COPY

1 BOARD OF DIRECTORS' MEETING

2 OF THE

3 LEGAL SERVICES CORPORATION

4

5 Held at:

6 Office of Personnel Management
Auditorium
7 1900 E Street, Northwest
Washington, D.C.

8 on

9 Monday, July 9, 1984
Commencing at 9:45 o'clock, a.m.

10

11 PRESENT:

12 DONALD BOGARD, President
RONALD E. McCARTHY, Chairman
13 ALAN SWENDIMAN, General Counsel
LeANNE BERNSTEIN, Secretary
14 RONALD FRANKUM
PETER FERRARA
15 MR. ANGRISANI
JAMES STREETER

16

Patricia McHahon, Fund Criteria Committee and Advisory Group
17 Judith Stainbrook
James Braude, National Organization of Legal Service Workers
18 Eleanor Eisenberg
Randy Chapman

19

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22

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

2 MR. McCARTHY: Good morning, ladies and gentlemen. The
3 Board of Directors of the Legal Services Corporation meeting for
4 this date duly noticed is now in session.

5 A quorum is present and due notice has been given in
6 conformance with all of the rules, regulations and laws
7 governing the corporation.

8 The first matter as set out in the board book, which
9 is available to all of the persons present, is the approval of
10 the agenda.

11 Item seven of the agenda has been deleted by proper
12 notice to the Federal Registry, and will not be considered at
13 this meeting.

14 Otherwise, I have no comments to make as to the
15 agenda, and would appreciate a motion to adopt this agenda, if
16 it is in order, from the board.

17 MR. FERRARA: Mr. Chairman, I move to adopt the agenda
18 as published in the board book.

19 MR. McCARTHY: Is there a second?

20 MR. ANGRISANI: I second it.

21 MR. McCARTHY: Thank you. We will have a role call on
22 the agenda. Peter?

MR. FERRARA: Aye.

MR. McCARTHY: Ron?

MR. FRANKUM: Aye.

MR. McCARTHY: And Mr. Agrisani on the end?

MR. AGRISANI: Aye.

MR. McCARTHY: And welcome. I did not get to say "hello" to you.

The agenda as amended has been adopted for this meeting. There will be a closed meeting in conformance with 45CFR1622.5ADEFGH, if so adopted by the board and certified by counsel.

Do I hear a motion for a closed meeting?

MR. FERRARA: Mr. Chairman, I move that the meeting be closed in accordance with the reasons set out on the agenda the board voted.

MR. McCARTHY: Is there a second?

MR. FRANKUM: Seconded.

MR. McCARTHY: Peter?

MR. FERRARA: Aye.

MR. McCARTHY: Ron?

MR. FRANKUM: Aye.

MR. McCARTHY: Mr. Agrisani?

1 MR. AGRISANI: Aye.

2 MR. McCARTHY: Thank you. The motion has been
3 approved unanimously by the board. I would call upon our
4 general counsel for certification.

5 MR. SWENDIMAN: Thank you, Mr. Chairman. This is to
6 hereby certify that, in my opinion, a portion of this meeting is
7 subject to closure to discuss personnel, personal, criminal
8 litigation and investigatory matters persuant to the Sunshine
9 Act and 45CFR1622.5ADEFGH.

10 MR. McCARTHY: Thank you, Alan. Item two of the
11 agenda as approved, the approval of the minutes of the board
12 meeting of May 19, 1984.

13 Those minutes are set out in the board book, and I
14 would appreciate any comment, change or other matters that the
15 board may have as to those draft minutes.

16 MR. FERRARA: Mr. Chairman, I have no comments, and if
17 there are no other comments from members of the board I move
18 that the minutes be adopted.

19 MR. FRANKUM: I second.

20 MR. McCARTHY: The approval of the draft minutes has
21 been moved and seconded. We will take a vote.

22 Peter?

1 MR. FERRARA: Aye.

2 MR. McCARTHY: Ron?

3 MR. FRANKUM: Aye.

4 MR. McCARTHY: Mr. Angrisani?

5 MR. ANGRISANI: Aye.

6 MR. McCARTHY: The draft minutes as included in the
7 board book for the minutes of May 19, 1984, have been approved
8 and adopted as set out therein.

