

LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

Telephonic Meeting
Of the Board of Directors

OPEN SESSION

Wednesday, June 14, 1995
12:10 p.m.

Legal Services Corporation
Board Room
Eleventh Floor
750 First Street, N.E.
Washington, D.C. 20002

BOARD MEMBERS PRESENT:

Douglas S. Eakeley, Chairman
Hulett H. Askew
Laveeda M. Battle
John T. Broderick, Jr.
John G. Brooks
F. William McCalpin
Maria Luisa Mercado
Ernestine Watlington
Edna Fairbanks-Williams

OTHER:

*Harrison McIver, PAG
Randy Chapman, Tx LSC*

STAFF PRESENT:

Martha Bergmark, Vice President
Patricia D. Batie, Secretary
Victor Fortuno, General Counsel
Gail Laster, Director of Public Relations
David Richardson, Comptroller/Treasurer
*Merceria Ludgood, Director, OPS
Gerry Singesen, Program Officer*

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P R O C E E D I N G S

1
2 MR. EAKELEY: This is Doug Eakeley, and I will call
3 our telephonic board meeting to order. Do we have to take
4 attendance again? I suspect we do.

5 MS. BERGMARK: Yes.

6 MR. EAKELEY: Could I ask each of you on the board,
7 first, to identify yourselves for the record? And once we're
8 on the record and in meeting, remind everyone that we should
9 identify ourselves before we speak, for purposes of the
10 record.

11 Let's do it this way. Why don't we take an
12 alphabetical roll call.

13 MR. ASKEW: Hulett Askew, here.

14 MS. BATTLE: Laveeda Morgan Battle, here.

15 MR. BRODERICK: John Broderick.

16 MR. BROOKS: John Brooks.

17 MS. MERCADO: Maria Luisa Mercado.

18 MR. EAKELEY: Edna?

19 MR. McCALPIN: Bill McCalpin, here.

20 MS. WILLIAMS: Edna Fairbanks-Williams.

21 MS. WATLINGTON: Ernestine Watlington.

22 MR. EAKELEY: Can we also just indicate who is also

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1 present at the meeting, starting with the employees of the
2 Legal Services Corporation, or anyone else -- and anyone else
3 at the offices of the LSC?

4 MS. BERGMARK: Yes. This is Martha Bergmark. We
5 also have in the room Gary Singsen, Merceria Ludgood, Victor
6 Fortuno, Pat Batie, and members of Merceria's and Victor's
7 staffs as well. Gail Laster, our government relations
8 director, is here, and we have some other staff members of
9 the Corporation present, including Suzanne Glasow and Laurie
10 Tarantowicz, who have been working on the legal issues
11 involved in this. Harrison McIver, from PAG, is present.
12 Ruby McCollum and our court reporter are also in the room.

13 MR. EAKELEY: Bill McCalpin, could you introduce
14 the people who have joined you in your office for this phone
15 call?

16 MR. McCALPIN: Dick Haliburton, Legal Assistance,
17 Western Missouri; Ed Byrd, Mid-Missouri; Doug Kay, Southwest
18 Missouri; Rick Titleman, Legal Services, Eastern Missouri;
19 Joe Bartylak, Land of Lincoln; and Sid Pearson, the new
20 acting director of Merrimack Legal Services; plus four summer
21 interns.

22 MR. EAKELEY: Greetings, and welcome.

1 Randall Chapman, of Texas Legal Services Center, I
2 think, is on board, also. Are you, Randy?

3 MR. CHAPMAN: Yes. Thank you, Doug. I'm on board.
4 Regina Rogoff passed along some comments, but she was not
5 able to make it.

6 MR. EAKELEY: Who else do we have on the conference
7 call that I have not mentioned?

8 (No response.)

9 MR. EAKELEY: So this is it. Then I will call the
10 meeting to order.

11 MS. BERGMARK: David Richardson has just walked
12 into the room -- our comptroller.

13 MR. EAKELEY: Hello, David.

14 The first item of business is approval of the
15 agenda, which everyone received when polled to see whether
16 they could make this conference call. And that agenda has on
17 it three items: (1) approval of agenda; (2) funding policy
18 for implementation of rescission; and (3) other business.

19 M O T I O N

20 MR. McCALPIN: I'll move approval.

21 MR. EAKELEY: That's Bill -- William -- McCalpin.

22 MS. MERCADO: Second.

1 MR. EAKELEY: Second, Maria Luisa Mercado.

2 All those in favor?

3 (Chorus of ayes.)

4 MR. EAKELEY: Any opposed?

5 (No response.)

6 MR. EAKELEY: Any abstaining?

7 (No response.)

8 MR. EAKELEY: The ayes have it. The agenda is
9 approved.

10 Item 2 on the agenda, funding policy for
11 implementation of rescission, has been described in a memo
12 that you should all have received, dated June 9, 1995, from
13 Martha Bergmark.

14 I should mention that Martha is acting as the chief
15 executive officer of the corporation for purposes of
16 presenting management's proposal, because Alex Forger, under
17 our rules, will need to serve as hearing officer in the event
18 that there are any --

19 MS. BERGMARK: He will pass judgement on the
20 finding of a hearing officer -- of an independent hearing
21 officer.

22 MR. EAKELEY: Yes. So we've asked Martha to

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1 present this to the Board, so that we can be informed and
2 approve or modify or disapprove what is being proposed.

3 Martha, let me just turn it over to you, then. I
4 don't think we need to go through -- first, let me just ask
5 this. Does anyone not have a copy of her June 9, 1995, memo
6 on rescission?

7 (No response.)

8 MR. EAKELEY: Okay. Martha, why don't you just
9 assume we all have it and that we've read the memo, but it
10 probably would be worthwhile giving us a thumbnail
11 introductory sketch.

12 MS. BERGMARK: Good. Thank you.

13 I want to start, actually, with some thank-yous.
14 This has been an arduous and serious process we have
15 undertaken to bring you what we have, and I want to
16 especially thank both some members of the Corporation staff,
17 as well as some folks who are interested parties in this
18 regard, for all of their work on this issue. Gary Singsen,
19 in particular; Victor Fortuno, and members of his staff;
20 Merceria Ludgood, and members of her staff; Leslie Russell,
21 and members of his staff; Eric Hagerstrom and Carolyn Neidu
22 and Ron Jordan all put in yeoman's work on preparing the

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1 tables and a variety of tables and information that had to be
2 compiled for us to make a decision on this.

3 So what you see before you reflects an enormous
4 amount of work and thought and careful deliberation to come
5 to you today.

