

ORIGINAL

LEGAL SERVICES CORPORATION
AUDIT AND APPROPRIATIONS COMMITTEE
Public Session

March 24, 1991

4:40 p.m.

The Madison Hotel
Drawing Rooms 1 and 2
15th and M Streets, N.W.
Washington, D.C. 20005

Present:

Howard H. Dana, Jr., Chairman
Basile J. Uddo
Jeanine Wolbeck

Board Members Present:

J. Blakely Hall
William Kirk
Jo Betts Hall *e love*

Staff Present:

David H. Martin, President
Patricia Batie, Secretary
David Richardson, Comptroller and Treasurer

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P R O C E E D I N G S

1
2 CHAIRMAN DANA: I'd like to call what will be known
3 as the Basketball Committee meeting of the Audit and
4 Appropriations together. It's a little after 4:00. The first
5 item of business will be the approval of the agenda, and I
6 would like to, with the committee's permission, I would like
7 to add two items to the agenda as Items 4 and 5.

8 Item 4 should be a consideration of a specific
9 recommendation concerning board compensation, and Item 5 would
10 be consideration of any board action necessary to deal with a
11 supplemental appropriation that has passed both houses of
12 Congress and is on the President's desk for signing.

M O T I O N

13
14 MR. UDDO: I move the approval of the agenda with
15 those additions.

16 CHAIRMAN DANA: Is there a second?

17 MS. WOLBECK: I'll second.

18 CHAIRMAN DANA: Any discussion?

19 (No response.)

20 CHAIRMAN DANA: All those in favor say aye.

21 (A chorus of ayes.)

22 CHAIRMAN DANA: Opposed?

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1 (No response.)

2 CHAIRMAN DANA: It's a vote. The next item on the
3 agenda is approval of the minutes. The minutes are in the
4 Board book. I have one suggested change, that occurs on Page
5 2. The last sentence on Page 2, in my judgment, should read,
6 "Mr. Dana offered committee members and staff guidelines
7 dating to 1980 and 1985, that permitted some discretion, but
8 involved the committee and the Board in changes to the
9 consolidated operating budget. A copy of the material
10 supplied is attached to these minutes."

11 MR. UDDO: I guess we have to -- do we have to move
12 this change, or can we just accept it if nobody has any
13 objections?

14 CHAIRMAN DANA: If no one has any objection, we can.

15 M O T I O N

16 MR. UDDO: Then I move the approval of the minutes
17 with that change.

18 MS. WOLBECK: I second.

19 CHAIRMAN DANA: Are there any other changes?

20 (No response.)

21 CHAIRMAN DANA: All those in favor say aye.

22 (A chorus of ayes.)

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1 CHAIRMAN DANA: Opposed?

2 (No response.)

3 CHAIRMAN DANA: It's a vote. The next item on the
4 agenda is the consideration of the revised Fiscal Year 1991
5 consolidated operating budget. The revision in it's current
6 form is, I think, on the last page of the Board book.

7 The committee has recovered materials from the
8 administration detailing and explaining these items, and two
9 very helpful communications from the President, explaining the
10 personnel assumptions and priorities that are incorporated in
11 this budget, and the reductions necessary to get the overall
12 size of the M and A budget down to the level of funds
13 available.

14 Mr. Richardson, if your voice is with us, could you
15 join us?

16 MR. RICHARDSON: Good afternoon, members of the
17 committee.

18 CHAIRMAN DANA: I'd like to personally express my
19 appreciation for what I think was a very helpful and
20 productive day in Washington a couple of weeks ago, and for
21 the job that's been done. For those of us who are only
22 sometimes directors of this corporation, it's helpful. It

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1 takes a while for some of this sink in. But it is important
2 for at least some Board members to fully understand or try to
3 understand the minutiae of the corporate organization.

4 Do members of the committee have questions relating
5 to this budget?

6 MR. UDDO: I don't have any questions. I think that
7 the material we were supplied was helpful. I mean, I think
8 that a lot of progress has been made since the last meeting,
9 and I found that the changes and the supporting data were
10 helpful and enlightening and responsive, by and large, to what
11 the committee's concerns were at the last meeting.

12 So I join the chairman in his expression of
13 appreciation for the time that's gone into trying to respond
14 to the committee's concerns.

15 CHAIRMAN DANA: Do you or the president have
16 anything you would like to say about this budget?

17 MR. MARTIN: I'll just say very briefly, I think it
18 represents a responsible budget, a good allocation of our
19 resources. We hope to come in under budget, or on budget, and
20 we're looking at the compensation system, the merit system.
21 We appreciate the committee's suggestions at our last meeting,
22 and I think we've taken many of them into consideration.

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1 We've had one meeting about our combining the system
2 of COLA's in the Federal Government with a system of merit
3 increases, which I think is very important, and we're now
4 working towards what we think is a very sensible but
5 meaningful approach to dealing with that. And when we've
6 completed that analysis, we'll have it available for the
7 committee.

8 CHAIRMAN DANA: Great. David, anything from you?

9 MR. RICHARDSON: Not at this point, sir.

10 CHAIRMAN DANA: Are there any other Board members or
11 members of the public that would like to ask any questions of
12 either the committee or the staff, concerning the proposed COB
13 for 1991?