9 Item three of the agenda is a report from the
10 president. Don Bogard, can we hear from you?

11 MR. BOGARD: Thank you, Mr. Chairman.

12 I would like to report upon the executive session that
13 was conducted at the last board meeting, May 19th, in Arlington
14 at the Marriott.

15 The executive session was limited primarily to a
16 report on litigation by the general counsel. It was purely a
17 status report of the existing cases.

18 Included in that report was the Massachusetts Law
19 Reform case involving the training center's funding, east
20 Arkansas, an update on the NCC and Western Center denial of
21 refundings, report on the lack of activity of the NLRB as far as
22 ruling upon the certification issue, a brief update on the

1 Jarvis case in California, and the national senior citizens'
2 lawsuit and the lawsuit involving the meeting in Utah of the
3 Coalition for Legal Services.
4 There was also an update by the general counsel on a
5 pending criminal investigation that has been going on for some
6 time, and a discussion with the board memebers regarding
7 personnel and certain vacancies in the officers' positions.
8 The only other point that I have to bring up,
9 Mr. Chairman, is that at a previous session, there has been
10 discussion about expansion of the audit division in order to
11 provide for more extensive coverage of direct audits by the
12 corporation. That happened, I believe, at the Audit and
13 Appropriations Committee meeting last time.
14 The director of our audit division, Dan Nessbaum, has
15 prepared some preliminary recommendations. We are in the
16 process of evaluating those and will be having a decision made
17 very quickly on expanding the audit division so that we can
18 increase the coverage of compliance audits.
19 I have nothing else.
20 MR. McCARTHY: Thank you, Don. Does any of the board
21 have any questions of our president?
22 Agenda item four, a report from Operations and

1 Regulations Committee.

2 MR. FERRARA: Mr. Chairman, as the chairman of that
3 committee, we met and discussed at that meeting two proposed
4 regulations which are on the agenda for this meeting which are
5 regulation 1622, regarding the Sunshine Act, and regulation
6 1629, bonding of recipients.

7 The first regulation was an updating and consistency
8 provision, basically, to update the commission's regulations to
9 conform with the requirements of the Sunshine Act.

10 The next item was the board had discussed before the
11 requirement that recipient's be bonded, and the committee
12 recommended that both these regulations be adopted by the full
13 board.

14 I see that the next item on the agenda is the report
15 from the office of the general counsel on the regulation, so I
16 think that will suffice as my report, and we can go on to the
17 next item.

18 MR. McCARTHY: Thank you, Peter. Item five is the
19 report from the office of general counsel on the two proposed
20 regulations that are the subjects of Peter's comments.

21 MR. SWENDIMAN: Thank you, Mr. Chairman. The first
22 matter before the board is proposed regulation part 1622

1 entitled, "Public Access to Meeting Under the Government and the
2 Sunshine Act."
3 This proposed rule was published in the Federal
4 Register on May 29th. The comment period closed on June 28th of
5 1984.
6 Six comments were received within the time period. A
7 copy of each comment has been provided to you in advance of this
8 meeting. Four comments were received after the time period, and
9 a copy of each of those comments has been provided to you as
10 well.
11 In summary, the comments broke down in terms of the
12 discussion of three particular aspects of the proposed rule.
13 One was with respect to the definition of "public observation"
14 which was perceived to preclude public comment.
15 The second had to do with objections to giving notice
16 to the governing body of the recipient rather than to the
17 program itself.
18 And the third area was with respect to the general
19 objection to the emergency proceedings provision in the
20 proposed rule.
21 All of these comments were reviewed. After the
22 review, no proposed changes are being recommended to the board

1 at this time.

2 With respect to each one of the particular areas that
3 were commented upon, first with the definition of public
4 observation, it was the staff's opinion that it certainly did
5 not preclude public participation. It conforms with the
6 bylaws.

7 Participation is at the invitation of the chairman.
8 This was the case under the old bylaws. In fact, public
9 participation is not even mandated by the Sunshine Act. The
10 Senate Judiciary report stated that the phrase, "open to public
11 observation" does not afford the public any additional right to
12 participate in a meeting.

