aren't as fully articulated as they may be, and we will  
16 jointly undertake a review of those policies and be back to  
17 the Board -- perhaps part of the recommendations in March or  
18 thereafter, with respect to issues that we may think  
19 appropriate for resolution.

20           And I'd say the relationship with the inspector  
21 general, given the different roles that we perform -- and  
22 we've gone through a few periods of concern and

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1 apprehension -- but we always emerge in a common effort to  
2 make certain that the grantees and the Corporation functions  
3 efficiently and in compliance, and recognizing that our  
4 principal concern now is one of joint effort to make certain  
5 the world understands how important our organization is.

6 In dealing with the outside world we continue with  
7 good relations with the network of supporters, the extended  
8 family, delivery working groups. I think, for me, one of the  
9 best illustrations was this morning in Mr. Askew's committee,  
10 where we discussed private attorney involvement. I think we  
11 are functioning well with the advice and counsel of the  
12 field, delivery working groups and with our own input.

13 The relations with ABA have never been stronger.  
14 And as others have indicated, the bar is responding  
15 magnificently to the perceived and, perhaps, real crisis  
16 under which we function. The leadership of the ABA has made  
17 legal services its number one priority. At the meeting in  
18 Dallas a few weeks ago that I attended for purposes of  
19 sharing information about the Corporation, generated a lot of  
20 activity and further mobilized a lot of the local bars to  
21 function directly on our behalf with other relationships.

22 We'll have the ABA meeting in Miami soon, and I

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1 will be involved in a number of programs there and I think,  
2 perhaps, Martha will journey down and cover some of the many  
3 events that are there. And with legal services being a  
4 principal issue that we shall be able to address the many  
5 questions that will be raised.

6 We've worked and had a close relationship with the  
7 administration on aging, and most recently with FEMA, which  
8 has praised Legal Services for their cooperative effort in  
9 times of disaster and, indeed, recited that with some  
10 activity in Texas, they called on legal services in  
11 California to assist them and being able to identify the  
12 right people, who they should deal with in Texas, they want  
13 to establish a closer relationship. And, indeed, we're  
14 sending out a letter to our program directors in those areas  
15 where FEMA has regional offices urging that they get together  
16 now, get to know each other, and identify issues that may be  
17 necessary to resolve in advance of a disaster occurring.

18 So we continue in our role, as I seek to explain to  
19 members of Congress, as being a supporter of government. We  
20 are assisting the government to perform its function  
21 efficiently and compassionately. We are not an adversary or  
22 an obstacle to government, but we are a implementer of

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1 government programs as, indeed, all our programs. We're  
2 simply implementing the laws that government has put on the  
3 books.

4 In respect of the Congressional relationships,  
5 we've had, as indicated, a number of visits. And I have,  
6 incidentally, a memorandum that I would like to make sure  
7 each of you has before you leave, concerning the limitations  
8 under which we function when we address the question of the  
9 Legal Services Corporation and its funding. It is very  
10 important that each of us recognize that while we can speak  
11 directly to members of Congress about our circumstance, we  
12 must be mindful of the fact that we cannot engage in lobbying  
13 beyond that or a grassroots call to action. We can always be  
14 available to explain what the Corporation does, the  
15 consequences of its absence or its reduction; but we cannot  
16 go beyond that and it's very important that we observe that.

17 We are subject to FOIA, we continue to get requests  
18 every week to examine travel schedules, compensation,  
19 transcripts of Board meetings, and we know that we must be  
20 totally above reproach and pure. We don't need to give our  
21 detractors, if such there be, any additional ammunition to  
22 seek to discredit the program.

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1           There is no question that the messages that we are  
2 getting in large measure alert us to the fact that there may  
3 be reduction in the funding of legal services. I really have  
4 not encountered anybody yet who has said he or she thinks the  
5 Corporation will not survive. But that is always mentioned  
6 as the ultimate.

7           The other matter that is frequently mentioned is  
8 the scope of our activity. And many with whom we have spoken  
9 suggest that there will come a time where it may be important  
10 to face possible restrictions on activities that the  
11 Corporation may engage in. And while our posture is we're  
12 seeking to do only what attorneys can do for people who can  
13 afford attorneys, and while a lot of what we do is simply  
14 implementing the laws that government has placed on the books  
15 and that are not self-executing, we are indeed mindful of the  
16 fact that the federal government funds us and the federal  
17 government certainly has a right to fashion the program.

18           We would hope not to be restricted in any way, but  
19 recognize that the reality of life is that Congress may wish  
20 to impose some limitations. Thus, that would not be a  
21 surprise that that would be suggested and we are alert to  
22 that.

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1           The program, I think, is going on extraordinarily  
2 well. We've reorganized, as you know, and as John, perhaps,  
3 will mention the functioning of OPEAR and the monitoring and  
4 evaluation, we still have dialogue with Congress over the  
5 extent of that and the nature of it.

6           And into the substantive issues, we have, at our  
7 last Board meeting, established a time table for looking at  
8 many of the issues that have been on our agenda and we've  
9 addressed, in some measure, this meeting, I think, private  
10 attorneys, clients and law schools. And we have a schedule  
11 of the other issues that we will continue to address and seek  
12 to improve the program while we seek not to be too distracted  
13 by those who suggest that we are vulnerable.

14           I've asked Martha to discuss matters of operations,  
15 and Jim Lamb, on our communication strategy. Jim has put  
16 forth a communication strategy for us that is pretty  
17 comprehensive and I think will enable us to keep in better  
18 touch, not only with the Board and staff, but the outside  
19 world. And Gail Laster, who will tell us of the program that  
20 she has outlined for us in government relations.

21           Each one of these three is so superb, it makes life  
22 even enjoyable under these circumstances. We have a

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1 wonderful group working together, all professional and  
2 knowledgeable in their areas. It is a great credit to this  
3 institution, I think, that we have been able to attract such  
4 a group.

5 Martha.

6 MS. BERGMARK: Thank you. Alex has related what I  
7 think amounts to a chronicle of significant change at the  
8 Corporation just in the last year. I know that's a message  
9 we're hearing as we go to the Hill, that this is an  
10 organization that somehow needs to be changed. And it's hard  
11 for me to look back over the last year and think otherwise,  
12 and that's what we've tried to do.

13 We've had a year of working very hard at  
14 strengthening the accountability of function at the  
15 Corporation, and to define accountability in a way which is  
16 quite expansive, much more expansive than it has been in the  
17 past. And we've made enormous progress on that.

18 Since our last meeting in December we have two  
19 additions to senior staff that I know some of you know about,  
20 but I wanted to bring to you. Last month we introduced Jim  
21 Lamb, and the month before that, Gail Laster, who you will  
22 hear from today. It already feels like they're really with

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1 us and running. And we're very pleased in the last month to  
2 be able to say that Merceria Ludgood will be joining us as  
3 director of office of program services. We're thrilled about  
4 that, and she is already helping us with the tasks we have  
5 underway.

6 And also that Leslie Russell, a current LSC staff  
7 member, has agreed to be the director of what we expect will  
8 be a new office of information technology. We talked about  
9 that in the A&A committee this morning, and the fact that we  
10 are provisionally getting there. We will be filing a  
11 reprogramming notice to indicate to the Congress that this is  
12 the way we wish to reinforce the information flow and the  
13 accountability, through use of information.

14 And Leslie Russell brings a background in OPS and,  
15 therefore, a strong programmatic understanding, as well as a  
16 very strong technical understanding, as well, sufficient to  
17 manage this new function that will be getting underway just  
18 within the next month or two.

19 As you know, we've made major computer purchases in  
20 the last few months. One of the things that we early on  
21 identified was the inadequacy of information exchange and  
22 capacity at the Corporation. So we feel quite good about the

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1 progress we've made so far, and we're at the point of needing  
2 to move into a permanent mechanism for handling that, and  
3 Leslie Russell will be heading that effort. So I'm very  
4 pleased to announce that addition to senior staff.

5 As Alex mentioned, we will be listing within a  
6 couple of days the director of administration posting. And  
7 he mentioned, as well, our look at the personnel system at  
8 the Corporation, which we expect to be doing in conjunction  
9 with the inspector general and his staff.

10 In OPEAR and OPS we've been concluding our  
11 interview process for the program officer positions. We  
12 announced to the A&A committee this morning that we had  
13 originally been budgeted for, I think, 17 program officer  
14 positions. And we had anticipated that this listing that we  
15 issued in the fall, which was for 10 listings, might well be  
16 the first of a couple or more listings throughout the year  
17 for program officer.

18 In light of the current situation, our expectation  
19 is that this may well be the only listing we will have of  
20 program officers, and we expect to be able to -- we have a  
21 very strong pool, so we expect to be able to make 10 or 12  
22 offers from this pool and have an expectation that this may

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1 be the only one for a while. So we're on the verge of making  
2 offers to program officers just within the next week.

3 We are looking toward a very close working  
4 relationship between OPS and OPEAR on reinforcing the  
5 accountability changes that we've made this year, and moving  
6 forward on the delivery initiatives that we've talked about  
7 and set time tables for last month at the Board meeting. We  
8 are expecting to place program officers both in OPS and in  
9 OPEAR, but our discussions during this hiring process have  
10 led us to see that there will be very strong opportunities  
11 for cross over work on the delivery initiatives, providing  
12 support to program officers who are working directly with  
13 programs to be able to communicate learnings about private  
14 attorney involvement, about client engagement in the area of  
15 support directly to programs. So we're pleased about that.

16 As we've developed our accountability mechanisms  
17 we've made something of a shift, as has been reported in the  
18 provisions committee, and to some degree last month to look  
19 toward compliance visits that are in addition to the peer  
20 review visits that we're conducting on a now fully -- we're  
21 now up fully to scheduling of 10 peer review visits a month.  
22 We will be testing probably 10 visits in February on the

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1 compliance aspect of things, looking toward full  
2 implementation of that in March, with a regular schedule of  
3 20 compliance visits a month on that. So we feel like we've  
4 made enormous progress on an agenda of change and improved  
5 effectiveness with accountability.

6 The final thing is in a way more minor, although to  
7 us at the Corporation it's, I think, going to be a factor in  
8 helping us improve our operations there. We have moved two  
9 staff members into the executive office and moved supervision  
10 of the reception desk into the executive office. We have one  
11 person moving from the Office of Human Resources and one from  
12 OPEAR, who are each half-time receptionists and providing  
13 clerical support in the executive office and under the  
14 supervision of the executive offices.

15 You may know from your visits there, the reception  
16 desk is adjacent to the executive office and seems best  
17 supervised from there. And we're turning the area there, the  
18 reception area into more of a work area. We're putting up  
19 glass doors for security at the elevator lobby and turning  
20 that area into a work area which will include a travel  
21 coordination capacity supervised out of the Office of  
22 Administration, to supervise travel needs for all of the

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1 Corporation.

2           Enormous number of visits in both peer review and  
3 compliance coming up, as well as Board travel needs and other  
4 offices of the Corporation have travel needs, as well, and  
5 our thought is that it will be significantly more efficient  
6 to have that in one place rather than travel responsibilities  
7 assigned to all the divisions of the Corporation.

8           So that's sort of a level of detail that may be  
9 beyond the necessary, but gives you a picture, perhaps, of  
10 the changes that we've been pushing to put into place to  
11 improve the efficiency of our operations and an ability to go  
12 into this year in as well-functioning a posture as possible.

13           CHAIRMAN EAKELEY: Let me ask you to pause right  
14 there --

15           MS. BERGMARK: I'm done.

16           CHAIRMAN EAKELEY: -- and see whether we have any  
17 questions on what has been reported so far and, actually,  
18 also to welcome Merceria and to congratulate Leslie. And  
19 just to add my own sense of gratitude and admiration to what  
20 Alice, and now Martha, have reported have been a true  
21 transformation, as far as I can tell, of the Corporation in  
22 the last year. And we have just a wonderfully performing,

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1 highest possible caliber management team that is doing its  
2 very best to fulfill the Congressional purpose behind the  
3 program in the first place. And it is just humming just  
4 very, very smoothly.

5 I probably disrupted things too much by visiting a  
6 staff meeting the other week, but it was just wonderfully  
7 informative to sit there and see, a little up closer than one  
8 sees in the course of a Board meeting, just how well  
9 coordinated and beautifully functioning our management team  
10 is. And I think that we have a lot, not only to say thank  
11 you for, but to be very proud of.

12 MS. BERGMARK: Thank you.

13 CHAIRMAN EAKELEY: And we look forward to further  
14 glowing reports in the future although, obviously, there is  
15 no such thing as a totally smooth ride. But, still, I think  
16 it's just going very well and we want to congratulate you and  
17 thank you, too.

18 MR. FORGER: I'd like to put one footnote on that,  
19 Doug. We have attracted the very best, the highest quality  
20 people we could find, and that coincides with a very diverse  
21 management staff which was one of the principals, I think,  
22 set out by the Board to assure that we received and made as a

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1 priority diversity in our organization, as well as in the  
2 field.