6 Also, as the flurry of faxes you received this
7 morning indicates, this is a matter of great moment to our
8 programs and their ongoing operations, and we know that and
9 appreciate that and have tried to take that into account.
10 And particular representatives of PAG; of NOSSU, the National
11 Organization of State Support Units; of the Farm Worker
12 Project Group, which is a group of our migrant programs, have
13 been very helpful to us and interacted with us consistently
14 over the last many days to try to reach a result that is not
15 easy for anyone, that clearly inflicts pain in a lot of
16 places, but that tries to do it in a way that accommodates
17 competing interests.

18 I have not -- Bill, you mentioned you had received
19 seven faxes. I have gotten four of those this morning and
20 have read those. I think I can explain what, if any,
21 differences there are in the position that we are proposing
22 to you, with what's being suggested by others, but I can say

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1 that we have been through a very concerted process of seeing
2 to it that we have listened carefully to the views of those
3 who are concerned about it, and who are rightly concerned,
4 and that this, unfortunately, may simply be a forecast of
5 things to come, if the cuts we are afraid are coming do come.

6 So that is just by way of introduction and thank-
7 you.

8 What we were charged to do was to implement \$15
9 million of cuts to our original '95 appropriation of \$415
10 million, and the Congress went a long way towards telling us
11 how to do that but left to the Corporation the issue of
12 allocating the cuts within funding line items.

13 The resolution that you got, the two-page proposed
14 resolution, is the one I'm going to use to talk a few minutes
15 about what our proposal would do. So, if you have that in
16 front of you, it would be helpful.

17 Within certain of our funding line items --

18 MR. EAKELEY: Martha, excuse me one minute. This
19 is Doug Eakeley again, for the record.

20 I forgot to mention, just for the record, that with
21 Martha's memo of June 9, 1995, came a two-page proposed
22 resolution establishing a funding policy and, as well, a

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1 memorandum, dated June 8, 1995, to the Board of Directors,
2 from Victor Fortunato, General Counsel, on the same subject.

3 Again let me just ask for the record whether any of
4 the members of the Board of Directors did not receive these
5 other two documents, along with Martha's memo of June 9.

6 MS. MERCADO: No, but, Doug, I would ask that, when
7 Martha or Victor are referring to particular points in their
8 memorandums, if they could tell us by page where they're at
9 or what they're highlighting, so that it's easier for us to
10 follow. It will be very helpful.

11 MR. EAKELEY: Okay, Maria Luisa. Actually, Martha
12 did do that, helpfully, when I interrupted her, in directing
13 our attention to the resolution itself, which is the two-page
14 proposed resolution.

15 So, Martha, the floor is back to you.

16 MS. BERGMARK: Thank you.

17 The first sort of principle that's stated there is
18 that we did apply the congressional expression of will as to
19 allocation of the rescission, insofar as that was stated, for
20 each line item, and we have adhered to that.

21 Next it states that we recognize that the
22 Corporation -- actually, the Congress and the Corporation --

1 had expressed a funding formula in its prior allocation of
2 money, both the '94 money, in the instance of support, and
3 the '95 money, in an effort to achieve greater equalization
4 in the distribution of funds among populations served by our
5 grantees. At the same time, it was attempting to maintain
6 the operating capacities of existing programs and was -- the
7 funding formulas attempted to achieve a balance as to those
8 goals.

9 So in applying the funding cuts within the line
10 items, which is what the Board must adopt a funding policy to
11 do, the job of that was fairly easy and straightforward with
12 respect to certain line items. For those line items that
13 received their money in '94, in the instance of support, and
14 in '94 -- in '94 and '95, as to support -- and in '95 as to
15 certain other categories, they received across-the-board
16 percentage increases, which we have proposed here simply to
17 roll back.

18 There has been little or no dispute as to that.
19 That applies to Native American, supplemental field, national
20 support, clearinghouse, and computer-assisted legal research.
21 We had the funding formula, either by way of congressional
22 policy or corporation policy or both, with respect to basic

1 field, migrant, state support, and regional training centers,
2 and we had some different factors to apply as to basic field
3 alone, so let me talk for a minute about that, first.

4 The basic field allocation was accomplished by act
5 of Congress and provides that we should maintain funding at
6 no less than the '94 funding level and then apply the formula
7 to how the increase should be done. Because an increase
8 still remains in the basic field line item, it is possible
9 for the Corporation to comply with that portion of the
10 funding formula that kept programs -- basic field funding --
11 at no less than its '94 level, and we have done that.

12 The issue, then, is how to rescind the amounts that
13 were in addition to '94 funding levels, and we have proposed
14 to just take equal percentage reductions back, of those
15 amounts. And that amounts to a roll-back of 53.6 percent of
16 the increases that were originally made to basic field.
17 Again, this is a proposed formula that has generated, really,
18 no quarrel or discussion. And I don't think any of the
19 material you received this morning really addresses that.

20 The funding lines which create a real issue for us
21 are migrant, state support, and regional training center line
22 items, and our goal, again, in these line items -- there is

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1 not congressional -- there was not a congressionally set
2 funding formula for these items in '95, whereas, in '94,
3 there was, with respect to state support -- and migrant,
4 actually.

5 The proposal that you have before us attempts to
6 accommodate a couple of principles that drove the original
7 funding policy, and to do that in a way that comes out a bit
8 in the middle. There are some very harsh extremes on either
9 end. If we were to roll every program back to their '94 or
10 their '93 funding level, that would create a harsh result for
11 particular programs. If we were to do a straight, across-
12 the-board cut, that would create hardship for other programs.

13 So our proposal to you takes account of the fact
14 that we're about three fourths of the way into the year here
15 and would propose to use 75 percent -- to take the amount
16 that has to be rescinded from each of these line items, to
17 use 75 percent of it in a way that is an across-the-board
18 reduction, and therefore, in doing that, adheres to the
19 equalization principle that was the philosophy for the
20 funding formula, but acknowledges in 25 percent of the cut --
21 takes 25 percent of the amount to be rescinded and does that
22 by an equal percentage reduction of the increase that

1 programs got, such that that takes the harshest edge off for
2 those programs that received no benefit of increased funds,
3 that were going to have to be digging in, in the case of
4 migrants, to their '94 funding levels, in order to buffer the
5 pain for other programs, and, in the case of state support
6 and regional training centers, will cut them below their '93
7 levels, in order to buffer the pain to programs that were the
8 beneficiaries of equalization.