13 In any event, I believe that the chairman of the board
14 has been on record that comment is welcome. Provision has been
15 made for a request to be made in writing in advance of the
16 meeting to provide for an orderly conduct of the board's
17 business. In fact, as I have been advised, we have received at
18 least one request prior to this meeting.

19 With respect to notice to the governing body of the
20 program, the staff's opinion is that the corporation's
21 relationship is with the entity which has the fiduciary
22 responsibility for the program, that being the governing body.

1 Finally, with respect to the emergency provision,
2 this mirrors the bylaws which were adopted by the board. We
3 believe that the safeguards have been included to insure that
4 there is an open meeting and that it does conform with the
5 Sunshine Act.
6 This would close my remarks with respect to the
7 proposed rule 1622. I will be glad to answer any questions
8 which you may have.
9 MR. McCARTHY: Does the board have any questions of
10 Allen.
11 MR. FERRARA: Mr. Chairman, I think that this is a
12 reasonable regulation. We discussed it in the committee
13 meeting, and I think that we ought to move to adopt this now.
14 If there are no further comments or questions on this
15 regulation, I would move that the full board adopt this
16 regulation 1622 regarding the Sunshine Act.
17 MR. McCARTHY: Is there a second to that?
18 MR. FRANKUM: Mr. Chairman, when we discussed this
19 during the committee meeting at some length, I asked the
20 question at that time, and I would like to ask the general
21 counsel again.
22 It is my understanding that rewrite of this particular

1 regulation for purposes of governing this board of directors is
2 to more clearly and more closely relate to the requirements of
3 the Sunshine Act.
4 Is that basically the direction in which we are
5 moving?
6 MR. McCARTHY: That is correct, as well as to make a
7 provision that in the event of an extraordinary situation where
8 the board cannot conduct its business -- but the primary concern
9 has been to conform more closely to the Sunshine Act.
10 MR. FRANKUM: I will second the motion.
11 MR. McCARTHY: Thank you. We have a motion that has
12 been seconded. Mr. Ferrara?
13 MR. FERRARA: Aye.
14 MR. McCARTHY: Mr. Frankum?
15 MR. FRANKUM: Aye.
16 MR. McCARTHY: Mr. Angrisani?
17 MR. ANGRISANI: Aye.
18 MR. McCARTHY: The motion to adopt the regulations
19 1622 have been approved by this committee and are adopted.
20 The next report is on 1629, bonding of recipients.
21 Allen can you give us a rundown, please?
22 MR. SWENDIMAN: The second matter is with part 1629,

1 "Bonding of Recipients."

2 The proposed rule was published in the Federal

3 Register on June 6th of this year. The comment period ended

4 July 6th.

5 We received 22 comments within the time period. Those

6 comments broke down into two areas. The first was that a

7 comment that the amount of coverage had been changed from 25

8 percent to 10 percent.

9 And second, that the amount of coverage actually

10 should be determined by the local governing body, and that there

11 should be no national standard at all.

12 I should preface my remarks by saying that we have

13 reviewed the coverage by a sample of the programs. We have

14 ascertained that the amount of coverage ranges anywhere from 1

15 percent to approximately 43 percent.

16 We do know that a substantial majority of the programs

17 are bonded. We have pursuant to the committee's request sought

18 to obtain an estimate with respect to what a national bond would

19 cost.

20 We had some difficulty doing so because several of the

21 companies required a full application to be made before a quote

22 would be given. Given the amount of detailed information that

1 would be required, that was impossible to obtain.

2 However, there was one company that had some

3 familiarity, and based on what we were able to provide, stated

4 that a national bond for a three-year period would run

5 somewhere between $750,000 and $800,000. Again, that would

6 break down to approximately $250,000 to $275,000 per year.

7 Based on the comments as well as our discussions with

8 several agencies, we are recommending subtle changes with

9 respect to the bonding. First, in 1629.1, we would recommend

10 that the percentage be changed to ten percent, and that the

11 minimum bond be $50,000.

12 The minimum level is suggested because any loss for a

13 small program would be disproportionately greater than for one

14 of the larger programs. Where we have a situation where a

15 program may be of about $100,000, ten percent of that would

16 still fall within what is deemed to be a situation where prudent

17 management would dictate that the bond be larger.