3 CHAIRMAN EAKELEY: Bill.

4 MR. McALPIN: I'd like to ask the president what  
5 functions will fall within the area of responsibility of the  
6 director of administration.

7 MR. FORGER: Well, I think to take over the  
8 administrative responsibilities that have been scattered  
9 through various functions -- through Martha, OHR, services,  
10 library -- I would see the director of administration taking  
11 on basically personnel functions: benefits; affirmative  
12 action; salary progression, evaluation; training;  
13 whistleblowing; code of ethics; assignments; responsibility  
14 for archives, library, reception, supports staff; and just to  
15 make certain that we're functioning professionally and in a  
16 most efficient manner.

17 MR. McALPIN: I guess partly I ask that because I  
18 understood Martha to say that the reception area was going to  
19 come under the executive office.

20 MR. FORGER: I will not supervise it personally,  
21 probably, Bill.

22 MR. McALPIN: Well, do I understand you to say that

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1 that would be under the director of administration?

2 MR. FORGER: Yes. Certainly, I would expect a  
3 director of administration to be responsible for all of these  
4 service areas. For the moment this is akin to a lot of the  
5 travel -- I mean, we can work the refinement out there -- a  
6 lot of the travel relates to the Board and staff, and it may  
7 be that that person initially will be responsive to the  
8 executive office. But even in the executive office there  
9 will be a number of functions that are handled by the  
10 director of administrative services.

11 MR. McALPIN: Will this position be at the level of  
12 the director of OPEAR, OPS, general counsel and the rest?

13 MR. FORGER: No, I think not.

14 CHAIRMAN EAKELEY: Any other questions of Alex or  
15 Martha?

16 MS. FAIRBANKS-WILLIAMS: To get back to Maria's  
17 question of Ed, does this manual that you're talking about  
18 putting out and these compliance visits, are they looking  
19 into the financial ways that things are done in the office  
20 and making suggestions for better ways to do it?

21 MS. BERGMARK: On the compliance visits there is a  
22 difference between -- there is sort of a separation between

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1 the compliance that will be checked, through the inspector  
2 general's office, a check on local program audits. The audit  
3 reports come in. That's an opportunity to identify where  
4 there are problems, and the implementation of government  
5 auditing standards and a compliance supplement that goes with  
6 that will be the responsibility of the inspector general's  
7 office to review.

8 The regulatory pieces that are not financial, the  
9 review of compliance with other regulations is what we  
10 anticipate will be checked through these compliance visits.  
11 Those will be short visits, they will not be in the nature of  
12 a peer review visit that goes into greater detail with how  
13 the program functions, and so forth.

14 But, certainly, if there were opportunities in such  
15 a case to interact with a program and hear about problems  
16 that there are and give suggestions for how compliance could  
17 be better achieved, I'm sure that would take place in the  
18 course of that, as well.

19 In terms of the support for programs in their  
20 accounting work, that is a management function. And the  
21 discussions we've had with the inspector general's office,  
22 we've had conversations about what will the inspector

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1 general's staff be responsible for and what will management  
2 staff be responsible for. Where the inspector general's  
3 staff reviews an audit report, ascertains that there are  
4 problems, their role is really to relate to the independent  
5 auditor. Our role will be to deal with the program itself  
6 and program management and program accounting staff.

7           So the accounting guide is -- right now we have  
8 what is called an Audit and Accounting Guide, and there has  
9 been some discussion about whether those should be two  
10 separate manuals, or whether they should remain together.  
11 But there is a recognition that the accounting oversight and  
12 support and relationship with programs should happen from  
13 management, LSC management side; whereas the relationships  
14 and oversight of the local program auditors will happen out  
15 of the inspector general's office.

16           MS. FAIRBANKS-WILLIAMS: But the question was where  
17 are they going to get the help from if they need it?

18           MS. BERGMARK: Where will programs get the help  
19 from if they need it?

20           MS. FAIRBANKS-WILLIAMS: We hope that the program  
21 officer model is going to be one that helps identify those  
22 kinds of issues and helps provide some support. We don't, as

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1 you know, have a technical assistance budget. We're not  
2 overrun with resources to provide the level of sort of  
3 technical assistance that we would like to. But that's  
4 certainly something that John and Merceria are going to be  
5 working on -- what is possible in a program officer model to  
6 help provide support for programs who need it.

7 CHAIRMAN EAKELEY: I think one of the things Edna  
8 was getting at that the inspector general mentioned in his  
9 report today was the concern about and opportunity for  
10 improvement of the handling cash disbursements and client  
11 trust funds.

12 And that's something that could be -- those are  
13 areas where one could see some improvements merely by making  
14 some suggestions and broadcasting them widely to the field.  
15 You don't need intensive technical assistance in order to do  
16 that, perhaps. But I think we'd like to encourage you and  
17 management to look at ways in which those areas could be  
18 strengthened, notwithstanding the limited resources we have.

19 MS. BERGMARK: Okay. Point well taken. We'll look  
20 into it.

21 CHAIRMAN EAKELEY: All right. There is more, I  
22 don't want to cut this off but we've got -- I think, is Jim

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1 Lamb next up, Martha?

2 MS. BERGMARK: Yes, he is.

3 MR. FORGER: I'd just like to underscore the  
4 monitoring aspect, because from time to time we still receive  
5 inquiries from Congress and staff as to the compliance  
6 aspect. There were some, I think, misunderstandings early on  
7 that the change in our oversight meant that there was less of  
8 a commitment to monitoring for compliance. And, certainly,  
9 that is not the case. And with a specific schedule now where  
10 on an 18 month cycle that every program will have a  
11 monitoring, on-site visit, not of the same invasive nature  
12 that was the custom in years past, but we think will give the  
13 assurance of compliance in full measure to Congress and  
14 discharge the Board's responsibility on accounting.

15 I know, Nancy, that has always been uppermost in  
16 your mind, with respect to that function. And since we get  
17 that so often, we make certain that we can assure Congress  
18 that that is going forward.

19 CHAIRMAN EAKELEY: Thank you very much.

20 MR. FORGER: Jim. Jim has been a breath of fresh  
21 air for us in causing us not only to be more articulate, but  
22 to think about what we're doing and why we're doing it that

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1 way, how we might do it otherwise. He has been reaching out  
2 to attract press attention for us so that we can educate the  
3 world beyond our own small family. Jim.

4 MR. LAMB: Mr. Chairman, Madame Vice Chairman, Mr.  
5 President, distinguished Board members, ladies and gentlemen.  
6 I'm going to us an overhead projector today, mostly to keep  
7 my mind from wandering. My valued colleague is going to pass  
8 what amounts to my notes around so that each of you has  
9 something to make notes on if you care to. I guess that's  
10 happening now.

11 I am here to speak briefly about our communications  
12 program, and Alex told me a lawyer joke about speaking  
13 briefly, and that concerns the lawyer who stood up in court  
14 and said, "Your Honor, I will be brief no matter how long it  
15 takes." Could I have the next slide, please.

16 CHAIRMAN EAKELEY: Should we thank Alex for that,  
17 Jim?

18 MR. LAMB: I think from the reaction in the room, yes.  
19 (Laughter.)

20 MR. LAMB: We like to think of communications  
21 formally as both speaking and listening. I think some  
22 organizations forget to listen and we mustn't do that. So

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1 that's a little reminder to me.

2 We put you first. You are our employers and you  
3 have now gotten one of Gail's legislative updates, which she  
4 is going to do weekly. And then you've gotten an other  
5 things going on memo from Martha, which will in the future  
6 come from me.

7 It may strike you as administrivia sometimes  
8 because our management has determined to err on the plus  
9 side. But we are listening, and so if you find that too much  
10 of a good thing, please let us know.

11 CHAIRMAN EAKELEY: That's going to be extremely  
12 unlikely even to contemplate, Jim, with this Board.

13 MR. LAMB: This is really Gail's turf. She is one-  
14 on-one on Congress, or two-on-one. My role is really mass  
15 communications. But we did think of one program. This was  
16 Will's idea and i think it's a very good idea. We sent  
17 letters to freshmen of the 104th, and to sophomore House  
18 members of the 103rd Congress.

19 Now, you might ask why only sophomore House  
20 members. That is because the House of the 103rd Congress  
21 voted on one big massive appropriations bill with little  
22 discussion of what was in it, as I understand it. On the

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1 other hand, there was quite an exciting session in the  
2 Senate, which I'm sure you all remember. So we think that  
3 members of the Senate that were new in the 103rd Congress  
4 know who we are.

5 This is an example of our letter to freshman, and  
6 I'll give you a chance to look at it briefly. We did  
7 freshmen Senators of the 104th, but as I tried to point out  
8 before, we thought the Senators who were new in the 103rd got  
9 to know us all too well.

10 The next slide is about communications to  
11 employees. And you might say in a time of crisis why would  
12 you bother to do that. And my answer to that is that people  
13 work better if they're in the know. You might say, well, why  
14 do you need formal programs in so small a group, just 100  
15 folks. Well, if the answer is that Alex and Martha are  
16 running very hard every day, and so when you're very busy and  
17 you might neglect what I consider to be a very important part  
18 of management, the smart management puts in formal programs.

19 So we haven't done this yet, but starting in  
20 February we're going to have a number of meetings, a monthly  
21 meeting of all employees in which we can do some listening.  
22 We're going to have presentations from the group and we have,

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1 sort of, an editorial advisory board who is going to tell us  
2 of good work going on that might be shared between  
3 departments. We're going to introduce new employees, and  
4 that's everyone, that's not executives, that's everyone who  
5 might be hired.

6 We're going to do some sort of educational piece, a  
7 tape such as the St. Louis tape, for example. We're going to  
8 then have an update from Alex, which he will share with the  
9 entire group.

10 In between, we have started to do E-mail bulletins  
11 to the troops to share information and news of one kind and  
12 another, to dispel rumors, if there are any, and to give our  
13 perspective of what is going on.

14 And then finally we have a little program which was  
15 suggested by another one of my colleagues, which is to do  
16 special little breakfast meetings with a small group, say  
17 five managers from around the company. And that will be an  
18 unplanned, non-agenda, back-and-forth session between Alex  
19 and the group. And we're such a small group we think we can  
20 cover every manager and director in a month. Then we'll skip  
21 a month and then we'll do it again. So that's our program  
22 for employees.

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1           This is a sticky one. As you well know, the  
2 history of the Corporation involves an almost 12 year schism  
3 between the field and headquarters. And so in that time  
4 there has been a certain amount of lack of communication that  
5 has almost been institutionalized. It is our intention to  
6 start to send bulletins, largely by fax, but also by Handsnet  
7 to dispel rumors.

8           And I really wish we had done that last month. The  
9 first day of the new session there was a rumor that a bill  
10 had been introduced to zero us out. Within 24 hours we knew  
11 that wasn't true, and we could have sent that kind of an  
12 assurance to the field -- and we didn't, and I wish we did.  
13 Next time we will.

14           We intend to share information and fast breaking  
15 news, and then we will continue with a newsletter that was  
16 started during transition to get perspective.

17           There are a number of surrogate groups, as you  
18 know, who communicate to the field for us. And they are our  
19 friends and we will meet and we will try not to duplicate  
20 what they do. We will try to do what we do best, and let  
21 them do what they do best.

22           Now, I'd like to move to what I consider my

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1 priority for the next year, and that's the press. Our first  
2 program is for the national press, and that will be to have a  
3 series of one-on-one meetings, which our intention is just to  
4 give a little background and let people know we're here, have  
5 them meet Alex face-to-face. And in some cases that will  
6 result in articles, in some cases it won't. But we're  
7 satisfied to exchange business cards and let people know  
8 where we are if there comes a time when they need to get our  
9 side of a breaking story.

10 And this press list that is up on the board, which  
11 I call press list one, is a number of people who are already  
12 known to Alex and Martha and to me, in one instance. I have  
13 talked to Bob Samuelson and he has given me a very good  
14 reference to somebody else who is on another list by Lincoln  
15 Kaplan, who writes for Newsweek on our subjects. We have an  
16 appointment with Sandra Torie.

17 And, interestingly, we had a meeting last week --  
18 I'm sorry?

19 CHAIRMAN EAKELEY: Maria Luisa, did you have a  
20 question?

21 MS. MERCADO: Yes. In just looking at this press  
22 list it's real evident to me that there wasn't really

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1 anything from the southwest or the midwest. I mean, it seems  
2 like we are targeting a market, I mean, why --

3 MR. LAMB: We'll get to you. Last week we met with  
4 David Savage of the L.A. Times. He is their Supreme Court  
5 reporter. He called and said that he had had a meeting with  
6 his bureau manager and they wanted to get ahead of any story  
7 on agencies that might be on the hit list for Congress. And  
8 he thought it didn't take a rocket scientist to understand  
9 that we might be.