9 MR. EAKELEY: Martha, let me just ask you to pause
10 there, and just ask the Board this first question. Because
11 what I want to do next is to get Martha to describe the
12 competing proposals and who has joined in or accepted or
13 supports this proposal.

14 But first, does everyone understand what it is that
15 the Corporation management is proposing with respect to this
16 rescission, by the 75 percent and 25 percent adjustments?

17 MS. BATTLE: I just have one question, so that I
18 can be assured that I understand.

19 MR. EAKELEY: Laveeda Battle.

20 MS. BATTLE: Okay. This is Laveeda Battle.

21 On the 75 percent, what you're doing is reducing
22 the 1995 grant levels equally, so each person is sharing pro

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1 rata the -- well, they're sharing equally in the reduction.
2 On the 25 percent, it's a pro rata, based on the amount of
3 the increase that was received in 1995; is that correct?

4 MS. BERGMARK: Or '94, in the case of state support
5 and regional training center, but, yes, that's correct.

6 MS. BATTLE: That's right. Okay.

7 MR. EAKELEY: Any other questions of Martha about
8 how this is supposed to work, as they've proposed it?

9 MR. BROOKS: This is John Brooks.

10 I'm curious as to how many programs this will take
11 below the 1994 levels, and how many below '93. You
12 mentioned, I think, some of -- one or more of -- the regional
13 training centers would go below the '93 level. Can you give
14 us a sense of how many other programs will be cut below
15 either '94 or '93?

16 MS. BERGMARK: In the migrant line and in the state
17 support line, there are programs that drop below, in the case
18 of migrants, their '94 funding level, and, in the case of
19 state support, below their '93 funding level, in order to
20 preserve less of a cut to those programs that were the
21 greatest beneficiaries of equalization previously.

22 Gary, I don't know if you have a sense of the

1 breakdown of that or not.

2 MR. SINGSEN: I don't have a count. There are some
3 state support programs, the ones that didn't get significant
4 increases in '94 or '95, that may be falling as far down as
5 their '90 or '91 levels, because they had such small
6 increases during the '90s. And there are several regional
7 training centers -- maybe four out of the five -- that will
8 actually fall very slightly below their '93 levels, because
9 only one of them was getting the equalization effect.

10 MR. EAKELEY: This is painful stuff. Make no doubt
11 about that.

12 MS. BERGMARK: That's right.

13 MR. McCALPIN: Let me ask another question. Maybe
14 it anticipates something, but, Martha, in various of these
15 comments, there is a reference to a contingency fund of 190-
16 some-odd thousand dollars or something. Where does that fit
17 in this resolution?

18 MS. BERGMARK: Okay. That is raised in the -- did
19 all of you get the NOSSU fax from Alvera?

20 MR. EAKELEY: Bill, will you accept a friendly
21 amendment to your question?

22 MR. McCALPIN: Yeah, sure, but I just wondered --

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1 MR. EAKELEY: That's a question, I think, that --
2 well, that is a question I had, also, but I think maybe the
3 first thing to do next -- well, I wanted to get Martha to
4 describe the faxes that were received and the positions taken
5 by various members of our broader community, just so that
6 this could be put in as much perspective as possible.

7 One of the faxes received today was from Alvera
8 Ansalmo, who is chairperson of the National Organization for
9 State Support Units, supporting the recommendation -- or not
10 challenging it -- but requesting that the Board of Directors
11 support efforts to reduce the severity of the promised cuts
12 by utilizing funds from the state support contingency line
13 item.

14 Martha, we'll get back to the positions of the
15 different groups and segments of the community and others,
16 but why don't we go and start with the question that Bill
17 raised about the state support contingency line items.

18 MS. BERGMARK: That, I believe -- and that's why I
19 called your attention to Alvera's fax, because I think there
20 is not a difference between what NOSSU is proposing there and
21 what we have indicated to NOSSU we intend to do.

22 The thing we cannot satisfy is a request for an

1 exact amount of money, right now. So let me describe how
2 that works. We have a -- what we're calling contingency --
3 that was set aside -- or that was part of the state support
4 funding formula for '95 -- that included, or was to include,
5 funding for the territories and D.C. that were not previously
6 recipients of state support funds. And they received
7 planning grants for that purpose last year. That amount of
8 money is similarly reduced by this formula, and it takes the
9 biggest hit of all, because it was not preëxisting, and
10 therefore it doesn't get the benefit of, you know, that piece
11 of the roll-back.

12 So the largest percentage loss to any category of
13 the state support funding is to the contingency line item,
14 already. But when the Board, last fall, adopted a funding
15 formula for state support, we agreed that those new -- the
16 new grantees -- they are not yet grantees of annualized funds
17 for state support -- the territories and D.C. -- would
18 receive their funding prospectively.

19 So what NOSSU has proposed -- and we have agreed --
20 to do is that, when we make those funding -- you know, when
21 we make those grants and we make them prospectively for the
22 year -- if there are amounts of money left over for that, we

1 are perfectly prepared to go forward and make those funds
2 available, to set a cap on the amount of the most severe
3 percentage reductions to state support programs, the most
4 severely affected state support programs. And that money
5 would be used to spread that as far as it would go, although
6 we can't indicate an amount of money.

7 We have situations where we already have grant
8 proposals in dating back to the first of the year, for D.C.,
9 for example, and we're not, for anyone who was ready to go
10 with their state support money at a date that we ascertained
11 they had completed their planning process, we would propose
12 to use the contingency funds to do that.

13 As far as I know -- perhaps on -- I've not received
14 from -- NOSSU certainly does not take the position that we
15 ought not to be funding D.C. and the territories. The NOSSU
16 position is that we should, but that we should do it
17 prospectively, and we agree.

18 And Randy is here to speak for himself. He may
19 have a different view for himself. But NOSSU is not taking
20 that position. The only difference that separates NOSSU and
21 management at this point is our inability to specify a
22 particular amount of money right now that would be available

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1 in that category. We can't do that.

2 MR. EAKELEY: Martha, are you saying that there are
3 no funds available or committed to the support study, or just
4 that there are not very many -- very much?

5 MS. BERGMARK: The funds -- okay.

6 MR. EAKELEY: Because NOSSU was looking at two
7 different pots of money, I thought.

8 MS. BERGMARK: Yes.

9 MR. EAKELEY: One was funds for territories and the
10 District of Columbia, new state support centers, and the
11 second was an LSC study of state support.