18 In fact, the minimum level was suggested by one of the

19 commenters, and it was deemed to be appropriate in this

20 particular situation.

21 The other change that would be recommended is in

22 1629.6. This had to do with the amount of individual bonds.

1 The recommendation is made that the section be
2 deleted. The reason being that it is based on questions that
3 have been received.
4 It is somewhat confusing in terms of percentage.
5 These are the 10 and, originally, 25, but more importantly,
6 there was a difficulty in being able to ascertain ten percent of
7 the funds being handled by an individual.
8 The recommendation to strike that provision does not
9 mean that individual bonds are precluded. The remaining
10 sections of the proposed regulation stand, and the overall
11 percentage of ten percent of the annualized level of funding
12 would apply; but the feeling was that this section was somewhat
13 confusing. So the proposal would be to delete 1629.6.
14 As I said, it will not affect the overall regulation
15 and will permit individual bonds. I might add that as mentioned
16 before, 22 comments were received within the time period. You
17 were provided a copy of each one of those comments.
18 This would close my presentation with respect to this
19 proposed rule. I will be glad to answer any questions that you
20 might have.
21 MR. McCARTHY: Does the board have any questions for
22 our general counsel?

1 I want to again commend the staff on what I think is a
2 very thorough job they have done in analyzing the various paths
3 for fulfilling this obligation of insuring that the funds are
4 accountable.
5 I do want to thank you, Allen, and the rest of your
6 staff.
7 This is the subject of the committee report that --
8 MR. FRANKUM: Mr. Chairman, I have one comment. The
9 board has been criticized in the past for not reviewing input
10 and for not looking at the picture in an objective manner.
11 I think this is a very good example how staff, if
12 there is a desire on the part of the public or the part of those
13 grantees who feel that they have a particular opportunity or
14 need to express interest and help the staff in doing what I
15 think is a very laudible job -- by the way, if it had not have
16 gone to ten percent, I was going to suggest that we consider
17 that. Now staff has done that, I think that is the way it
18 should have been done.
19 I think that we should thank the staff and thank those
20 people who took the time to write the letters and to provide the
21 kind of comment that was provided which I thought was very
22 constructive and certainly on target.

1 MR. FERRARA: Mr. Chairman, hearing those comments, I
2 would move that the regulation be amended in accordance with the
3 comments made by Mr. Swendiman, and also move that the
4 regulation as thereby amended be adopted.
5 MR. FRANKUM: I second that.
6 MR. McCARTHY: It has been moved and seconded.
7 Mr. Ferrara?
8 MR. FERRARA: Aye.
9 MR. McCARTHY: Mr. Frankum?
10 MR. FRANKUM: Aye.
11 MR. McCARTHY: Mr. Angrisani?
12 MR. ANGRISANI: Aye.
13 MR. McCARTHY: Unanimously adopted by this board.
14 Agenda item 6, report from appropriations and audit
15 committee.
16 MR. FRANKUM: Mr. Chairman, we had this meeting
17 several weeks ago, and at that time discussed the matter of the
18 bonding issue which we have now resolved, so I will not get into
19 that particular issue.
20 We did discuss the second quarter budget modifications
21 that have been recommended, and for matters discussed at the
22 committee, we have deferred that recommendation to the board

1 until a later date.

2 We also selected a new corporation auditor,

3 Peat-Marwick, based on recommendations of the committee and, I

4 think, that concluded the report from that committee.

5 MR. McCARTHY: Thank you, Ron. The next agenda item

6 is item 8, report from the Office of Government Regulations.

7 MR. STREETER: Thank you, Mr. Chairman. The tax bill

8 which recently passed the House and Senate contained a provision

9 which corrected the problems we were having under Social

10 Security where our employees were paying the amount into both

11 civil service retirement and social security.

12 Under the terms of the tax bill, employees of legal

13 services will be treated the same as other participants in the

14 civil service retirmement system. That bill, as I say, passed

15 the House and Senate, and should be signed by the President very

16 soon.