10 We've had a nice conversation with him. We know  
11 other people have had nice conversations with him. We  
12 perceive him to be friendly. And the nice thing about the  
13 L.A. Times, although it doesn't happen with their Supreme  
14 Court reporting very much, is that if a story does get play  
15 on the L.A. Times/Washington Post syndicate then it is not  
16 only in the L.A. Times, but often in the Washington Post and  
17 over 144 other rather large papers.

18 Even though they don't do that with his stuff, he  
19 tells me, very much, I think a phone call to the syndicate at  
20 the right time, when his piece appears in the L.A. Times may  
21 cause that to happen. So we'll see. We have high hopes.

22 This is press list number two. It continues with

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1 the national press and these are not people that we  
2 particularly know, at least to the same degree that we know  
3 press list one. It is by no means exhaustive. On the other  
4 hand, to do this one a week -- which we intend to do -- takes  
5 us to May.

6 CHAIRMAN EAKELEY: Bill had a question for you,  
7 too, Jim.

8 MR. McALPIN: I notice that these are all print  
9 media. What about electronic media?

10 MR. LAMB: Well, Nina Totenberg is on that list and  
11 she is NP radio.

12 MR. McALPIN: Nina is?

13 MR. LAMB: Yes. When you get there, she is there.

14 MR. McALPIN: I don't see her.

15 MR. LAMB: Well, if she is not, we mean her to be.  
16 Television is, in my view, the most instant of instant  
17 mediums. I think that our first cut when we're doing  
18 background ought to be with the print press, it has a little  
19 more time to sit and absorb and think about getting to us in  
20 the midst of the battle.

21 Also, the New York Times and Washington Post and  
22 Newsweek tend to be what you might call leadership press.

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1 When the New York Times print it is very often the key to  
2 being on the nightly news. So I think we've got our list  
3 right.

4 We will, in due course, get around to broadcast.  
5 But, you know, broadcast is fast, broadcast is very short and  
6 --

7 MR. McALPIN: Talk shows aren't.

8 MR. LAMB: Fine. And we will get there. But this  
9 is our first list. Could I have the next slide, please.  
10 That is the next slide. Thank you.

11 Hometown press. By that I mean the hometowns of  
12 the programs. Some folks don't need help. You folks in St.  
13 Louis don't need any help. They're very good and they can  
14 probably teach me a thing or two.

15 The idea here is -- you might say why would you do  
16 this when your problem is in Washington. And our thought is  
17 that members read their district press and that Senators read  
18 important state media. And that press out in the world,  
19 including the southwest and the west, is generally easier to  
20 crack than the New York Times or the Washington Post,  
21 especially when you have local programs.

22 So we'll concentrate publicity efforts there and

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1 we'll try to select the best first, the best programs and the  
2 best parts of the country.

3 Then this is sort of a defensive program, I  
4 suppose. Although, we can go on the offense with such things  
5 as preparing for talk shows and as doing op-ed pieces. And  
6 we also can be more articulate when the questions come.

7 So we're doing a number of talking pieces, or as I  
8 would call them, contendancy statements on things like what  
9 is the reason that the federal government ought to feel an  
10 obligation to fund legal services to the poor, and what about  
11 class actions.

12 And then there are some things we'd like to talk  
13 about. We think we'd like to talk about spousal abuse and  
14 the role that Legal Services has had in bringing that problem  
15 to the fore. We'd like to talk about disaster relief,  
16 whether or not anybody asks us about it.

17 So those statements are coming along in a book  
18 which is just about ready to share, because I think it now  
19 would be helpful. It will never be perfect, it will evolve.  
20 But I think we're at about the point where it would be  
21 helpful.

22 Now, this last thing is something that we've been

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1 able to start on quickly, and that is letters to the editor.  
2 We intend to challenge every bad assertion we see, and we  
3 intend to congratulate where appropriate. I'd like to show  
4 you a couple of examples. In this example, here is a letter  
5 to the New York Times from Alex, and it's congratulating them  
6 on a very fine job on New York Housing Court which, as you  
7 may know, is a zoo. In the course of talking to them about  
8 that letter I came across one Jack McKenzie who attended your  
9 25th anniversary, and who is interested in talking further to  
10 us and he's an editorial writer.

11 So I think it is helpful to write these letters,  
12 perhaps not to change minds -- I'm not sure how many people  
13 read the letters to the editors -- but it gets the editor's  
14 attention, particularly when they make a mistake.

15 CHAIRMAN EAKELEY: That's a good lesson to pause on  
16 and remind everyone around the table and in the room, because  
17 you can't -- and Alex can't be writing letters to the editors  
18 of every journal that each of us reads. But we sometimes  
19 tend to stifle the urge to report back or retort when our  
20 local media has it wrong.

21 MR. LAMB: Now, here is a letter to USA Today, and  
22 USA Today did not particularly make any mistake, but they

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1 attended and quoted Ralph Reed at a press conference in which  
2 he gave his laundry list of things that should be destroyed,  
3 including Legal Services Corporation. And his reason was  
4 that the Legal Services Corporation "finances 200,000  
5 divorces every year."

6 And so we wrote back and Alex pointed out to them  
7 the number of cases we do that are not divorces, but are  
8 otherwise helpful and quite Christian we think. We also  
9 pointed out that people who are poor and can't afford a  
10 lawyer might like to settle such issues as child support and  
11 child custody, as well.

12 Now, there is another program that we're going to  
13 put up now, and that ties in very closely because we've  
14 engaged a daily clip service, and that has helped us find  
15 some of the letters that we've had the opportunity of  
16 answering. And I think while it's expensive -- and I say  
17 "expensive" in terms of a small government program for the  
18 poor, it's \$45 a week plus \$5 a clip and there aren't that  
19 many clips -- but I find that very necessary in a crisis.

20 We also are going to kind of try to change the  
21 culture. And we're going to try to create a culture of what  
22 I would call "no surprises." We're going to try to tell our

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1 programs who would be quick to talk to a PAG, I'm sure, or to  
2 NLADA, but might not pick up the phone and tell us so that an  
3 impending, if not crisis, an impending, interesting  
4 development. So we're going to try to tell them to protect  
5 your quarterback. Alex is your quarterback, don't let him  
6 get blind-sided. It is a culture change and it will take a  
7 while.

8 Now, before I invite your questions there is one  
9 letter that we faxed off last night. It is in response to an  
10 editorial in something called Investor's Daily, which I would  
11 never in my life read, because I don't invest daily. I think  
12 it's illustrative of what is out there, because I think this  
13 editor picked up a book from some conservative think tank or  
14 lobbying group that listed all the reasons why their least  
15 favorite programs should be obliterated.

16 And about Legal Services it says, "The Legal  
17 Services Corporation funds class action lawsuits to have  
18 black English taught in schools."

19 MR. McCALPIN: I'm sorry --

20 MR. LAMB: That, as some of you may know, is a  
21 gross distortion of a case that is 17 years old. Now, that  
22 editor has not been thinking about that for 17 years. So it

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1 took us about a day to find it, and the story is that in Anne  
2 Arbor, Michigan, a lawsuit was filed on behalf of some school  
3 children who came from a project.

4 And that nature of the lawsuit was asking the  
5 school board to recognize that black English spoken at home  
6 would be a barrier to communication with the children, and a  
7 barrier that the school had to overcome, just like people  
8 speaking Spanish at home, or Italian at home, or other  
9 languages that make it difficult for the children to learn in  
10 school.

11 So the point of the lawsuit was to make the school  
12 recognize the barrier and make efforts to overcome it. I  
13 think that's a little different from going around the country  
14 suing to make schools teach black English. So we wrote that  
15 and we also -- the point of the editorial was that we are the  
16 new conservatives, we in the group of people who think that  
17 certain government programs are worth spending the money for.

18 And the tag line of the letter was, "Apparently  
19 it's not just the new conservatives who have a hard time  
20 letting go of the past."

21 Any questions?

22 CHAIRMAN EAKELEY: We're very glad you're here,

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1 Jim. What we've seen so far has been wonderful, and please  
2 keep it up.

3 MR. LAMB: Thank you very much, Mr. Chairman

4 MS. MERCADO: I think one of the things, since we  
5 have you here, Jim, was in trying to -- I know Bill mentioned  
6 a little while ago the -- other than the print media, of  
7 course looking at, sort of an offensive, I suppose, on attack  
8 of legal services.

9 But the flip side of that in just putting out  
10 information that is positive and informing the public of who  
11 we are we had talked about part of the press that should be  
12 going out on legal services in this key year that we're  
13 celebrating an anniversary -- you know, the 20th anniversary  
14 of the Legal Services Corporation Act -- is to do those kinds  
15 of -- whether it's a 20/20 or a 60 Minutes or a PBS or, you  
16 know, talk shows to talk about the kinds of differences or  
17 work Legal Services has done in the different areas, and what  
18 kind of plans does the information office have to coordinate  
19 those kinds of programs.

20 Because this strategy is for something different  
21 than getting that acknowledgement of the anniversary of the  
22 Legal Services.

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1           MR. LAMB: We'll get there. The thing I'd like to  
2 tell you is that we are, at the moment, in what I might  
3 characterize as a "phony war" -- a term from World War I.  
4 And it referred to a time -- as you may well know, you  
5 students of history and you folks that were there -- a time  
6 that was after the declaration of war, but before the bullets  
7 started to fly. And that's a very serious responsibility for  
8 us, because I don't think we want to pick fights.

9           Now, television and the press, generally, thrives  
10 on controversy. So let me just say that I think going to the  
11 print press now on a background basis, and being careful of  
12 what we say when it's not on a background basis, is the right  
13 thing to do. I think that armed with an L.A. Times and  
14 possibly L.A. Times/Washington Post syndicate clip, I think  
15 armed with a Newsweek major story -- which I think is a  
16 distinct possibility right now -- will make the approach to  
17 the electronic media easier. And I'll just have to ask you  
18 to be patient with me.

19           CHAIRMAN EAKELEY: Thank you very much. Next  
20 witness.

21           MR. FORGER: Thanks so much, Jim. He has really  
22 added a spark to a lot of our dialogue and conversations, and

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1 a good communicator. And Gail is our no longer secret weapon  
2 on the Hill, but a major weapon who knows her way around.  
3 She can identify not only all the buildings, but the people  
4 who populate them and the process by which it occurs.

5 MS. LASTER: In beginning my remarks I think the  
6 first thing I need to say is that we did have someone come in  
7 who, as outside counsel, to reiterate to the Corporation --  
8 particularly the executive members -- of just what our  
9 lobbying restrictions are. And I feel that I have a pretty  
10 good handle of them and that I know what they are and that we  
11 are obeying them to the letter, because the last thing we  
12 want to do is win the war and then have somebody come up to  
13 us and say but we didn't fight it cleanly. So we're trying  
14 to do it the right way.

15 I'd also like to say, in the beginning, that I have  
16 spoken with all of you, I believe now, privately many times  
17 some of you, and to talk about how you feel congressional  
18 relations should be pursued. Because actually, a lot of the  
19 conversations we have should be held in private, in that,  
20 frankly, on the Hill, when we talk to different members and  
21 we talk to different staff people they don't necessarily want  
22 that information made public. So I urge you to continue to

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1 talk to me, call me whenever you have a question, whenever  
2 you just want to know what is going on.

3 On a more formal level, I'm trying to do a  
4 congressional update every Friday to give you -- and so far  
5 I've sent you the information about the rosters in the House  
6 and the Senate, who is on which committees, the telephone  
7 numbers, the room numbers. I also included something in  
8 there last week which is a fact sheet that the Corporation  
9 has gotten together to give out on congressional visits.

10 And I'm also trying to send you other information  
11 that we might be using in our Hill visits, to have your  
12 input. And I really appreciate that. And besides the  
13 congressional updates on Friday, we will be sending you  
14 information as it happens. For example, the next things we  
15 expect are the budget, and so when we see that we will send  
16 you, not the entire budget, but the relevant portions of it.  
17 We expect both a Presidential budget and a Republican budget,  
18 and we'll send you information on both. We may be seeing a  
19 recision bill, we'll send that to you as soon as we get it.  
20 So that, basically, February should be a pretty eventful  
21 month in terms of getting some materials.

22 CHAIRMAN EAKELEY: Gail, are we likely to see a

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1 recision bill before the budget, or will that await the  
2 President's budget message?

3 MS. LASTER: Everything I have indicates that it  
4 will await the President's budget message. In fact, we've  
5 heard that the President may, in fact, do a recision bill of  
6 his own, although I've seen no evidence to support that  
7 argument. But I believe the recision won't come until we see  
8 what the figures are for the budget.