12 MS. BERGMARK: There is an amount of money built
13 into the base of state support funding that also takes a cut,
14 you know, by virtue of application of the formula, and drops
15 to about \$32,000. There is a similar amount of money in the
16 national support -- or an analogous amount of money in the
17 national support -- line item that is allocated right now for
18 planning, and this is all that remains of the \$875,000 that
19 last November we had -- the Board had -- made available for
20 these purposes. And our proposal is not to allocate that
21 money for purposes of rescission -- you know, buffering -- at
22 this point, \$32,000.

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1 MR. EAKELEY: Bill, does that answer your question?

2 MR. McCALPIN: Well, maybe. Does the use of the
3 word "grant" at the end of subparagraphs B and C on page 2 of
4 the resolution cover the contingency item, which may not, in
5 fact, be a grant at this point? So, I guess, does the
6 literal wording of the resolution cover what Martha has just
7 said?

8 MS. BERGMARK: My view of that would be that there
9 is some -- the thing we're obligated to apply a funding
10 policy to is the existing grants, and how we do that is --

11 MR. McCALPIN: The contingency funding is a budget
12 item, but not a grant?

13 MS. BERGMARK: Yes, that's correct. And it's sort
14 of built into -- it's my view there would not be a need for
15 Board action with reference to monies that are not allocated
16 as grants, and that that can be done at the staff level, and
17 that's what I have told Alvera we'll do.

18 MS. MERCADO: This is Maria Luisa.

19 I thought at the last board meeting that we had
20 this discussion about looking at the rescissions, and I'm
21 trying to figure out where the change came about -- was that
22 we had decided that funding of new territories and D.C. and

1 new state support centers didn't make sense if we're going to
2 have to get additional cuts in the coming FY '96 funding.
3 Did we at some point decide that we were going to retract
4 that position? Because I didn't receive a memo on that.

5 MS. BERGMARK: My recollection, Maria Luisa, is
6 that in -- I think it was the Boston meeting, last
7 November --

8 MS. MERCADO: No, this was at the last board
9 meeting we had, that we had discussed looking at putting in
10 law school clinic money, money that went to the territories
11 and D.C. that had not been appropriated yet would be money
12 that would be used to buffer the least -- lower-funded --
13 programs, like some of the migrant programs and some of the
14 state support programs, and some of the big urban programs,
15 that had the greatest cuts of anyone else.

16 MS. WILLIAMS: The money that was left over from
17 client involvement.

18 MS. MERCADO: And money that was left over from
19 client involvement. That all those categories be pooled
20 together in a contingency fund, so to speak, to sort of
21 allocate among those programs that had the greatest cuts.
22 And I know we had the discussion at the last board meeting.

1 MS. BERGMARK: I'm looking around the room here,
2 and we're all sort of shaking our heads, not recalling that.
3 We'd have to check. I know we had the discussion about what
4 proposal we might make to the House subcommittee staff, in
5 terms of allocations of possible cuts between line items, but
6 I don't remember that, Maria Luisa.

7 MS. WATLINGTON: Maria Luisa, this is Ernestine.
8 That was on the conference call board meeting that we had,
9 that we discussed that.

10 MS. MERCADO: The conference call?

11 MS. WATLINGTON: Yes, board meeting.

12 MR. EAKELEY: Martha, let me ask this question as a
13 follow-up to Maria Luisa's question. What contingency funds,
14 after the rescission, are available or being held out for
15 funding territories and the District of Columbia?

16 MS. BERGMARK: What amount of funds?

17 MR. EAKELEY: Yeah. What are we talking about?

18 MS. BERGMARK: \$166,00.

19 MR. EAKELEY: Because you've given us a good idea
20 of where the LSC study grants or funds are left; that's about
21 \$60,000. But --

22 MR. EAKELEY: No, no. Excuse me. It's \$32,000 in

1 the state support line item.

2 MR. EAKELEY: Right, but you said there was another
3 30 in the national, for planning, right?

4 MS. BERGMARK: No. There's actually more than
5 that. It's an analogous amount. I don't have that number
6 right this minute, but it's more than \$32,000.

7 MR. EAKELEY: In national, for planning?

8 MS. BERGMARK: That's right.

9 MR. EAKELEY: As part of the base.

10 MS. BERGMARK: But for the contingency for the
11 territories and D.C., it's \$166,000.

12 MR. EAKELEY: Remaining after the rescission?

13 MS. BERGMARK: Correct.

14 MR. EAKELEY: And of that --

15 MS. BERGMARK: Cut from about \$252,000.

16 MR. EAKELEY: Of that \$166,000, how much of those
17 funds represent potential, prospective funding?

18 MS. BERGMARK: Well, it's -- we have an
19 application -- at least one application -- pending. We have
20 others that have notified us that they have completed their
21 planning processes. That's the question we can't answer
22 right now. We don't know --

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1 MR. EAKELEY: Okay. But, nevertheless, do we have
2 any legal requirement to fund any of the applicants for new
3 state support in the territories or the District of Columbia?

4 MS. BERGMARK: No.

5 MR. EAKELEY: Because that really gets back to the
6 question Maria Luisa was asking, which is, as a policy
7 matter, does it make sense to fund new programs, given what
8 may happen next year and at the same time that we're forcing
9 layoffs of existing staff from existing programs.

10 Is that a fair way to articulate the policy
11 question?

12 MS. MERCADO: Mm-hmm.

13 MS. BERGMARK: It is a -- there are various fair
14 ways, as I've come to --

15 MR. EAKELEY: I know.

16 MS. BERGMARK: -- to find out. I just want you to
17 know that we have heard a variety of perspectives on this
18 very question. We do not have in the room today folks who
19 have had their applications in for state support money. I
20 mean, the very arguments that I think Randy has made to you
21 in his letter about trying to equalize for those states
22 who've never gotten anything would be made even more

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1 forcefully to you by those territories and D.C. where no such
2 funding has ever been provided.

3 MR. EAKELEY: Right, but if funding is going to
4 be -- I mean, I think the argument is -- I'm not trying to
5 take a position on this. I think the argument is, if we risk
6 losing federal funding for state support next year, in any
7 event, and if we give -- and if we have no means of providing
8 funding to cushion this year's 40 percent or more funding
9 roll-back directed at state support, or state and national
10 support -- should we not consider these contingency funds as
11 a cushion, as NOSSU has suggested?

12 And let me -- you don't have to answer that
13 question. I'm just phrasing it. I think my answer to my own
14 question is another somewhat rhetorical question: is this
15 something we can revisit at our board meeting on the 24th and
16 25th, since it is not directly implicated in the management
17 recommendation on how to allocate the \$15 million rescission?