17 The House passed an appropriations bill for the State

18 Justice Commerce departments. That bill contains the legal

19 services appropriations; however, the committee bill which

20 contained $325 million, when it reached the floor, a point of

21 order was made that it contained appropriations for an

22 unauthorized program and so all funds were deleted in the

House.

1 In the Senate the committee recorded a bill with $297
2 million. Both the House and Senate continued basically the same
3 restrictions on activities and on funding. The Senate, in
4 addition, subjected the regulatory process to the reprogramming
5 provisions of section 509 of the bill. That provision is
6 retroactive to April 27.
7 There had been restrictions in the committee bill on
8 travel. That was deleted on the floor. A point of order was
9 made against the committee bill for containing authorization
10 language in an appropriations bill. The parliamentarian
11 sustained the point of order, but it was overturned by a vote of
12 the Senate.
13 The bill will now go to conference scheduled during
14 the three-week session that is coming up at the end of this
15 month. They expect to finish the conference in that three-week
16 period so that between the 23rd of this month and August 10th
17 we should see action on our appropriations bill.
18 There is also a possibility of a confirmation of the
19 new nominees, but there is no certainty about it. That had been
20 scheduled to come up throughout the spring and has not yet
21 moved. So we are really running out of time if it does not come
22 up in the next three-week session coming up at the end of this
month.

1 MR. McCARTHY: Thank you, Jim. Does the board have
2 any questions of Jim?
3 I have some requests from the audience to address the
4 board on agenda items. The first one I see is Randy Chapman.
5 Randy would you like to give us the benefit of your comments?
6 MR. CHAPMAN: I would just like to comment. I listed
7 that in advance not knowing what the predisposition or business
8 items was before the agenda was changed.
9 I would ask in the future, though, that the board take
10 comments at the appropriate time in the agenda, not wait until
11 the end of the meeting. I had no comments on the particular
12 regulations today so did not request time then.
13 MR. McCARTHY: That was my assumption.
14 MR. CHAPMAN: Is that your assumption how the board
15 will operate in the future?
16 MR. McCARTHY: I cannot tell you how the board will
17 operate in the future.
18 MR. CHAPMAN: I'm sorry?
19 MR. McCARTHY: I said, "I cannot guess what the board
20 will do in the future."
21 MR. CHAPMAN: Neither can I. Thank you.
22 MR. McCARTHY: We had some other requests.

1 MS. McHAHON: I am Patricia McHahon, the chair of the
2 funding criteria committee and advisory group. My comments
3 today are directed at the deferral of the report of the
4 appropriations and audit committee -- or at least the report of
5 staff to the appropriations and audit committee.
6 The staff had proposed that amounts be taken from the
7 budget items, Roman numeral I-D, program improvement, and Roman
8 numeral I-E, delivery research, and given to the field to
9 increase the delivery of services to clients.
10 That action was deferred on the basis of the passage
11 by the Senate appropriation commitee --
12 MR. FRANKUM: Mr. Chairman.
13 MR. McCARTHY: Yes.
14 MR. FRANKUM: A point of order. This is not a matter
15 before us. It was deferred --
16 MS. McHAHON: This is a time for public comment, and I
17 would like to take the opportunity to make a public comment.
18 MR. McCARTHY: If the chair may exert it's discretion,
19 I would think this is not the appropriate time for that. It has
20 been deferred.
21 At an appropriate time it will come up, probably
22 before a new board, and at that time you will have the benefit

1 of making any comments to them.

2 MS. McHAHON: That public comment is only what you

3 want to hear?

4 MR. McCARTHY: That is exactly correct, yes. It is at

5 the discretion of the chairman of the board.

6 MS. McHAHON: It is only on issues that you want to

7 hear comments on?

8 MR. McCARTHY: That is exactly correct, yes.

9 MS. McHAHON: You do not want to hear a discussion of

10 why $5.7 million is being held instead of being spent to serve

11 57,000 eligible clients?

12 MR. McCARTHY: As Ron pointed out, the item is not on

13 this agenda. It has been deferred, and as I say, your education

14 process will be more beneficial to a new board than it would be

15 to this board, because I suspect at the end of this month this

16 board will not be in session. I think it would be more

17 efficient.