9 CHAIRMAN EAKELEY: The budget message is the first  
10 or the second Tuesday?

11 MS. LASTER: I think it will be the 7th this year,  
12 February 7th.

13 I have three areas to talk about. The first one is  
14 the initial contacts. As Jim and Will just showed you, we  
15 have sent information out to all freshmen members of the  
16 104th Congress to indicate just who we are, what we do.  
17 There is no pitch involved, it just says that we're a  
18 constituent service here and I know that they get a lot of  
19 calls from constituents and I think it will be very helpful  
20 to them to know what we do. And then someone suggested that  
21 we also send it to the 103rd Congress, and so we're doing  
22 that, as well.

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1           We've also drafted a letter, which we're going to  
2 circulate for approval, to send to members of the Senate who  
3 voted with us in the last Congress, specifically in support  
4 on our position on the Gramm amendment. And that letter will  
5 basically say, "Thank you for your support in the past.  
6 We'll need your support this year, this Congress. We're  
7 here. We'd like to sit down and talk to you when you think  
8 it's appropriate. And we hope we can count on your continued  
9 support."

10           And we would include in that the editorial from the  
11 Portland Oregonian, which I thought was a very good piece; as  
12 well as the chairman's piece about, again, our mission and  
13 why we're here. So we'll be doing that, as well.

14           We're also doing Hill visits. As some of you now  
15 know, they can be very frustrating. I appreciate those of  
16 you who have come in and done them and gone to the members'  
17 office and hoped to speak with a member, but instead got a  
18 very, very junior staff person. But it's really important  
19 that we have these face-to-face contacts with as many members  
20 as we can. And I would just encourage you to, as you are,  
21 also try to meet with them in your area.

22           If you see that they're coming for open houses, if

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1 you see that they're going to be at open houses, if they're  
2 going to have town hall meetings, the like, it's really  
3 important that we have as much face-to-face contact with the  
4 members, because they're just being bombarded by other people  
5 and we need to be in the crowd that's beating on their door.  
6 So I would encourage you. As I say, I do appreciate you  
7 coming in for these meetings with the members, and I'm very  
8 sorry when they don't pan out, but I have no control over that.

9 In terms of the Hill visits, we are targeting  
10 members of the Appropriations Committee, Budget Committee and  
11 Judiciary in the House; and Labor and Human Resources in the  
12 Senate. I've already sent you lists of who those people are,  
13 and I think you know why we're targeting them. The  
14 information I just handed to you listed various scenarios  
15 that we may face in the next couple of months and those  
16 members are the key players on the relevant committees.

17 When I go to these meetings, as some of you know, I  
18 do try to take program information because, as I think, John,  
19 you mentioned, it's really not so important that a member of  
20 the Board or the president or the government relations person  
21 explains the program, but they really see what the program  
22 does in their state. And they specifically understand how

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1 many dollars their states will lose if the program is  
2 eliminated.

3           So what I have been doing, again, ever mindful of  
4 the restrictions on lobbying, is using the Hill visits as a  
5 way to contact the executive directors of the programs and  
6 say to them, I've either been to see your member or I'm about  
7 to see your member, please send me all the information that  
8 you use to describe your programs -- with specific emphasis  
9 on certain types of programs such as domestic violence, small  
10 farms, elderly, veterans, any type of disaster relief.

11           And I'm getting a lot of positive feedback. The  
12 programs have done their homework, they have really good  
13 brochures both for the clients to explain what they do and  
14 for the purpose of showing members of Congress that we have a  
15 strong impact and a strong presence in a lot of areas. Some  
16 of the brochures have little vignettes about the typical  
17 client who gets this type of service, and it's really very,  
18 very helpful. So I do appreciate that from the programs.

19           And I'm also encouraging the programs to keep in  
20 touch with the Corporation, that we need to know what they're  
21 doing -- if they visited the member at home; if they've been  
22 to the town meeting, how it went; that they need send us

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1 information about any pieces of stories in the newspapers,  
2 editorials; and that we need to have this open line of  
3 communication and that that's entirely proper.

4           And then last, what we're targeting among the  
5 Corporation and in light of our Hill visits and in light of  
6 what we're facing, are some specific committees and tasks  
7 around certain issues. The first issue is rescision, and  
8 among us we have divided up responsibilities to determine  
9 just how a rescision bill would affect us, how it affects a  
10 grant making organization, and how we would have to implement  
11 a rescision with our programs. As you know, that will be very  
12 difficult.

13           The other issue that we're trying to address before  
14 it happens to us -- and I think it's very important -- is the  
15 issue of reauthorization. If there is one thing we're  
16 hearing in our Hill visits, it's that if the program is to  
17 survive it's going to maybe be in a different form and it may  
18 be cut severely. Arguably, there are people who say if that  
19 is the handwriting on the wall then we should come in with  
20 ideas about where the cuts should be and where the program  
21 should be changed, if at all. But we need to think about  
22 that.

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1           So one of the first places I thought to look about  
2 the scope of the program and how to change the program,  
3 frankly, is to look at the amendments that have been offered  
4 in the past. So we are going to get a list of those  
5 amendments with those issues, who offered them, whether or  
6 not they're still in Congress, so that we can discuss that  
7 and discuss whether or not that's something we have to look  
8 at.

9           Of course, I'm not at all saying that it's up to us  
10 -- that it's up to me -- but I do think when we go in and we  
11 talk to the knowledgeable members, the members who have dealt  
12 with legal services issues over the years they're saying,  
13 "Well, you know, last time around it was class actions -- it  
14 may be class actions again. Last time around it was fee  
15 generating cases. We're going to revisit that again."

16           So we really do need to be prepared for our answer  
17 on those issues. And I think that would really help our  
18 supporters, too, because they want to be able to help us get  
19 reauthorized because, as you know, there is a rule that says  
20 there are no appropriations for programs that haven't been  
21 reauthorized. Now, whether or not that rule will be hard and  
22 fast, given the fact that we understand the FBI has not been

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1 reauthorized in years, the Department of Justice has not been  
2 reauthorized in years, whether or not it's a hard and fast  
3 rule I'm not here to say.

4 But it may be a hard and fast rule for certain  
5 programs and for the size of certain programs. So we do  
6 really need to begin on the reauthorization track and we do  
7 need to decide what our posture will be with both our friends  
8 and the people who aren't our friends. So those are our  
9 efforts.

10 And what I've given to you, just to sum up, is  
11 again, just a current legislative status to outline the four  
12 things that we will be facing in terms of appropriations,  
13 recision, reauthorization, possible block granting. And then  
14 I also included something from the Congress Daily, which has  
15 a quote from Chairman Livingston, who is Chairman of the  
16 House Appropriations Committee, who indicated that he thought  
17 that with regard to recision those cuts would be small. And  
18 with regard to the budget, however, fiscal year 1996, those  
19 cuts would be substantial.

20 And I included the copy of the article so you could  
21 see his exact language. And I believe there is also language  
22 in here from Senator Hatfield, who chairs the Appropriations

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1 Committee in the Senate.

2 CHAIRMAN EAKELEY: Any questions for Gail? I have  
3 one -- actually, an observation and a word of thanks and then  
4 a question. It's great to have you on board. We're  
5 depending upon you, almost infinitely. And for those of you  
6 who haven't had the opportunity to see Gail in action, I hope  
7 you will, because this is truly a marvel to behold.

8 I asked Alex this before, Gail, and I'm not looking  
9 for an answer, but I charge you and Alex with the  
10 responsibility of making sure that each of us and each  
11 program within the confines of the law that we have to  
12 observe, and are observing and intend to observe in the  
13 future, that you make sure that each of us is doing the  
14 maximum amount possible to assure the continued survival and  
15 viability and integrity of this program.

16 We really need you to tell us what more can be  
17 done, what additional phone calls or visits or letters should  
18 be made or written. And just make sure that your maximal  
19 output is matched by ours. You're hearing and doing what you  
20 can a thousand percent, but it's easy for us, as we go back  
21 to our other lives and offices and homes, to feel that we've  
22 done something and that that something should suffice;

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1       whereas, that's not going to be the case.

2               I don't think that anything short of an across-the-  
3 board, thousand percent effort by everybody who can  
4 contribute and participate will do what we need to do in  
5 order to assure the outcome that we all hope for. And we  
6 need you to initiate the contacts and the reminders and not  
7 wait for us to call to say, "Anything else we can do today" -  
8 - or next week or whatever.

9               MR. FORGER: One thing that I guess has occurred to  
10 me is that I have assumed a greater knowledge on the part of  
11 members of Congress of the Legal Services Corporation than  
12 actually exists. And, indeed, I have assumed a greater  
13 knowledge of the private bar of the Legal Services  
14 Corporation.

15               One cannot make that assumption that there is a  
16 fairly comprehensive knowledge of what we do. And even  
17 dealing with some legislators who have been involved with our  
18 program, it is sometimes surprising to hear their description  
19 of what it is that Legal Services does. And they tend to  
20 focus principally on the anecdotal or the disparaging terms,  
21 perhaps, that have been used in the past.

22               And that's why I think these either contingency

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1 pieces or positive pieces have been very important for us in  
2 terms of is there a federal nexus, what about block grants,  
3 indeed we are a local program, what about support of  
4 government? I mean, are we always attacking government? Are  
5 we not always frequently supporting government?

6 One of the recent ones is on farmers. And I think  
7 when most people who have an awareness of it think of the  
8 farm program they assume that we somehow or other are always  
9 in opposition to the farmer; whereas the statistics that we  
10 have show such a widespread involvement with the small  
11 farmers -- not the agri business, but the small farmers --  
12 and it's always enlightening to go and describe to a  
13 Congressman the numbers of cases occurring in his district  
14 where individuals are either helped out of bankruptcy or from  
15 going into bankruptcy or extension of loans, the problems  
16 that they have. And, literally, the thousands of small farms  
17 that our programs have helped.

18 So when you talk about the emphasis which one hears  
19 today on the middle class, there isn't an awful lot of  
20 emphasis on the poor, a lot of folks are in that twilight  
21 stage between middle class and poverty and we're doing a very  
22 significant job in holding either the working poor or those

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1 just above that line from sinking into that phase of poverty.  
2 And I think that there are other illustrations and cases  
3 that, if any of you have some suggestions for us or need to  
4 respond to particular issues in the home community, we should  
5 respond to that.

6 I think one of our biggest issues is family. Of  
7 our 1.6 million cases last recorded, the biggest piece was  
8 family. As that Reed article suggests that we're simply  
9 helping people get divorces so that they can have endless  
10 marriages, the purpose of that representation can be every  
11 bit as vital to the lives of children and spouses as any kind  
12 of criminal law activity.

13 So rather than be defensive about the fact we're  
14 doing it I just think it's consistent with -- I think, Jim,  
15 if you're still back there -- what we have been doing is  
16 monitoring, if you will, the language of Speaker Gingrich,  
17 and monitoring the language of Congressman Hyde. And we are  
18 congruent, we're right on target with respect for the rule of  
19 law and we can quote back the language that they have  
20 stated -- compassionate nation, the rule of law, helping  
21 children -- that is exactly what we're doing. And thus we  
22 are, indeed, the most traditional kind of program that one

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1 could think of and one that fits squarely into at least the  
2 rhetoric that one hears as to what we want America to be.

3 So we are using every opportunity to either have  
4 the response ready or to be positive in the work we do and  
5 not defensive about it. The defensiveness comes up with  
6 class action, as if that is a substantive area of law rather  
7 than a vehicle or a process. The last we heard yesterday was  
8 competition, you know, as if somehow or other that is a way  
9 to improve the quality of Legal Service and reduce the cost  
10 as to -- and I guess the Congressperson, staff who raised  
11 that, we said, "Well, we've been there before." It's not a  
12 new concept, but one needs to analyze what the consequence of  
13 that is, rather than just say it's a good term.

14 So we develop all these pieces and we'll have them  
15 ready for you as you are in your local communities and  
16 meeting with bar leaders or, we hope, people in your  
17 congressional delegation, to have that information with which  
18 to respond.

19 CHAIRMAN EAKELEY: Good. Any other questions,  
20 comments, observations?

21 MS. MERCADO: Just a real quick observation. I  
22 think we talk a lot about bar leadership to help us out. I

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1 think an interesting picture -- and maybe Gail might be able  
2 to shed some light on this -- is that, at least from Texas'  
3 point of view, a great number, including Senator Gramm, are  
4 not lawyers, that are coming into it. And so that, you know,  
5 the folks that you're having talk to them are not necessarily  
6 from a legal profession and they come from other professions.

7 And so that strategy must be much different than  
8 what that is.

9 CHAIRMAN EAKELEY: Gail, thank you very much.

10 MS. LASTER: You're welcome. Thank you.

11 CHAIRMAN EAKELEY: Mr. Segal is not here yet, but  
12 while we wait why don't we -- Kathleen and Rich, do you want  
13 to start -- and then you don't mind if you're interrupted and  
14 then we can bring you back in?

15 MR. FORGER: I should have worn my T-shirt, I'm  
16 sorry. I have an Americorps T-shirt, as well as a NAPIL T-  
17 shirt.