18 MS. BERGMARK: The only impediment to delaying a
19 decision is that we need to get these notices out. As the
20 memo from Vic indicates, we need as closely as we can to
21 adhere to part 1606, should that become necessary, and every
22 day is eating into that time, which is why we're doing this

1 at a telephone board meeting today, as opposed to waiting on
2 all of it till next week.

3 MR. EAKELEY: Okay, but here's my dilemma,
4 chairing this telephonic meeting and continuing to feel that
5 this is such an awkward medium for communicating, but it's
6 the best we've got in between board meetings. NOSSU has
7 raised, I think, a very fair question, and it has policy
8 implications that are relatively significant, given the
9 dollars involved, and the Board hasn't had a chance to
10 consider that policy option.

11 I think what you're saying is that management isn't
12 really at the point of -- I mean, I realize management has
13 made the decision, implicitly, but I don't think that you're
14 saying you're prepared to engage in a policy debate on this
15 issue at this time.

16 MS. BERGMARK: I think that you can adopt this
17 resolution without affecting the resolution of that question.

18 MR. EAKELEY: Even though it's another 10 days, we
19 can defer resolution of that issue until the board meeting?

20 MS. BERGMARK: Right.

21 MS. MERCADO: This is Maria Luisa.

22 Looking at this resolution and at the various

1 questions that have been brought, at least from the four
2 faxes that I received -- and I don't know about the other
3 three faxes that Bill McCalpin received -- it seems to me
4 that there are various policy issues that do affect this
5 resolution, and you can't -- unless you're going to amend
6 this resolution next week, at our regular board meeting, I
7 think that we do have to make some policy decisions that will
8 affect this resolution, whether it deals with funding on the
9 lower-funded programs that are going to get the greatest
10 cuts. I think that the percentages are going to make a
11 difference, because that may not be a percentage that we may
12 end up agreeing to.

13 MS. BERGMARK: The point I wanted to make, Maria
14 Luisa, is that, with respect to the contingency money, that
15 issue could be reserved without affecting this resolution.
16 This resolution adopts a funding policy for reductions within
17 line items of existing grants, and that would apply. If
18 there is some money -- and we -- as I've said, we've
19 discussed with NOSSU trying to make available some money for
20 some further buffering of the cuts, but that that would not
21 be affected by -- or, you know, that was not a call that
22 would be made by adoption of this resolution.

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1 MS. MERCADO: Right, but I guess I have some --
2 this is Maria Luisa. I have some problems, I guess, with
3 some of the percentage cuts and how they cut across the
4 board, looking at the different programs, and the amount of
5 actual cut monies across the board that they get. I mean,
6 from the tables that Gary put together.

7 So at this point I'm saying that I think that
8 adopting this and particular percentages does have an effect,
9 at least as far as I'm concerned, on how that works.

10 MR. EAKELEY: Maria Luisa, we'll get back to that
11 in one minute. Let me just try and tie down the issue raised
12 initially by Bill McCalpin that's presented in Alvera
13 Ansalmo's fax of today.

14 I would propose that we reserve for discussion and
15 decision at our June 24-25 board meeting the issue of the use
16 to which nonobligated funds can and should be put: to
17 cushion this year's rescission and/or pursue other policy
18 initiatives of the Board or the Corporation.

19 Martha, will that cause a great consternation, or
20 did I just hear you say that that's okay to do?

21 MS. BERGMARK: That's fine.

22 MR. EAKELEY: Is everyone in agreement that this is

1 something that we should look at longer and can't do today,
2 but need not, for purposes of this resolution? Is everyone
3 comfortable with that?

4 MR. BROOKS: Yeah.

5 MS. WATLINGTON: Yes.

6 MS. BATTLE: So long as Martha has indicated our
7 determination with respect to those contingency funds is not
8 in conflict with any of the provisions of this resolution, I
9 agree.

10 MR. EAKELEY: Yeah. I think that's a fair reading
11 of it. I also think that it will be a fair implication, from
12 our decision to reserve on the issue of utilization of
13 contingency funds, that management not obligate any of those
14 funds in the 10 days that remain between this call and our
15 board meeting.

16 MS. BERGMARK: Obviously.

17 MR. EAKELEY: Obviously.

18 MR. SINGSEN: Doug, this is Gary Singesen. I have a
19 small technical problem with the language you used when you
20 used the phrase "nonobligated funds." We've been talking
21 about contingency funds, which are 1995 funds, and identified
22 in the memo and the attached tables as contingency funds.

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1 The resolution also speaks to carry-over funds from 1994,
2 which are technically nonobligated, and it does commit them
3 to rescission reductions pursuant to the language of H.R.
4 1158 or whatever that number was.

5 MR. EAKELEY: I will try to be more precise,
6 without fully understanding the true implication of the words
7 I used.

8 My intention in asking that this issue be reserved
9 for discussion and decision by the Board is that we have the
10 opportunity to consider whatever discretionary funds remain
11 with the Corporation for this fiscal year, after giving
12 effect to the rescission and to whatever resolution we pass
13 today, so that we can have some sense of whether there's a
14 means of cushioning the blow a little bit more than might
15 otherwise happen.

16 Does that solve your technical problem, Gary?

17 MR. SINGSEN: I believe so -- with the record that
18 was made and the discussion, that it does.

19 MR. EAKELEY: Okay.

20 Now, getting back to Maria Luisa's issue --

21 MS. MERCADO: Doug, I think, just to even begin,
22 the Board is deciding to go ahead and follow the mandates of

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1 H.R. 1158, even though the veto --

2 MR. EAKELEY: That is the first policy issue
3 implicit in the resolution being presented to us. That's
4 correct.

5 MS. MERCADO: Right. I mean, we're not obligated
6 to do that, but we're doing it anyway.

7 MR. EAKELEY: Well, we have a rescission bill that
8 did pass and was signed that takes \$15 million out of
9 appropriated funds and directs that, to the maximum extent
10 possible, these funds should be taken from programs that do
11 not provide legal services to individuals.

12 The question becomes, what was the congressional
13 intent with respect to that proviso? And even though the
14 president vetoed the rescission bill that later followed, and
15 that bill did not have money in it for further rescissions
16 for us, it nevertheless was expressive of the intention of
17 the Congress, in terms of how we should approach rescission.

18 And the thinking behind the recommendation here is
19 that, especially now, as we are in the middle of next fiscal
20 year's appropriations process, in discussion about
21 reauthorization or, for that matter, survival, and given this
22 very clear indication of congressional intent, what should be

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1 the -- how should the Corporation respond to that expression.
2 And I think the decision was made, and quite rightly, that we
3 should be doing everything possible to be as -- that we
4 should be doing everything possible to be true stewards of
5 the congressional intent that accompanies the funds
6 appropriated by the Congress for this program.