18 MS. McHAHON: This board is authorizing one more

19 month, or two more months of delay in allocating $5.7 million to

20 be used for needy clients.

21 MR. FERRARA: I am going to move that the meeting be

22 adjourned, and I am going to ask you not to talk. It is very rude,

1 and so I move this meeting be adjourned.

2 MR. McCARTHY: Thank you for your motion, but as

3 chairman, I will have to entertain the motion. Do I hear a

4 second? No second. We will continue with comments.

5 Thank you, Patricia, but I think we have covered your

6 point.

7 Judith Stainbrook was going to address Item 7. That

8 has been disposed of by not being on the agenda. Also Barbara

9 Ann Steel.

10 So, unless they have any comments as to any of the

11 agenda items, I would suggest that that be deferred until that

12 comes up before a board.

13 MS. STAINBROOK: Mr. Chairman?

14 MR. McCARTHY: Yes.

15 MS. STAINBROOK: I just have a comment on the deferral

16 of the agenda, if I might. Would it be possible to know in the

17 future when the topic of the re-organization comes up, for us to

18 know in advance what the content of the plan will be?

19 MR. McCARTHY: I think that in this board's filing

20 with Federal Registry of our agenda, that the details are set

21 out in conformance with any requirements there. So I don't

22 think I can answer that question on behalf of this board.

1 MS. STAINBROOK: Okay. I would just like to comment
2 that it was extremely difficult to prepare comments on a plan
3 which we did not know. The agenda item merely said "budget and
4 re-organization," and we were not aware of what form the
5 re-organization would take.
6 MR. McCARTHY: That item is now moot, so thank you for
7 your concern.
8 That takes care of the requests to speak that we had
9 received which I want to thank each and every one for conforming
10 with our request.
11 MS. EISENBERG: Mr. Chairman, Eleanor Eisenberg.
12 MR. McCARTHY: Yes, Eleanor.
13 MS. EISENBERG: I would like to point out a flaw in
14 this system in that I sent a request to you immediately upon my
15 receipt of the notice which was not until Thursday of last
16 week.
17 That obviously is not enough time because you did not
18 receive my request. The point may be moot since you are not
19 entertaining comments on the deferrred agenda items in any
20 event, but I think it appropriate for me to point out that the
21 system may not be working for people who are removed from the
22 immediate Washington area.

1 MR. McCARTHY: Thank you, Eleanor. I think that --

2 MS. BERNSTEIN: Bob, can I just make a point that

3 Randy Chapman handed me his request prior to the meeting, and

4 Eleanor had been in the room for a while before Randy was. So

5 Randy was given the opportunity to speak, and this is a little

6 fallacious reasoning.

7 MR. FERRARA: Moreover, if she was going to speak to a

8 relevant item, we would allow her to speak regardless of the

9 fact that she did not have -- or we might allow her to speak --

10 regardless of the fact that she did not file written request.

11 MR. BRAUDE: Mr. McCarthy, two procedural questions.

12 MR. McCARTHY: Could you identify yourself for the

13 record.

14 MR. BRAUDE: My name is Jim Braude, and I am with

15 the National Organization of Legal Services Workers.

16 Just in case we do not have a new board at the end of

17 the month, and you do continue -- one, you stated at the end of

18 the agenda that the item concerning regional office

19 re-organization was being deferred because, did you say,

20 "inadequate notice"?

21 MR. McCARTHY: No, I did not say that.

22 MR. BRAUDE: Wasn't there some language about a

1 "notice problem"?

2 MR. McCARTHY: No. I said that notice of the deferral

3 or the removal for the agenda had been given to the Federal

4 Registry.

5 MR. BRAUDE: Okay. My apologies. I walked in the

6 room as the meeting started.

7 Two more very quick things. One, I do not know if

8 that is a serious comment by Ms. Bernstein --

9 MR. FERRARA: It was a serious comment.

10 MR. BRAUDE: Can I finish the sentence?

11 MR. FERRARA: If you are going to attack someone

12 personally, I am not interested in hearing your comment.

13 MR. BRAUDE: Do you want to make a motion to adjourn

14 the meeting before I finish the sentence? That's my third

15 comment.