18 MS. WELCH: Are you sure you're not wearing one of  
19 them underneath that?

20 CHAIRMAN EAKELEY: Alex is going to be leaving us  
21 in about 25 minutes, and when we see him again he will be a  
22 different person. So we're not going to ask him what kinds

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1 of garb he's wearing under what he's --

2 MR. FORGER: I'm going to be gentler and kinder, I  
3 think.

4 CHAIRMAN EAKELEY: Kathleen, welcome back.

5 MS. WELCH: Thank you for having us.

6 CHAIRMAN EAKELEY: Reggie, nice to see you. We're  
7 out of sequence, but we really are very proud, as I think  
8 I've said before, to be part of a partnership funded by  
9 Americorps and very much welcome the opportunity to learn  
10 about what has been happening with our joint venture since we  
11 authorized the submission of bids lo these many months.

12 In fact, I remember one of our first Board  
13 meetings, Kathleen, you really briefing us on what was coming  
14 about and about the possibilities of participation in the  
15 program.

16 MS. WELCH: Well, thank you for inviting us to come  
17 and speak to you today. I hope that everyone received the  
18 update that we provided to the Board in writing with some  
19 attached materials. I hope that Reggie and I can be a bit of  
20 bright light on a rather cloudy horizon.

21 As everyone knows, the Americorps program received  
22 a grant, a total commitment of funding of about \$952,000 last

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1 summer. It's the first and only national legal initiative  
2 funded by Americorps. Today there are 48 new advocates in  
3 place around the country, working in teams of attorneys,  
4 social workers, paralegals and community educators. And  
5 they've launched projects with innovative community based  
6 strategies that address domestic violence, homelessness,  
7 community economic development, farm worker health and safety  
8 issues.

9 Most of the projects got their start in September  
10 and October, and some of them we just got underway in  
11 November. I'm very proud to report that the project is well  
12 on its way to accomplishing what I think were very ambitious  
13 goals set forth in our proposal. And what Reggie and I hope  
14 to do is just give you a quick update on the project and a  
15 forecast to the future. And I think Mr. Segal will provide  
16 you with some information about the future of Americorps and  
17 how he sees the national service legal corps fitting into  
18 that broader effort.

19 As Reggie Haley will note later on, the Corporation  
20 has taken the lead in administering and monitoring the  
21 project. NAPIL's role has really been to coordinate the  
22 project, lead the recruitment and promotion efforts, provide

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1 technical assistance and support to the sites and develop the  
2 training within NLADA and the project advisory group.

3           When we first came to the Board you asked a  
4 question, "Are people going to really be willing to work for  
5 the modest living allowance of this program, \$15,000 a year?"  
6 I'm happy and somewhat surprised to say the answer to that is  
7 an astounding "Yes." We got hundreds of calls of interest in  
8 the project, we had no problem recruiting attorneys. In  
9 fact, several of the projects expanded their recruitment to  
10 include additional attorneys in the place of paralegals and  
11 social workers because the interest was so great and because  
12 the quality of the applicants was so high.

13           Just a quick look at the recruitment statistics.  
14 As I said, there are 48 people in place right now. Of them,  
15 30 are attorneys, 15 are community educators or outreach  
16 specialists, two are social workers and two are paralegals.  
17 Forty percent of them are people of color, 13 of the  
18 attorneys are also people of color, which I think is a good  
19 testament to how good recruitment process can really help  
20 diversify the program staff.

21           Perhaps the most remarkable and exciting thing  
22 about the project is the 48 members themselves. And I hope

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1 you've had a chance to take a look at the newsletter that we  
2 did for the training which profiles each one of the members.  
3 They are the most diverse group in every sense of the term:  
4 their race, their ethnicity, their gender, their age, their  
5 background and their experience.

6           And I just want to tell you a couple of quick  
7 stories about who they are. Jacki Estrada, who is working  
8 out at Evergreen Legal Services on the farm worker pesticide  
9 poisoning prevention project, is a farm worker herself. She  
10 comes from generations of farm workers and she also happens  
11 to be a radio disk jockey who has a show that is now  
12 educating members throughout the rural part of Washington  
13 state on these issues.

14           Her two teammates are young lawyers, one with a  
15 masters in public health, in addition to her law degree; and  
16 another with an environmental engineering degree, in addition  
17 to his law degree.

18           Greg Horan, he's a community educator at Southern  
19 Minnesota Regional Legal Services. Greg has had a lot of ups  
20 and downs in his life. He was a successful businessman at  
21 one time, but due to the death of a daughter of a serious  
22 illness and his divorce he became homeless. During that time

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1 Greg became an organizer in the homeless community in  
2 Minneapolis and St. Paul.

3 He recently joined the Americorps staff at SMRLS  
4 and is an educator working in the homeless camps, working in  
5 the streets to bring in folks to do intake, provide services  
6 and to educate people on how to get homes and how to prevent  
7 homelessness.

8 Sonjia White, she's an attorney and a NAPIL fellow  
9 out at Los Angeles Legal Aide Foundation. Sonjia is  
10 returning to her own community in south-central L.A. to work  
11 with former gang members and at-risk youth, to provide  
12 services to them and to create nonprofit businesses to begin  
13 job training and job development.

14 There are a lot more stories just like these. Some  
15 of the folks are young attorneys returning to their  
16 community, some are attorneys with 10 years of experience in  
17 the very issues they're working on. Another left a large law  
18 firm to work on the Americorps project in Chicago, Project  
19 Safe, domestic violence; and another is a Fulbright scholar.

20 They're incredibly diverse, they're talented,  
21 they're dedicated and I think one of the best things about  
22 this project is it has brought an enormous influx of energy

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1 and enthusiasm into the 11 programs that are involved.

2 Is Mr. Segal behind me?

3 CHAIRMAN EAKELEY: Can we pause right there,  
4 Kathleen, and ask Mr. Segal to come up and join you?

5 MS. WELCH: Sure.

6 MR. SEGAL: Hi, how are you?

7 CHAIRMAN EAKELEY: Hi. Welcome. Thank you very  
8 much for coming over. We just got a little advance word  
9 since we took this out of sequence, somewhat, about what is  
10 happening with your project and our project. I don't get  
11 home from work in time to watch McNeil-Lehrer that often, but  
12 I happened to get home just in time for your show this past  
13 week. We were hoping that we would have a chance to visit  
14 with you today and appreciate that you're squeezing us in on  
15 a very busy agenda.

16 PRESENTATION BY ELI SEGAL

17 MR. SEGAL: Well, it is a delight to be here, Doug.  
18 Alex Forger, friends of Legal Services Corporation. I met  
19 Bill Clinton in 1969, waterskiing off the coast of Martha's  
20 Vineyard, and he has been -- I've learned over the years he  
21 gets blamed for a lot of things. I'm going to add one more  
22 thing to that list.

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1           Until 1992, until I moved to Little Rock in  
2 February of 1992, I was never late to anything. It's being  
3 in and around the White House for the better part of three  
4 years, you learn that there is kind of a 15 minute rule -- at  
5 least in the White House -- for which I apologize, I'm sorry.

6           CHAIRMAN EAKELEY: Well, we're delighted you're  
7 here, and you're not late and it's perfect timing.

8           MR. SEGAL: Well, I am happy to be here. I really  
9 want to make very limited remarks and then take any questions  
10 you might have for me, because there is really one message I  
11 want to communicate. It came out of an event that occurred  
12 about a year ago when I went back to my alma mater, the  
13 University of Michigan Law School, from which graduated in  
14 1967, to deliver the commencement address for the graduating  
15 class.

16           I should say that I began my remarks by saying that  
17 I graduated from the University of Michigan Law School *suma*  
18 *cum fortuna* -- which means with great luck. I met several of  
19 my professors who reminded me that I graduated with great  
20 luck. I still don't know what the rule against perpetuities  
21 is, but I did make it through three years of the law school  
22 and I was stunned afterwards that the dean of the law school,

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1 now provost at Dartmouth -- a really wonderful man -- Lee  
2 Bollinger, asked if I would meet with the students.

3 And I really kind of gave a speech about reminding  
4 them what it was like in the '60s, or telling them what it  
5 was like in the '60s and what an honor it was to be involved  
6 in public interest law.

7 The dean asked if I would be willing to talk with  
8 the students thereafter. And I was stunned, and I think  
9 there were maybe 400 or 500 law students who were at the  
10 commencement address -- all with their mothers and fathers,  
11 families, I figured they all were going to take off to go to  
12 the restaurants, et cetera.

13 Well over a hundred of them showed up to have an  
14 open conversation about the profession and the possibilities  
15 for public service legal work. And what was stunning to me  
16 when it was over was how many young people, how many of those  
17 graduates in the University of Michigan Law School would  
18 want, would love to go into public interest law but they  
19 really weren't the opportunities.

20 Americorps was then just an idea. It was a vision  
21 as opposed to a reality, and I should say this woman had more  
22 to do with the passage of national service legislation. She

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1 was there from the first week, after the President was  
2 inaugurated, and that's when Kathleen Welch and I met,  
3 shortly thereafter. Was there as helpful as she could be on  
4 behalf of NAPIL and a lot of other law reform groups who were  
5 interested in this, as well.

6 But was stunning for me as national service moved  
7 from a vision to reality -- it was signed into law in  
8 September '93, and it was launched in '94 -- is the  
9 incredible number of opportunities that already exist that  
10 didn't exist a couple of years ago. I'm as excited as  
11 everyone when we read in the New York Times about the  
12 anonymous gift of \$5 million to the NYU Law School, which is  
13 going to fund public interest lawyers in a way that really  
14 reminded me of what life was like in the 1960s.

15 And I really do think there are a lot of signs that  
16 we are, despite the cynicism and the skepticism and the  
17 cutbacks that we read so much about in Washington, that there  
18 are going to be some wonderful opportunities for young people  
19 and people young in spirit to do extraordinary work as we  
20 move forward.

21 I should tell you my last kind of personal comment  
22 is that my daughter spent last summer working with Gary

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1 Bellow, who probably is known to at least some people here,  
2 she has now finished her third year at Yale and is now in the  
3 middle of her fourth year. And I'm not supposed to know  
4 this, but she is quietly looking to get into Americorps next  
5 year.

6 She worked with Gary last year and where she wants  
7 to go -- I'm really not supposed to say because it's probably  
8 violating 12 laws -- she wants to work in the NAPIL, in the  
9 Legal Services Corporation's Americorps program. And what I  
10 particularly like about this program, it's not because of my  
11 daughter, but just because it invites both lawyers and non-  
12 lawyers to work together in the program.

13 Americorps is a fragile reed. We all know that  
14 from what we saw over the last couple of weeks as the Speaker  
15 has, for reasons still unclear to us, made it clear that he  
16 is unalterably opposed to national service. He referred to  
17 it as coerced volunteerism. He referred to it as a gimmick.

18 We think the demand is great on us and to all of  
19 our 350 programs, of which this is one of our very proudest,  
20 to show concrete results, to show specific things, to show  
21 how the homeless in Pennsylvania and those who have suffered  
22 from domestic violence in Missouri are benefitted by the

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1 result of this partnership between Americorps, the Legal  
2 Services Corporation, NLADA and NAPIL.

3 We know that if we can show results that we,  
4 wherever possible, can quantify, but certainly demonstrate.  
5 We are going to strike a responsive chord, I think, against  
6 the cynicism that we all know so much about. There are  
7 20,000 people filled with energy and idealism and a sense of  
8 adventure that they are going to make a difference. We have  
9 set the bar high for these 20,000 people who are out now  
10 serving now.

11 We know they're not going to solve the problems of  
12 crime, disease, illiteracy problems that took decades to  
13 create. But they are going to make a difference. And if  
14 they make a difference we think as they rebuild communities  
15 and build character, build public citizens for themselves,  
16 it's going to be terrific.

17 We're very proud of this program. There are  
18 several other programs involving lawyers we're familiar with.  
19 We're really excited about the program in Philadelphia, in  
20 Hawaii. We think there is a program in Minnesota involving  
21 young lawyers and Americorps.

22 But this is really the gem for us. This is, I

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1 believe, the only national direct -- which is kind of a term  
2 of art that maybe Kathleen has walked you through, but I  
3 certainly will share with you a little later on if you'd like  
4 -- it's the only national direct, which there aren't very  
5 many, that is primarily a legal program.

6           And we believe after only four months we have a lot  
7 to show for it. We have a lot of very solid results already.  
8 And this doesn't go so much to yours, but we will shortly be  
9 learning a lot about what has been accomplished here. We  
10 know about crack houses closed, we know about block  
11 association created, we know about children being immunized,  
12 we know about the young woman who the President introduced at  
13 the State of the Union is directly responsible for raising  
14 reading scores in Simpson County, Kentucky. We know there is  
15 some dramatic developments in many different areas which  
16 really kind make us excited.

17           So while these will be hard months as we fight the  
18 hard battle here in Washington around appropriations and  
19 authorization, something that the Legal Services Corporation  
20 has known for a long, long time about, as we join with you in  
21 building the partnerships to kind of show how important this  
22 is, I really want to be optimistic because I think we've done

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1 it right.