7 MS. WILLIAMS: This is Edna. Could I ask a
8 question?

9 On the graphs that they sent us here and so on and
10 so forth, they list 83 days for Penn Legal, 88 days for Texas
11 Legal, and so on and so forth. Now, does that mean one
12 lawyer, or does that mean 88 days of the whole office being
13 closed? Is that the complete overhead and everything?

14 MS. BERGMARK: Edna, it doesn't mean they have to
15 close their office for that number of days. It's just --
16 it's translating the amount of money into a number of --
17 amount of cut -- into a number of days of what the prior
18 grant would have been. So it's an indicator of the -- it's
19 different, you know. You could say it by a percentage.
20 We've said that, as well. But the number of days of the year
21 that it affects, that it would lop off, is another indicator
22 for you of the effect of this cut.

1 MS. WILLIAMS: So that would be the entire office,
2 the entire program, for that number of days?

3 MS. BERGMARK: Yes.

4 MR. MCCALPIN: Well, not really. That's only LSC
5 funds.

6 MS. BERGMARK: Of LSC funds. That's right.

7 MR. MCCALPIN: Of LSC funds.

8 MS. WILLIAMS: Yeah, I understand that. But Penn
9 Legal here is represented 83.11 days; Texas Legal, 88.81
10 days. That's four and a half months.

11 MS. BERGMARK: You're right, and that's an
12 indication --

13 MR. SINGSEN: Two and a half.

14 MS. BERGMARK: Two and a half -- excuse me -- or
15 not quite three, months.

16 MS. WILLIAMS: Well, no. I'm not counting
17 weekends. I'm counting five days.

18 MS. BERGMARK: This is based on a 365-day year. We
19 weren't counting work days here. We were counting calendar
20 days. And it's just a way of giving you a notion of the fact
21 that, you know, there is real pain in these cuts.

22 MR. SINGSEN: This is Gary again. Another --

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1 MS. WILLIAMS: In calendar days, that would be two
2 and a half months.

3 MS. BERGMARK: Correct.

4 MS. WILLIAMS: Okay. That explains some of it
5 better.

6 MR. SINGSEN: This is Gary.

7 Another reason that we expressed it this way is
8 that we give out a check each month when we give out the
9 grants, and so a cut of 88 days means essentially that three
10 grant months won't be paid. A cut like all the national
11 support centers are getting, of 70 days, means only two
12 months, and a third of a third month's check, wouldn't be
13 paid.

14 MS. WILLIAMS: Yeah, but you guys didn't say that.
15 You just said so many days, so I didn't know if it was
16 working days or calendar days.

17 MS. BERGMARK: Thanks for asking. That was good.

18 MR. EAKELEY: Martha, do you want to just address
19 again, briefly, the Hobson's choice that the Corporation
20 confronts with in-lines with respect to a roll-back across
21 the board versus a roll-back of the increases that were
22 obtained this past go-'round?

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1 MS. BERGMARK: Yes. We propose to --

2 MR. EAKELEY: In the context of equalization
3 funding, because that was what we were trying to do with
4 those increases in funding.

5 MS. BERGMARK: Yes. We propose to devote the
6 lion's share to the equalization principle. Seventy-five
7 percent of the cut we would propose to have applied in a way
8 that preserves the progress toward equalization.

9 MR. EAKELEY: See, the alternative would have
10 been -- the alternatives include this vast spectrum that we
11 discussed at our prior conference call and then at our board
12 meeting. One is to roll back all of the increases, but
13 that's not enough. Another is to impose a per capita roll-
14 back in current funding levels on everyone.

15 To the extent that you do it by way of rolling back
16 everyone's increase, you go in a direction opposite from the
17 equalization direction we're trying to accomplish. On the
18 other hand, a per capita reduction of all programs means you
19 are actually rolling some programs back to funding levels
20 that are even lower than they were in 1994 or '93.

21 MS. BERGMARK: And, in some cases, '92 and '91.

22 MR. EAKELEY: So what management's proposal is

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1 attempting to do here -- and I think the way Martha put it is
2 round off a corner of an otherwise very sharp reduction by
3 taking three quarters of the rescission through a per capita
4 roll-back and applying only 25 percent to the increases.

5 MS. BERGMARK: That's correct.

6 MR. EAKELEY: What other questions or concerns are
7 there that need to be addressed? Or maybe another way of
8 doing that is to just back up for a minute and ask Martha to
9 just describe a little bit more -- and we're already into our
10 first hour here -- but Martha, obviously, this has taken a
11 lot of work and consultation with a lot of groups. NOSSU's
12 position we've already mentioned and reviewed. I don't want
13 to ask you to speak for PAG, especially with Harrison in the
14 room, but, nevertheless, I'll leave it to you either to do
15 that or to let Harrison have his turn. But I just want to
16 make sure that the Board has a sense of the input you
17 received from the community and the positions that input
18 reflects.

19 MS. BERGMARK: Let me say, too, that, with respect
20 to the farm worker project group, we've not -- none of the --
21 we have had discussions with those folks, as well, and their
22 feeling, I believe I'm correct in stating, is that they feel

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1 this is a reasonable accommodation of the obviously competing
2 interests at stake here.

3 And Harrison is here. I've obviously had several
4 conversations with Harrison, as well, over these difficult
5 deliberations.

6 MR. EAKELEY: Well, Harrison, let me just ask you
7 directly, then, what's PAG's position?

8 MR. McIVER: This is Harrison McIver, with PAG.

9 We, in concert with NOSSU, support the approach
10 that's contained or reflected in the resolution. In light of
11 the direction in which the contingency issue is going, we
12 would support the passage of the resolution and the delay in
13 addressing the contingency issue until your next meeting.

14 MR. EAKELEY: Okay. Randy, I know you're busting
15 to be heard. We've got your memo on state support funding
16 policy, but would you like to briefly summarize that view?

17 MR. CHAPMAN: I will be glad to, and I will try to
18 be brief.

19 What we're talking -- and I won't focus on simply
20 where we are, in Texas, but to say what we have here are 15
21 states, including Maine, Missouri, that -- where increases --
22 where cuts are proposed of over 20 percent, when the line

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1 item cut is far below that amount. If you look at national
2 support, for example, everyone has received -- is
3 receiving -- the same level cut.