16 MR. FERRARA: Yeah, I move to adjourn the meeting.

17 MR. BRAUDE: My third comment, Mr. McCarthy, is it's

18 unbelievable in what is intended to be, by your standards, an

19 open process that because you disagree, one, with the substance,

20 and two, because Mr. Ferrara seems to disagree with the right of

21 a person who has been in the legal services community for years

22 to speak, that he would make a motion to close the meeting.

1 MR. FERRARA: She has no right to speak before this
2 board.
3 MR. BRAUDE: Can I finish, Mr. Ferrara, please?
4 MR. FERRARA: I will talk whenever I want to talk,
5 okay? Whenever I want to talk, I will talk.
6 MR. BRAUDE: Why don't you make another motion and we
7 will have it denied and then I will continue.
8 MR. FERRARA: I move the meeting be adjourned.
9 MR. BRAUDE: Fine. Let's hear what the result is and
10 then I will decide if I can finish the sentence or not. It is
11 outrageous.
12 The concept I am trying to put across is Mr. Ferrara
13 had made the best case possible for the point that Mr. Swendiman
14 was speaking about before, point number three, about emergency
15 sessions. At least one of the five of you thought it was
16 appropriate after about five seconds of disagreement to close
17 the meeting. Luckily the other four of you didn't.
18 MR. FERRARA: You are wrong again about that. I did
19 not make a motion to have an emergency session. You haven't
20 said anything that I have heard so far that has any bit of logic
21 or truth to it.
22 You have attacked someone over there falsely.

1 MR. BRAUDE: I didn't attack her. I --.

2 MR. FERRARA: I move the meeting be adjourned, okay?
3 As a matter of fact, call me back when you are going to have a
4 motion to adjourn.

5 MR. BRAUDE: Mr. McCarthy, when the motion -- I will
6 go get Mr. Ferrara when the motion is --

7 MR. McCARTHY: We have a motion on the table. Do I
8 hear a second?

9 Not hearing a second --

10 MR. BRAUDE: Behavior by a member of the board of
11 Legal Services Corporation like that is nothing short of
12 scandalous. And also, if I were you -- and I assume this is the
13 case -- I would be terribly embarrassed by his behavior. I am
14 as a member of the Legal Services Community. I would assume you
15 are as well.

16 I would suggest that Mr. Ferrara be spoken to by you
17 all before he comes back to be told to treat us respectfully,
18 courteously and have a little patience.

19 Thank you very much.

20 MR. McCARTHY: Thank you very much. Do I hear a
21 motion to adjourn this meeting?

22 MR. ANGRISANI: I wouldn't dare.

1 MR. FRANKUM: I don't want to stop any public
2 comment. I was noping we would hear from the American Bar
3 Association or someone else.
4 So far, we have heard from grant recipients who are
5 paid to come here and talk.
6 MR, BRAUDE: We are not a grant recipient. We get no
7 money from Legal Services Corporation whatsoever, Mr. Frankum.
8 MR. FRANKUM: Pardon me. I didn't know that. Maybe I
9 should have asked the same questions that I asked of you that I
10 asked of Pat the last time she was here because I always assumed
11 that you were paid.
12 MR, BRAUDE: I am, but not by the Legal Services
13 Corporation.
14 MR. ANGRISANI: Mr. Chairman, I think now is an
15 appropriate time to adjourn. I so move.
16 MR. McCARTHY: Do I hear a second?
17 MR. FRANKUM: I'll second it.
18 MR. BOGARD: Aye.
19 MR. FRANKUM: Aye.
20 MR. ANGRISANI: Aye.
21 MR. McCARTHY: By general consent this meeting is now
22 adjourned.
(proceedings adjourned at approximately 10:20 o'clock)
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1 CERTIFICATE OF REPORTER

2 I, PATRICIA A. SMITHLIN, a reporter in the District
3 of Columbia, before whom the foregoing board of directors'
4 meeting was taken, do hereby certify that the foregoing board
5 of directors' meeting was taken by me in Shorthand at the time
6 and place mentioned and thereafter reduced to typewriting under
7 my supervision, and that said proceedings are a true and
8 accurate record.

9

10 Patricia A. Smithlin
PATRICIA A. SMITHLIN
11 Court reporter

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