2 We think we will not only be focusing on  
3 citizenship, but we think that the delivery system makes  
4 sense; the fact that we are really positioned ourselves as  
5 investment banker rather than somebody that has the answer to  
6 the problems; and that we're really focusing on the needs of  
7 communities is really going to be a formula in which  
8 communities are going to feel invested and which the American  
9 taxpayers feel its got its money's worth.

10 So, again, I am happy to be here and want to  
11 congratulate you for the early strides you've taken and  
12 expect this is going to be a long, rich partnership between  
13 Americorps and the Legal Services Corporation.

14 Thanks very much for having me.

15 CHAIRMAN EAKELEY: Thank you very much. Before I  
16 turn it over to my colleagues on the Board, I just can't help  
17 but voice and underscore the hope and expectation that this  
18 will be a long and fruitful partnership. Because if it is it  
19 means we'll both be around to enjoy it.

20 We had in this Corporation funded, in days when our  
21 funding levels were twice what they are now, a wonderful  
22 scholarship program called the Reginald Heber-Smith program.

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1 And it's truly extraordinary how many graduates of that  
2 program are around and wonderfully supportive and  
3 contributing to contribute. And many of them are even in the  
4 administration.

5 But we had debated and had hoped that we would be  
6 in a position to do something like that of our own with  
7 enhanced appropriations, and that has not been within our  
8 grasp since we came to this Board in November of 1993. But  
9 it's both the opportunity to participate in something new and  
10 a new calling to national public service, as well as a  
11 harkening back to one of the finest of the traditions that  
12 this Corporation at one time was able to fund that makes it  
13 such a rich -- there is a resonance to this particular  
14 program for this particular Corporation to share with  
15 Americorps.

16 And we are very grateful to you and, really, to  
17 Kathleen and Reg and all of those who made it possible,  
18 including our other, not totally silent partner, NLADA. But  
19 it wasn't too often that this Board even recognized any  
20 linkages between those organizations, but we do and we  
21 embrace them. We thank you for coming.

22 Are there any questions or comments that any of the

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1 Board members have of Mr. Segal? Bucky.

2 MR. ASKEW: I'm from Georgia. Can you explain to  
3 me how coerced volunteerism is not inconsistent --

4 MR. SEGAL: So far, we have tried our best --  
5 something I'm sure Legal Service has now done for 30 years --  
6 to avoid unnecessary partisan bickering. But for the life of  
7 me I cannot figure out what coerced volunteerism means.

8 We go out of our way to say that in a time when  
9 we're talking about unfunded mandates, what national service  
10 is, what Americorps is, is a funded not mandate. States  
11 don't have to participate, nonprofits don't have to  
12 participate, students, non-students don't have to participate  
13 in it. This is purely voluntary.

14 We make it clear that those who participate in this  
15 are members, they're not volunteers. They are being paid,  
16 because we believe there is clearly a difference between  
17 service and volunteerism. They're part of the same spectrum.  
18 One builds on the other, but we think there is a role based  
19 on the history of the Civilian Conservation Corps, the Peace  
20 Corps and a lot of other wonderful movements -- VISTA, which  
21 is now, of course, part of Americorps, it's part of it.

22 We do not understand what coerced volunteerism --

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1 is now, of course, part of Americorps, it's part of it.

2 We do not understand what coerced volunteerism --  
3 there is nothing coerced at all, except in a kind of casual  
4 way that it is something supported, at least in part, by the  
5 federal taxpayer.

6 We think the leveraging of federal taxpayer  
7 dollars, the way you all have to raise money for this to  
8 match this is classic partnerships at their best. We think  
9 this leveraging principal is something that works, and it's  
10 going to work going forward. And we're hopeful that if the  
11 Speaker takes us up on our offer to invite him to come out  
12 and look at programs perhaps this is the very kind of model  
13 that we ought to have him see.

14 You might know that in 1993, as the legislation  
15 reached the floor of the Congress, Speaker Gingrich -- then  
16 the Minority Whip -- took the floor and said, "In many ways I  
17 support this legislation." He ultimately didn't vote for it.  
18 He liked the fact of its appeal to idealism of the young, he  
19 liked the decentralized focus, he liked its extraordinary  
20 bipartisanship. We had substantial support in the House and  
21 the Congress, many, many Republican governors right there are  
22 out in town this week -- I'm actually meeting with a group of

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1 them right after I leave here to reinforce their support at  
2 the U.S. Conference of Mayors yesterday, indicating their  
3 support for this national service.

4 I don't understand coercive volunteerism and,  
5 hopefully, with the benefit of some more thought and  
6 knowledge about this, the Speaker will become an ally of  
7 ours, as well.

8 MR. FORGER: I think I have a suggestion on coerced  
9 volunteerism, quite apart from Esther Lardent's mandatory pro  
10 bono, which is in a slightly different context.

11 Coerced volunteerism is those who want to work in  
12 public service coming out of law schools today have such a  
13 burden that they carry, that if they are to go into public  
14 service, rather than be directed into the private practice,  
15 they will come and take advantage of programs like Americorps  
16 or those other programs that have a loan forgiveness aspect.

17  
18 How else do we get young people and young folks out  
19 of educational institutions that carry such a financial  
20 burden into the public sector? And if that is coercing them,  
21 that is at least giving them a route by which they can give  
22 vent and action to their good inner soul commitment to public

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1 service that isn't otherwise available.

2 So if that's what it be, you should be very proud  
3 of it.

4 MR. SEGAL: Well, I thank you. And I, needless to  
5 say, share your sentiment. You might have seen this Wall  
6 Street Journal article on Americorps last week.

7 You might take some perverse joy in the fact that  
8 there was on paragraph in there in which Senator Grassley,  
9 who is our major critic on the Senate side, said that, "This  
10 is a ridiculously expensive program," that "one Americorps  
11 program costs \$70,000," he said. Well, that program is the  
12 Philadelphia Bar Foundation's program, in which in that  
13 particular program rather than \$70,000, the cost to the  
14 taxpayer for that program is \$4,725, the exact amount of the  
15 educational award.

16 Every other penny -- every other penny is being  
17 picked up by the Pennsylvania law firms and the Philadelphia  
18 Bar Foundation itself. They will be subsidizing the young  
19 Americorps, the recent law school graduate who will work at  
20 half salary for a year, gets paid by the law firms -- not the  
21 federal government at all -- we pay the educational award.

22 Somehow or other he has taken what is clearly a

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1 benefit, Mr. Forger, a benefit, and turned it into a cost.  
2 These kind of semantic battles we are going to have to fight  
3 and win. And if we do I think we're not only going to  
4 survive, we're going to prevail.

5 MR. FORGER: Sounds like you've privatized that  
6 aspect of Americorps.

7 MR. SEGAL: He wants privatization.

8 MR. FORGER: Yes.

9 MR. SEGAL: I think that's absolutely -- learned  
10 something already today. Thank you.

11 CHAIRMAN EAKELEY: Eli, we don't want to hold you  
12 from the governors but, again, we thank you very much. We  
13 wish you every good fortune and we look forward to that long  
14 and selfsustaining partnership.

15 MR. SEGAL: Thanks so much for having us, and best  
16 of luck to you. I know it's going to be a wonderful program.

17 MS. WELCH: Where was I?

18 CHAIRMAN EAKELEY: You had just given us some of  
19 the biographical backgrounds of some of the volunteers that  
20 are participants in our program.

21 MS. WELCH: Well, I could, but I won't, take up the  
22 rest of the day. I'll just encourage you to read the

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1 National Service Legal Corps exchange that profiles all of  
2 them.

3 As you may know, in December we pulled together all  
4 of the Americorps participants in our program, as well as the  
5 project directors for national training here in Washington,  
6 D.C., that was held in conjunction with the annual NLADA  
7 conference.

8 Both the project advisory group and NLADA were  
9 instrumental in making that training happen, and we were  
10 fortunate to have the participation of not only Board member  
11 Ernestine Watlington, but president Forger and vice president  
12 Martha Bergmark in the training, as well as representatives  
13 from the national support centers and all sorts of leaders in  
14 the legal services community, who provided not only  
15 substantive law training, but skills training and organizing  
16 training, and so on, community education training.

17 Mr. Segal pointed out, and I think it's something  
18 we have to keep in mind on a daily basis as we monitor and  
19 support this program, that what they're really looking for  
20 are results. And in the last couple of weeks Reggie and  
21 myself and another person on our staff, Laurie Raines, have  
22 been working with the sites to produce their first quarterly

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1 reports, which is quite an endeavor.

2 And in that process -- which, hopefully, will be  
3 completed by the deadline next Wednesday, we learned a lot  
4 about what is getting done in our local projects. I just  
5 want to share two examples with you.

6 At Legal Services of North Carolina there are six  
7 Americorps members working in several different community  
8 based organizations on community and economic development  
9 projects. Last fall those Americorps members, working  
10 closely with local service providers, got the following  
11 results: they got 16 new homes built, they had 15 home  
12 rehabilitated, they raised \$90,000 in government funding to  
13 supply water and sewer service to 84 households, and they  
14 created 16 jobs for low income workers.

15 In addition, I was told by someone on my staff  
16 earlier this afternoon those six Americorps members worked  
17 with one local community and over 100 low income people to  
18 put together a \$1 million community development block grant  
19 to build and rehabilitate affordable housing. They're  
20 waiting to hear whether they'll get that grant, but I think  
21 it's a tremendous testament to the efforts of these young  
22 people in North Carolina.

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1           At Southern Minnesota Regional Legal Services, the  
2 three member team there -- one attorney and two educators --  
3 are using legal representation, alternative dispute  
4 resolution and community education to prevent homelessness.  
5 The members are doing outreaches, I think I mentioned  
6 earlier, at the local homelessness camps, under bridges and  
7 in other places, at the shelters, where homeless people can  
8 be found.

9           In the last couple of months they conducted more  
10 than 250 intakes of homeless persons and persons at risk of  
11 losing their homes. Almost 200 of those folks, 121 adults  
12 and 78 children, were helped to secure new housing or remain  
13 in their homes.

14           There are example after example of these kinds of  
15 successes for a project that has really only been underway  
16 for a couple of months. Many of those projects didn't get  
17 started really until late in the fall.

18           In addition, as you've seen from the materials that  
19 we sent, we've gotten quite a bit of positive publicity for  
20 this program, both in some legal publications and in the  
21 local media around the sites. We also anticipate on Sunday,  
22 I was told this afternoon, that the Chicago Tribune will

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1 carry what we hope will be a front page story on the  
2 Americorps program there, which is Project Safe, a domestic  
3 violence project that involves four Americorps members,  
4 including one NAPIL fellow who is an attorney.

5 With that, I'd like to turn to Reggie Haley, who  
6 has been instrumental in leading the Corporation staff  
7 efforts on making this project a success and helping provide  
8 administrative ease to all of us who are involved in it.

9 MR. HALEY: I appreciate that. Thank you,  
10 Kathleen. For the record, my name is Reginald Haley, I work  
11 for the Office of Program Services under the leadership of  
12 Ms. Merceria Ludgood at the Legal Services Corporation.

13 Today I have the opportunity to talk with you about  
14 what has been done to keep the National Service Legal Corps  
15 moving forward by the Legal Services Corporation. Let me  
16 begin by saying that the work of coordinating this project is  
17 exhausting, it's consuming, it's enjoyable, but it's also one  
18 of the most rewarding projects and assignments that I have at  
19 the Legal Services Corporation.

20 In this role as a national partner, the Legal  
21 Services Corporation is primarily responsible for three areas  
22 of support. The first area is general oversight, technical

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1 assistance and coordination of materials to and from the  
2 national service legal corps project sites.

3 The second area of responsibility is grant  
4 administration. The third area is project monitoring and  
5 evaluation.

6 Within these areas, this is the status of LSC  
7 activities to date: from September through November we  
8 finalized project site operating budgets. We finalized the  
9 agreement between the Corporation for National Service and  
10 the Legal Services Corporation, which established the  
11 National Service Legal Corps.

12 We've researched and implemented CNS regulations  
13 and instructions. We've developed the grant award documents  
14 and reporting requirements for the National Service Legal  
15 Corps project site. We've allocated budgets to project  
16 sites. We've developed and implemented a system for tracking  
17 the budget expenditures of each of the NSLC project sites,  
18 and we've reviewed, responded to and circulated information  
19 to and from the Corporation for National Service.

20 During the months of November through January,  
21 we've provided instructions and assistance using Handsnet,  
22 that's essentially an electronic information exchange system

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1 that we use to network the projects with the national  
2 partners.

3 We've participated in the national NSLC training.  
4 We began the procedure for networking the National Service  
5 Legal Corps project sites. We are currently participating  
6 with NAPIL with regard to the first quarterly activity  
7 report. We've processed the expenditures from the national  
8 training, as well.