4 I think there is, unfortunately, we're kind of
5 being analyzed together with migrant. There are some
6 differences, and one is, of course, that there are greater
7 disparities between the programs within state support and,
8 secondly, that in state support, in the last couple of years,
9 even the highest-funded programs have received cost-of-living
10 adjustments.

11 If we were to take the even cuts, we're looking at
12 16.7 percent cuts for all current of grantees, but this
13 formulation, not counting the contingency, leaves states with
14 cuts of 29, 30 percent -- in our case, 24 percent.

15 There is an underlying presumption, I think, in the
16 second principle that is on page 5 of your memorandum, that
17 those of us that are newly funded have not been spending our
18 money -- that, in other words, we -- that there is a value
19 to -- that, in essence, there is a value to going back and
20 reserving the high-funded states, because they did not get
21 increases, or significant increases, over the last --

22 I question that, at least from our experience and

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1 that in Oklahoma, and I think you --

2 MR. EAKELEY: Let me just mention -- I was going to
3 mention, because I don't think anyone is -- I don't think
4 Michael Schneider is on, from Oklahoma Indian Legal Services,
5 but some or all of us have a fax from him, also, as I read
6 it, advocating an across-the-board, pro rata reduction, and
7 pointing out, in particular, that the state of Oklahoma, with
8 the highest number of Native Americans in the country, will
9 receive the highest-percentage reduction of LSC funding in
10 the country.

11 MS. BERGMARK: Although the Native American funding
12 is cut back on a pro rata basis, so he's speaking to, I
13 think, state support.

14 Could I just interject here that we would -- I
15 would -- like to make part of the record the June 9 memo to
16 you, along with its attachments of tables, so that it's just
17 clear that that's part of the record today, along with --
18 now, I have four of the seven faxes that Bill made reference
19 to, and it seems appropriate that anything that has been sent
20 in for purposes of -- or in anticipation -- of this meeting
21 be made part of the record, as well.

22 MR. EAKELEY: Good.

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1 MR. CHAPMAN: Anyway, getting back, I realize
2 there's no perfect answer. As I mentioned initially, NOSSU's
3 approach -- majority approach -- was simply everybody sharing
4 the pain equally. We want -- let me just speak for myself.
5 I am, of course, concerned, with working with LSC staff, to
6 basically, as Martha said, buffer the pain. If we can come
7 down -- if we can reach a point where the cuts are somewhere
8 in the range of 14 to 20 percent -- you know, it's an
9 alternative. It's certainly not one that I would prefer, but
10 it's something that we can live with. I think, as long as
11 the contingency -- priority for the contingency funds -- is
12 to try to bring down the 15 states involved to that 20
13 percent -- it's an unfortunate choice, as you say, Mr.
14 Eakeley, but it's something that I believe we can live with.

15 MR. EAKELEY: Martha, could you just address the
16 point that Mr. Chapman made -- namely, that a proposal that
17 does anything other than take a per capita reduction
18 treats -- I guess treats new hires differently than longer-
19 term staff?

20 MS. BERGMARK: I don't believe that that was
21 necessarily what Randy was saying.

22 MR. EAKELEY: I thought he was saying that this

1 assumes the programs with increases haven't already committed
2 those increased funds.

3 MS. BERGMARK: We haven't assumed that at all. I'm
4 sure there's a large range, in terms of what programs have
5 done. Certainly, for state support, the money they got, you
6 know, throughout '94 -- if we've made any assumption at all,
7 it's certainly that they have fully accommodated that
8 increase into their staffing and other decisions about
9 service.

10 Similarly, for '95, you know, that increase went
11 into folks' checks beginning in January, and what individual
12 programs have done as they read their newspapers or their PAG
13 updates on the prospect of rescission I don't know, and
14 that's not been a factor in our decision-making.

15 MR. CHAPMAN: I think the point is that, when
16 programs learned that -- we had received these numbers
17 back -- the '95 numbers -- back in July, and we all met in
18 uniting support. At that point programs began the hiring
19 process. I know, here in Texas, we leased new and additional
20 office space, bought equipment, and so on, with the idea that
21 we were going to be a larger operation in the future.

22 MR. EAKELEY: But, in fairness -- and I should say,

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1 first, thank you, Mr. Chapman, for your comments.

2 MR. CHAPMAN: Thank you.

3 MR. EAKELEY: What management's proposal is
4 doing -- three quarters of it, at least -- is to apply this
5 rescission within these lines on a per capita basis, but not
6 all the way.

7 MS. BERGMARK: Correct. That's correct.

8 MR. EAKELEY: It's 75 percent of the way in that
9 direction.

10 Now, are there any other questions of Martha or
11 management, or have I failed to recognize anyone else on this
12 conference call who wishes to address this issue and reflect
13 a position not already taken?

14 (No response.)

15 MR. EAKELEY: Hearing none, let's go back to the
16 board members and see whether or not there are other
17 questions that any of the board members have.

18 MR. McCALPIN: Doug, let me ask Martha to pick up
19 on the suggestion just made. Does it appear likely or
20 possible that the utilization of the contingency funds could
21 bring the reductions down into the range of 14 to 20 percent,
22 as has been mentioned?

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1 MS. BERGMARK: That is doubtful, I think, as our
2 calculations indicate, that it would take something like --
3 actually, it's a NOSSU calculation, I believe. And NOSSU, by
4 the way, does support the notion of grants to the territories
5 and D.C., doing it prospectively, the same exact position
6 that we have taken, as well, and that the Board took last
7 fall.

8 It would take about \$106,000 to cap the cut at 20
9 percent, so that's \$106,000 out of that 166. That would mean
10 that only \$60,000 would be used for D.C. and the territories,
11 and it's unlikely, I think, that it would be that amount.

12 But we don't know. We just are not in a position
13 yet to say how much money it would be.

14 I think a 22 percent cut -- to cap it at 22
15 percent -- would cost 80-some -- is that --

16 MR. SINGSEN: \$61,000.

17 MS. BERGMARK: To cap the cut at 22 thousand would
18 cost \$61,000. That is a more realistic or likely prospect, I
19 think.

20 MR. EAKELEY: That is, I think, what I would like
21 to pursue at the next board meeting.

22 MS. MERCADO: Okay, but, Doug, that's only dealing

1 with state support issues. I mean, it's not dealing with
2 trying to cushion the blow to some of the other programs,
3 like some of the migrant or the --

4 MS. WILLIAMS: Yeah, there are 16 other national
5 support --

6 MS. MERCADO: -- the national centers, that have
7 really great cuts.

8 MR. EAKELEY: That's correct, although I would
9 still like to know, when we get there, whether or not there
10 are other such contingency funds that are worked into the
11 base for different lines. We've talked a little bit about
12 some planning funds in the national support line.

13 I don't know. I'm assuming, because nobody said
14 anything, that there are no such contingency funds for the
15 migrant line. Is that right, Martha?

16 MS. BERGMARK: That's correct.

17 MR. EAKELEY: So the naked policy issue for us that
18 is most directly confronted by the migrant line -- but it's
19 applicable to all three of these programs, because we've got
20 to adopt a rescission strategy here -- is whether or not we
21 should go with the management's recommendation of a 75
22 percent per capita reduction, 25 percent of the increase, or

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1 whether we do 100 percent per capita reduction. I think
2 that's the competing view, as I hear the position implicit in
3 Maria Luisa's question. Is that right, Maria Luisa?

4 MS. MERCADO: No.

5 MS. BERGMARK: I think that is fairly Randy's
6 position.

7 MS. MERCADO: No, it would be just looking at maybe
8 some different percentages and some different allocations,
9 and I'm still not sure what happened to the monies that we
10 had looked at on the client involvement and the lawsuit
11 clinics that we said we would use for cushioning some of the
12 programs that were cut.

13 MR. EAKELEY: They're gone.

14 MS. BERGMARK: We lost all that money.

15 MR. EAKELEY: They're all gone, Maria Luisa.

16 MS. MERCADO: They were allocated?

17 MR. EAKELEY: After the carry-over funds are
18 allocated, after the law school clinic and client involvement
19 and another initiatives are eliminated, and we get down to
20 the specific rescission, line by line, mandated by the
21 Congress, we are left with very modest discretion. And that
22 modest discretion, I think, is captured by the choice of

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1 whether we accomplish rescission in these line items by a per
2 capita reduction or by roll-backs and increases going back
3 for as many years as that requires, given the line, or some
4 combination of the two.

5 And that's the -- I think that we've pretty much
6 exhausted the other alternatives. Martha or Gary, correct me
7 if I'm wrong on this.

8 MS. BERGMARK: I think you have stated that
9 correctly.

10 MR. EAKELEY: This is the irreducible minimum, I'm
11 afraid, and the real question for us, I think, is do we
12 support management's recommendation of this 75 percent, 25
13 percent, to preserve most of equalization, but cushion the
14 blow to some of the programs that would have to be rolled
15 back -- way back, beyond any increases received -- or do we
16 want to do something else.

17 Let me try to bring this to a head, then, if I
18 could. I very much want to pursue this contingency-fund
19 issue at the next board meeting, but I think that we're just
20 about ready to call the question on management's
21 recommendation. I would like to make one friendly amendment
22 to the resolution, first, however, with everyone's consent,

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1 MR. EAKELEY: And you're moving the resolution,
2 Laveeda, as --

3 MS. BATTLE: I'm moving the resolution as written,
4 with the amendment that you have offered.

5 MR. EAKELEY: Is there a second to that?

6 MR. ASKEW: Second. This is Bucky.

7 MR. EAKELEY: Mr. Askew seconds. Any further
8 discussion?

9 (No response.)

10 MR. EAKELEY: All those in favor of the resolution,
11 as amended, please say aye.

12 (Chorus of ayes.)

13 MR. EAKELEY: All those opposed?

14 (No response.)

15 MR. EAKELEY: All those abstaining?

16 (No response.)

17 MR. EAKELEY: The ayes have it. The resolution
18 passes.

19 We're now onto other business. Is there other
20 business?

21 MR. McCALPIN: Doug, can I raise a question which
22 is in anticipation of what you have deferred to next week?

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1 Did I understand that there is a 60-odd thousand dollar
2 contingency of state support and 160-some-odd thousand
3 dollars in national support?

4 MR. EAKELEY: No, Bill. There's \$166,000 in
5 contingency funds for District of Columbia and new territory
6 state support. There's \$32,000, as I understand it, built
7 into the base of state support for a state support study.
8 And there is also some somewhat unknown number, greater than
9 \$30,000 but probably less than \$40,000, in national support,
10 for planning purposes.

11 MS. BERGMARK: It's \$105,000.

12 MR. EAKELEY: 105 for national, for planning?

13 MS. BERGMARK: Right.

14 MR. McCALPIN: The point -- I was confused,
15 obviously, but the point I wanted to make was, is it possible
16 to use money in the national support line to soften any of
17 this blow in state support without reprogramming?

18 MS. BERGMARK: No. And it cannot be done by
19 reprogramming, either, actually.

20 MR. EAKELEY: Martha, but here's the same question,
21 slightly differently. Is it possible to cushion the
22 rescission for national support by applying some of those

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1 national support planning funds?

2 MS. BERGMARK: Yes. One could do that.

3 MR. EAKELEY: I think, also -- and I think that
4 that's a question that we should discuss and consider at our
5 board meeting.

6 MS. BERGMARK: I think that's a question you should
7 consider whether that's something you want to treat at the
8 board level or not, as well.

9 MR. EAKELEY: Okay. That's fair enough. We just
10 don't know enough about it, and this is the wrong medium to
11 explore that -- this conference call.

12 MS. WATLINGTON: Right.

13 MR. EAKELEY: I do think, however, that the word
14 "planning," which has come up several different times in this
15 telephone conference call, is something we do plan to address
16 at the next board meeting, with respect to where do we go
17 from here; what is the role of the Board in mapping out those
18 as yet uncharted waters; and how we should organize that
19 thinking and planning process.

20 That doesn't have anything to do with the funding.
21 I'm just reacting to a particular word, and actually I had
22 anticipated that that was one of the things that Bill

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1 McCalpin was leading to, but I think it certainly falls quite
2 fairly into the rubric of other business that we're now on in
3 this agenda.

4 MS. BERGMARK: We will be getting some materials to
5 you in anticipation of your meeting next week on that set of
6 issues.

7 MR. EAKELEY: Good, because I think it's going to
8 be quite likely that we will find different views on how we
9 scope out different potential futures.

10 All right. Is there any other business?

11 (No response.)

12 MR. EAKELEY: If not, is there a motion to adjourn?

13 MR. BROOKS: So moved. John Brooks.

14 MS. WATLINGTON: Second.

15 MR. EAKELEY: Mr. Brooks moves, and Ms. Watlington
16 seconded?

17 MS. WATLINGTON: Second. Ernestine.

18 MR. EAKELEY: All those in favor?

19 (Chorus of ayes.)

20 MR. EAKELEY: All those opposed?

21 (No response.)

22 MR. EAKELEY: Abstain?

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