9 During the months of February and March we will  
10 develop a model for monitoring and evaluating the National  
11 Service Legal Corps projects. The National Service Legal  
12 Corps projects will receive peer review visits as part of the  
13 National Service Legal Corps current monitoring and  
14 evaluation process. This process will probably begin in  
15 April.

16 Aside from on-site visits and peer review teams,  
17 continuous monitoring and evaluation goes on on-site  
18 internally by the project directors at each project site. In  
19 addition to that, the Legal Services Corporation, as well as  
20 NAPIL, maintain a paper trail of all of the activities of  
21 each of our National Service Legal Corps projects.

22 A key component of the on-site reviews will be

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1 interviews with National Service Legal Corps members, project  
2 directors, as well as community members. We will address the  
3 relative success of the National Service Legal Corps project,  
4 its success in reaching its goals, and assess the need for  
5 technical assistance.

6           Although I don't have the precise detail for the  
7 model that will be used by the monitors which actually go out  
8 and review the sites, these are some of the general aspects  
9 of the reviews: the peer review visits could include  
10 assessment of National Service Legal Corps responsiveness to  
11 community needs; effectiveness at engaging and serving the  
12 client community; effectiveness at carrying out planned  
13 objectives of a project, project administration and  
14 governance, staff knowledge and perception of the project.

15           That pretty much concludes the activities which  
16 began in September with the initiation of the contract and  
17 brings us to date and talks a little bit about what we'll be  
18 doing in the future in regards to the monitoring exercising.

19           MR. ASKEW: I was just going to ask Reggie, you  
20 said this was the most rewarding thing you've done -- I'm  
21 guessing that's because of the volunteers that you've met and  
22 what you've picked up from them; is that --

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1           MR. HALEY: It's a couple of things. It's that,  
2 definitely. But it's also this: I truly believe in the  
3 principal of equal access to justice for poor, but I'm not an  
4 attorney. This is an opportunity for me to help, for me to  
5 do something. And working with the projects at the National  
6 Service Legal Corps, I have the opportunity to do that as a  
7 non-attorney.

8           CHAIRMAN EAKELEY: Were you going to say something  
9 else, Kathleen?

10          MS. WELCH: Yes. I just wanted to conclude  
11 something, but if you have a question, please.

12          CHAIRMAN EAKELEY: Well, go ahead and then I want  
13 to ask you something after that.

14          MS. WELCH: If I could just interject, Reggie has  
15 done a fabulous job for the Corporation.

16                 In conclusion, I just want to give the Board a  
17 quick look at the future. The project has not been without  
18 its difficulties. It has dealing with a new federal entity  
19 that has evolving policies and regulations has been a  
20 substantial administrative project. I think it has certainly  
21 taken more of our staff time than we anticipated, and  
22 probably more of the Corporation's staff time than we

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1 originally anticipated.

2 I really believe, however, that the benefits of  
3 this project, namely, new energy and the programs' expanding  
4 services, growing community relationships, positive media  
5 exposure and expanded delivery really outweigh what are no  
6 doubt called on a local level administrative nightmares.

7 In the next few weeks we'll be continuing to do the  
8 reports and prepare, believe it or not, for the renewal  
9 process. The renewal applications are due on April 18th and  
10 decisions are expected in June or July. What we hope to do  
11 is to present the Board with a more detailed report of the  
12 progress of the National Service Legal Corps and the  
13 accomplishments, so that at the March meeting the Board could  
14 consider whether to move forward for a renewal application  
15 based on the accomplishment and the commitments that are  
16 required.

17 CHAIRMAN EAKELEY: Without prejudging that, I just  
18 want to say that we're very proud of Reg's participation.  
19 And now I understand why it's exhausting as well as  
20 rewarding. But we really haven't had the opportunity to  
21 learn what our participation represents and this is just --  
22 the presentation has been excellent on many different levels,

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1 but understanding a little bit better the role of the  
2 Corporation in this project and how it's working out I think  
3 has been especially helpful.

4 MR. HALEY: I do have one more comment. I would  
5 like to acknowledge one member that you all should get to  
6 know, who is not here at the table with us, who works very  
7 hard and who works very well. I'm speaking of Ms. Laurie  
8 Raines, she is part of Kathleen Welch's staff. Most  
9 recently, Laurie has served as the point person for  
10 coordinating the first quarterly activity report.

11 She has also been responsible for refining, if you  
12 will, the objectives of our legal service project sites.

13 CHAIRMAN EAKELEY: Reg, I think she snuck in after  
14 you came to the table. We might just ask her to stand up and  
15 say hello, and for us to say thank you.

16 MS. WELCH: She's great, too.

17 MR. HALEY: These two items are absolutely  
18 critical. These are the items that are going to help us  
19 qualify for refunding in 1996. It has been Laurie's hard  
20 work, her diligence, her commitment, her confidence, that has  
21 allowed us to come this far. And I really do think she  
22 deserves the acknowledgement.

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1           CHAIRMAN EAKELEY: Well, there is a motion for a  
2 round of applause for Laurie --

3           (Applause)

4           CHAIRMAN EAKELEY: I was taken by your answer to  
5 Bucky's question, also, because I think all of us understand  
6 and appreciate that access to justice ought not be merely a  
7 concern of lawyers. But it's very hard for some of us  
8 lawyers to communicate that understanding and commitment, in  
9 a way that gives everyone -- especially non-lawyers -- a  
10 sense of commitment and a stake in seeing that justice is  
11 done.

12           And it seems to me there is a great deal of  
13 learning that we can derive from just the few months  
14 experience we've had so far on this particular project.

15           MR. ASKEW: When you say renewal or refunding, I  
16 assume that's dependent upon reauthorization and  
17 appropriation for Americorps.

18           MR. HALEY: Yes.

19           MR. ASKEW: Do you literally me renewal? Does it  
20 mean we can apply to renew these projects? Do we have an  
21 opportunity to apply for additional funding, new projects?  
22 Or is that in limbo now awaiting to see what happens in

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1 Congress?

2 MR. HALEY: The option is there for new programs,  
3 as well as a refunding of the existing programs. Whether new  
4 programs will be funded or not and whether or not the  
5 existing programs will be refunded is dependent on a number  
6 of things, one of which will be the results from our project  
7 sites, one of which will be the level of funding that is  
8 available for the Americorps project on a national scale.  
9 There are a number of variables.

10 MS. WELCH: If I could add to that. I think there  
11 is some concern at the Corporation for national service about  
12 their ability to fund very many new programs. And if we were  
13 to go back to them and expand the National Service Legal  
14 Corps substantially it would be considered a new application,  
15 which would be considered differently than a renewal  
16 application.

17 However, I think that the successes of the local  
18 projects to date suggests that some other legal services  
19 programs might consider going to their state commissions for  
20 funding, if this was an appropriate partnership on that level  
21 -- there is certainly, two-thirds of the Americorps funding  
22 in the past year and in the next year you send to the states.

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1 So that's another opportunity. And we certainly hope to work  
2 with you to provide that information to your programs on how  
3 to go about doing that.

4 CHAIRMAN EAKELEY: That would be very worthwhile, I  
5 think.

6 MR. HALEY: One more note along those lines. I  
7 have off the record been asking the project directors if they  
8 are interested in pursuing the project for the next year.  
9 And I've been informed, yes, they are. They're very  
10 enthusiastic about pursuing it next year.

11 MR. ASKEW: The current program directors?

12 MR. HALEY: Exactly.

13 MR. ASKEW: There were a couple of state funded  
14 programs this year, is that right, that weren't part of the  
15 national project?

16 MS. WELCH: Yes. The Philadelphia Bar Foundation  
17 got funding for one person, as Mr. Segal said, only costing  
18 them the educational award. Hawaii Lawyers Care got  
19 approximately between \$300,000 and \$400,000 for a pro bono  
20 program involving law students and lawyers. And there were a  
21 number of programs under another pot of funding from  
22 Americorps, the Learn and Serve program, which funds

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1 primarily educational related projects. I believe there were  
2 six law schools who were funded under that pot.

3 MR. ASKEW: One other thing. I hope you're sharing  
4 the data you gave to us, and the anecdotes you gave to us  
5 with Jim Lamb at the Corporation. I think it would be very  
6 impressive information to have as a part of our press  
7 information.

8 MS. WELCH: We met with Jim and Will Lutz and  
9 somebody from Americorps a couple of weeks ago to talk about  
10 how to coordinate our public education efforts.

11 CHAIRMAN EAKELEY: Any other questions?

12 (No response.)

13 CHAIRMAN EAKELEY: Thank you very much.

14 MS. WELCH: Thank you.

15 CHAIRMAN EAKELEY: Please keep up the good work and  
16 we'll look forward to your next report, as well as the  
17 application.

18 MS. WELCH: Great. Thanks.

19 CHAIRMAN EAKELEY: Now, before we go into closed  
20 session I would propose a break, but before the break before  
21 the closed session, I'd like to invite Lillian Johnson up and  
22 say welcome back to Lillian, and also say welcome through

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1 Lillian to the Black Project Directors Association who are  
2 meeting here this weekend also.

3 MS. JOHNSON: Thank you.

4 CHAIRMAN EAKELEY: Happy New Year. It's great to  
5 have you back.

6 MS. JOHNSON: I was going to say that. I was going  
7 to say Happy New Year. But I changed that and said that I  
8 was going to say, "Greetings and welcome to the challenge of  
9 the '90s." And I think that's probably better. It's not so  
10 much a happy new year, it's a new year and it's a challenging  
11 new year for us. Thank you very much, Chairman Eakeley, for  
12 taking me out of order. I understood that your public  
13 comments are for tomorrow.

14 And, as you may know, this is the second annual  
15 conference of the African American Project Directors and we  
16 will be in full session all of tomorrow. It is, indeed, a  
17 pleasure to have the opportunity to come back before the  
18 Board and to say that we are here again. And thanks to you,  
19 we're here in Washington again, and the weather is actually  
20 nice.

21 CHAIRMAN EAKELEY: We can't take credit for the  
22 weather.

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1 MS. JOHNSON: Oh, I thought you could. I mean,  
2 there are so many dull things on the horizon that at least  
3 you could take credit for the weather.

4 Let me first acknowledge my colleagues who are  
5 here. It is a direct result of your having your annual  
6 meeting that the African American Project Directors  
7 Association are here to observe you, as we should, to honor  
8 you and respect you, but also to learn what is going on at  
9 our Corporation. And I'd like just to ask my colleagues in  
10 the audience to stand and be acknowledged.

11 (Applause)

12 MS. JOHNSON: Let me just share with you where  
13 we've come briefly -- and briefer than most lawyers would  
14 suggest -- and then tell you where we're going.

15 Last year when we met in conference we talked about  
16 our very existence and we concentrated heavily on trying to  
17 have our mission clearly outlined, and trying to understand  
18 ourselves and why there was a need for us to meet as a group  
19 and then to be able to communicate to others.

20 I think that we accomplished that during the past  
21 year, and we were extremely pleased at the responsiveness  
22 that we got from members of our community.

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1           Of primary concern and interest to the association  
2 is the recruitment and support and professional development  
3 of minority project directors and leaders in legal services  
4 programs, with particular emphasis on the African American.  
5 We have reached out into our community to identify people in  
6 leadership roles, either as project directors or as deputy  
7 directors. We have not only identified a number of  
8 colleagues in the community who aspire to be directors, but  
9 we've offered ourselves in terms of support.

10           We've also met with and developed relationships and  
11 partnerships with all of the organizations that serve the  
12 Legal Services community, in particular, the Management  
13 Information Exchange. We have joined with them to be a part  
14 of the professional development presentations that are made  
15 to project directors. And in particular in '94 we  
16 participated in a hiring regarding legal issues facing hiring  
17 and recruitment of staff and legal services.

18           And then their leadership was gracious enough,  
19 after that session, to deal with some significant issues that  
20 face us all as directors, the management of people of color  
21 by people who are not of color. And it was a beginning of an  
22 understanding that it is our mutual concern to deal with

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1 those issues as a group and as a partnership with other  
2 organizations who are accepting the challenge.

3 In conjunction with the National Clearinghouse and  
4 National Legal Aide and Defender Association, the association  
5 sponsored a diversity presentation that was well received  
6 and, in particular, gave us the opportunity to interact with  
7 a number of different people who are associated with our  
8 community but are not necessarily directly involved by virtue  
9 of being a member of a staff of legal services program.

10 It was well received and, again, it fostered one of  
11 our goals, which is to reach out into our community and to  
12 promote diversity at all levels.

13 We had the opportunity to have a representative  
14 group to meet with President Forger, to talk about issues of  
15 diversity at the Legal Services Corporation, consistent with  
16 the concerns and wishes of the association. We are very  
17 pleased at the hiring, particularly of people like Gail  
18 Laster and, in particular, Merceria. Merceria brings to the  
19 Corporation not only a welcome knowledge and personal  
20 commitment to the goals and objectives, but she understands  
21 the needs of the minority directors in the legal services  
22 community.

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1           We'd like to commend you for accepting the  
2 challenge that is associated with leading the legal services  
3 community. We didn't think that we would be back here saying  
4 that please, please do all you can to preserve this.

5           I thought I would be back here saying thank you for  
6 the little boost in revenue that you were instrumental in  
7 helping us to get. And I thought I'd be saying but you know  
8 that doesn't achieve justice, even in my community.

9           But I am here to say thank you for accepting this  
10 challenge, thank you for all the work that you have done so  
11 far. And thank you, in particular, Chairman Eakeley, I  
12 think that the comments that you made to each of the  
13 presenters clearly represented your commitment. And that's  
14 what it takes from all of us, a real, sincere, personal  
15 commitment to maintain equal access to justice for all as an  
16 American value. Because we have invested in this country too  
17 much in preserving the laws of this country to allow it to  
18 disintegrate because we have a few uncompassionate  
19 individuals who have accepted a leadership role in our  
20 Congress.

21           And I want to assure you that consistent with the  
22 Legal Services Corporation regulations and consistent with

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1 our obligations as chief executive officers we, too, are  
2 involved in educating our community and participating with  
3 the Legal Services Corporation, the National Legal Aide and  
4 Defender Association and the project advisory group in making  
5 sure that the message gets out there and it gets out there to  
6 those people who can make the difference.

7 Our new theme is we are here, we are ready and we  
8 are facing the challenges of the '90s. We, again, welcome  
9 you to join us. Our session is all day tomorrow and tomorrow  
10 evening we will have what the chair of our membership  
11 committee says is a "Fay-do-do." Now, that is in Mardi Gras  
12 terms just a party. And you are encouraged, invited,  
13 entreated to come and at least visit with us in our party.  
14 It's at the DuPont Plaza Hotel. We have it scheduled for  
15 after dinner so that no one would assume that there would be  
16 food. But there will be a good time. You are certainly  
17 invited to do that. Our session ends Sunday morning when we  
18 have a general assembly and election of officers.

19 Tomorrow the sessions involve -- and all presented  
20 by directors who are involved in the activity -- an emphasis  
21 on the role of the leaders of programs in providing an  
22 educational program for their community. The role of the

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1 leader in involving clients, in developing priorities for the  
2 work of the program, involving the leader and meeting the  
3 challenges of dealing with program staff and clients and  
4 boards. And, most importantly, the legal services 1995  
5 issues facing leaders in legal services programs.

6 So, as you can imagine, we have a full day. We  
7 invite you at any time to come and join us. And, again,  
8 thank you very much.

9 CHAIRMAN EAKELEY: Well, let me just return the  
10 thanks for your leadership and commitment and the leadership  
11 and commitment of the African American Project Directors  
12 Association. We recognize that we're the part-timers and  
13 you're the full-timers and we're here to try and help as much  
14 as we can, but we can't do it without you. It's wonderful to  
15 have you back in front of the Board again, and good luck to  
16 all of us in 1995.

17 MR. McALPIN: How many African American Project  
18 Directors are there?

19 MS. JOHNSON: At the last count there were about  
20 65. Now, we understand that there are well over 70. Our  
21 association tries to target not only directors but also  
22 deputies. People who are in leadership positions in their

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1 program. And part of our mission to is try and encourage and  
2 recruit and support those individuals.

3 So our membership has surpassed 70. So that's not  
4 a direct answer to your question. The correct answer to your  
5 question is, "I don't know." But that's my best guesstimate.

6 CHAIRMAN EAKELEY: Maria Luisa.

7 MS. MERCADO: Lillian, thank you for being here  
8 with us. Of course, you know, the Board is going to be  
9 meeting all day tomorrow, so I hope the members or the  
10 project directors do not feel that we're ignoring them. I  
11 think that Ops and Regs, depending on how long LaVeeda will  
12 go, hopefully we'll have time to break bread, as they say,  
13 later on.

14 One of the things that I was curious about, I know  
15 from your own program that you're very active in diversity of  
16 variety -- and I don't mean African American, but also  
17 Hispanic and Native Americans. I'm really curious whether  
18 you guys have done any kind of analysis or comparisons as to  
19 how that breaks down in other project directors. I know  
20 there isn't an Hispanic project directors organization, or  
21 Native American. What does that look like? Do you have any  
22 idea?

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1 MS. JOHNSON: No, I don't have any specific  
2 information in terms of the numbers of other minorities who  
3 are represented in leadership roles in programs. We have  
4 specifically reached out to include those individuals in our  
5 activities because there is not a sizeable enough population  
6 for them to meet together as a group.

7 We think, and we've determined with discussions  
8 with them, that we have the same mutually acceptable goals  
9 and objectives, and we embrace them and include them in our  
10 activities. In particular, when we dealt with the issue of  
11 diversity, one of the things that we determined was that if  
12 our goal was to help sensitize the legal services community  
13 and not scare people -- in particular the concern was that  
14 people who are not minority would feel as though an event was  
15 either to essentially discourage them from remaining in legal  
16 services, or suggest that they were involved in some activity  
17 that was racist or sexist.

18 And our goal in working with MIE and working with  
19 the national clearinghouse and other groups was to dispel  
20 that. So we reached out and included a really significantly  
21 diverse group in presenting our diversity workshop. We want  
22 to be involved in every aspect of the legal services

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1 community. And we want to promote an acceptance and an  
2 embracing of the concept of diversity and the value that it  
3 has for the programs themselves, as well as the Corporation.

4 So that necessarily involves reaching out to people  
5 who are diverse and encounter significant problems that are  
6 very similar to those that are encountered by African  
7 Americans, in general. But we purposely sought them out and  
8 they immediately embraced it had continue to participate and  
9 work with the African American Project Directors Association.

10 It was to the Corporation's good fortune that there  
11 was information already available on African American project  
12 directors. We are easily identifiable, more than any other  
13 minority we cannot escape any particular observance of the  
14 difference that we represent. And as a result, there was  
15 more information about us and therefore a larger group. But  
16 we work with the broader community in trying to reach some of  
17 the goals and objectives.

18 MS. MERCADO: Well, I think one of the ultimate  
19 things that we looked at in the client conference that we had  
20 in Detroit several months ago -- in looking at how the  
21 delivery of legal services can best be effective throughout  
22 the whole client community that we represent to the greater

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1 community is to have that diversity not only in the  
2 leadership roles, but also at the entry levels within the  
3 client representation. Because I think that there is also  
4 that sort of imbalance of not having a lot of the different  
5 cultures or ethnicities.

6 And I know that in some areas it's more difficult,  
7 because of rural or whatever other segments may be. And so  
8 part of what I would want and hope that the African American  
9 Projects Director is doing is looking into how to coordinate  
10 with the clients, conference components -- you know, the  
11 client task force that Ernestine and Edna are working on --  
12 to do that diversity, to top down, bottom up, in all of it so  
13 that we can more effectively represent as many people as we  
14 can within those communities that we come from.

15 And I know that in your own local program there is  
16 a lot of it, but I'd like to see it at a national level.

17 MS. JOHNSON: Well, one of the things that I didn't  
18 identify that was a specific concern was the client  
19 involvement in legal services, in general. And that's why we  
20 have a particular workshop identified specifically dealing  
21 with client involvement.

22 We represent diverse programs. My own program, for

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1 example, while African Americans represent about six percent  
2 of the population in the state of Arizona, I've been a  
3 project director there for 12 years. And the challenges that  
4 my program faces is how do we continue to reach out and  
5 embrace the involvement of different cultures in delivering  
6 of legal services.

7 And part of that challenge that I face in that  
8 program is communicated to the legal services community at  
9 large. And in particular, we find that there are a lot of  
10 barriers and, unfortunately, it's often at the top. To  
11 having the understanding and appreciation that it is your  
12 responsibility to make the organization respond to the  
13 broader and more diverse client community that is evolving in  
14 America.

15 And we're doing that, but we've determined that the  
16 greatest amount of impact can occur when it's embraced at the  
17 top, you know, in terms of the project directors and people  
18 in leadership positions have to value that particular aspect  
19 of their responsibility, have to value diversity. And once  
20 they value diversity then they are willing to change their  
21 behavior. And, ultimately, that's what we're after, an  
22 actual change in behavior that will promote an acceptance and

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1 an understanding as to the responsibility to the broader  
2 client community.

3 So to that extent, that certainly is something that  
4 we're working on. I am personally interested in any ideas or  
5 suggestions that anyone has. But, in particular, we've  
6 always found that you have great ideas and, by all means,  
7 please share them with us.

8 CHAIRMAN EAKELEY: Bucky.

9 MR. ASKEW: Lillian, I think you said that your  
10 membership was broader than just Legal Services program  
11 directors. I hope by that you mean that people like Clint  
12 Lyons and Harrison McIver are eligible to be members, because  
13 they certainly need all the mentoring and management training  
14 that they can get.

15 That's one suggestion I had for you, is maybe those  
16 people working at the bottom of our system could use the help  
17 from those of you at the top.

18 MS. JOHNSON: Actually, they are members. And  
19 that's why we have our conference in Washington, because we  
20 are well aware that it's the top leadership that really needs  
21 to get exposed to a lot of these trainings and conferences  
22 and workshops.

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1           So we are embracing people in leadership roles in  
2 the legal services community, and there is no way that we  
3 would not honor ourselves as well as our colleagues by  
4 including those individuals who we think have had a  
5 tremendous positive impact on our community in their  
6 respective leadership roles. Both Clint and harrison have  
7 been involved in the association from the very beginning.

8           And we will accept your \$200 membership, too.  
9 That's one of the things that we have dispelled rumors, that  
10 we would not accept money from and membership requests from  
11 people who don't happen to be African Americans and project  
12 directors. We will. It's \$200 for the membership. And the  
13 registration at our conference, if you're not a member, is  
14 \$300. So there is a suggestion that we are trying to  
15 encourage people to become involved and to actually become  
16 members.

17           Any other questions?

18           (No response.)

19           CHAIRMAN EAKELEY: All right. Thank you, again.

20           MS. JOHNSON: Thank you very much.

21           CHAIRMAN EAKELEY: Have a good meeting and a good  
22 program.

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1 Now, I propose that we take a 10 minute break and  
2 then come back in closed session, which means that we should  
3 move to go into closed session before we break.

4 M O T I O N

5 MS. MERCADO: So moved.

6 MS. FAIRBANKS-WILLIAMS: Second.

7 CHAIRMAN EAKELEY: All those in favor.

8 (A chorus of ayes.)

9 CHAIRMAN EAKELEY: The ayes have it. When we come  
10 back in closed session we will consider the general counsel's  
11 report on litigation and then we will receive a briefing by  
12 the inspector general.

13 (Whereupon, at 3:55 p.m., the meeting was adjourned  
14 to executive session.)

15 \* \* \* \* \*

16 (4:50 p.m.)

17 CHAIRPERSON EAKELEY: We're now back in open  
18 session. And this concludes today's agenda. We have  
19 scheduled for tomorrow I think what is likely to be, given  
20 the pace with which we went through today's agenda, a fairly  
21 short morning session starting at 9:00.

22 We'll be receiving committee reports. And that

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1 will be followed hard on the heels by the Ops and Regs  
2 Committee reconvening, I think. And I hope LaVeeda is all  
3 right.

4 MR. McCALPIN: She has been going all afternoon.

5 MS. MERCADO: She seemed a little worn down.

6 CHAIRPERSON EAKELEY: But we're going to be  
7 reconvening in this room, Pat?

8 MS. BATIE: Yes.

9 CHAIRPERSON EAKELEY: At 9:00 tomorrow?

10 MS. MERCADO: And Mr. Chairman, I just want to note  
11 for you that we passed out to all the Board members three-  
12 month period ending December '94 expenses for the temporary  
13 consolidated budget operation and then the FY '95 budget,  
14 which has some significant changes in it from what you got in  
15 your mailer initially.

16 So I would recommend that if you have some time, to  
17 review this before the meeting tomorrow so that we won't have  
18 to take as much time at the Board meeting.

19 CHAIRPERSON EAKELEY: Okay. Good. Motion to  
20 adjourn until tomorrow?

21 M O T I O N

22 MR. McCALPIN: Move we recess until 9:00 a.m.

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1 tomorrow.

2 CHAIRPERSON EAKELEY: Recess. Thank you.

3 Second?

4 MS. FAIRBANKS-WILLIAMS: Second.

5 CHAIRPERSON EAKELEY: All those in favor?

6 (Chorus of ayes.)

7 CHAIRPERSON EAKELEY: Any opposed?

8 (No response.)

9 CHAIRPERSON EAKELEY: We stand recessed.

10 (Whereupon, at 4:53 p.m., the meeting of the Board  
11 of Directors was adjourned.)

12

\* \* \* \* \*

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