14 (No response.)

15 CHAIRMAN DANA: Hearing none, I think a motion is in
16 order.

17 M O T I O N

18 MR. UDDO: I move the adoption of the consolidated
19 operating budget -- what schedule is it on that we have to
20 refer to?

21 CHAIRMAN DANA: It's Attachment B.

22 MR. UDDO: I want to make sure we get the right

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1 thing here. Attachment B, Page 52?

2 CHAIRMAN DANA: Correct.

3 MR. UDDO: Then I move the adoption of the
4 consolidated operating budget as it is detailed in Attachment
5 B of the committee book, on Page 52.

6 CHAIRMAN DANA: And recommend it to the full Board?

7 MR. UDDO: To recommend it to the full Board.

8 CHAIRMAN DANA: Is there a second?

9 MS. WOLBECK: I second it.

10 CHAIRMAN DANA: It has been moved and seconded. Is
11 there any discussion?

12 (No response.)

13 CHAIRMAN DANA: Hearing none, all those in favor say
14 aye.

15 (A chorus of ayes.)

16 CHAIRMAN DANA: Opposed?

17 (No response.)

18 CHAIRMAN DANA: It's a vote. Unanimous. The next
19 item on the agenda is -- and, again, I do want to commend the
20 Davids for working with the committee and bringing us along as
21 you have. At the last meeting there was an arguably ambiguous
22 and enthusiastically received motion.

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1 MR. UDDO: Maybe because it was arguably ambiguous.

2 CHAIRMAN DANA: Right. It was adopted relating to
3 board compensation. And it appears on Page 5 of the Board
4 book.

5 MR. RICHARDSON: Excuse me. Mr. Dana, excuse me, as
6 you all turn to that. You may want to go ahead and ratify the
7 total consolidated operating budget that's on 51. There was a
8 number of changes to that, and it was never adopted at the
9 last meeting, in its entirety.

10 So just as a point of clarification: For instance,
11 the basic field money was added back to the allocation, so was
12 the Native American and the migrant. So this budget, as
13 proposed on 51, was not ratified in its total.

14 CHAIRMAN DANA: That, and typically, the full -- I
15 gather we have ratified pieces of it, have we not?

16 MR. RICHARDSON: Yes, sir.

17 M O T I O N

18 CHAIRMAN DANA: So I will undertake that as a
19 suggestion that someone move that Attachment A be adopted in
20 toto as the corporation's COB for 1991.

21 MR. UDDO: So moved.

22 CHAIRMAN DANA: Is there a second?

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1 MS. WOLBECK: Second.

2 CHAIRMAN DANA: Any discussion?

3 (No response.)

4 CHAIRMAN DANA: Hearing none, all those in favor say
5 aye.

6 (A chorus of ayes.)

7 CHAIRMAN DANA: Opposed?

8 (No response.)

9 CHAIRMAN DANA: Thank you, sir. I don't want to
10 belabor the issue, but as the committee is aware, there is a
11 long history of Board compensation and its permutations and
12 combinations. Two of us understood this vote to propose that
13 we pay the full amount provided by law to Board members for
14 service to the corporation.

15 At the present time we are paying approximately two
16 thirds of that only for attendance at Board and committee
17 meetings of which the Board member is a member. So that I see
18 several Board members out here in the audience, and while they
19 are here under the current way that this has been interpreted,
20 they would not be compensated for service, but the three of us
21 would.

22 Additionally, at the present time and for a long

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1 time, Board members have not been compensated for study time,
2 or work -- reading materials at home. And that practice
3 existed up to 1982 when -- a painful experience for myself--
4 there was an immense outpouring of concern by some Congressman
5 and a GAO investigation of the Board on which I sat in 1982.
6 And since that time, the compensation to Board members has
7 been sparse.

8 I say sparse, I keep track of the time that I spend
9 in LSC-related matters, and this year it turned out to be \$5
10 an hour. It really doesn't matter to me particularly, since I
11 turn that compensation over to my law firm as a modest thank
12 you for permitting me to do this. But not everybody has 80
13 fellow lawyers helping to pull the weight.

14 So at least two members of the committee feel that
15 as an inducement and an encouragement to Board members to
16 study at home and put in the time necessary to provide the
17 policy direction and leadership for a \$350 million
18 corporation, that they be compensated for that, and \$5 an hour
19 is arguably not adequate to induce that level of commitment.

20 But we are in a political environment. All of us
21 are up for Senate confirmation, and so there's a political
22 risk in a time of tight fiscal concerns, to appear to be

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1 unduly self-serving in one's approach to this. This is a
2 matter that is on the agenda for tomorrow, and I just wanted
3 to see if the committee wanted to fine tune its recommendation
4 today.

5 MS. WOLBECK: Obviously, I am the other of the other
6 two, and I guess my feelings are that -- at least I understood
7 in the motion, that we would be compensated to the ceiling on
8 the per diem. I didn't know that it included other things,
9 time at home, et cetera. I didn't know that was included.

10 I would like to see us compensated to a larger
11 amount, but rather than have time at home included, I'd like
12 to have the extra people who are willing to put in time in the
13 committee meetings, the extra Board members that come to the
14 meetings, that are willing to come, to be compensated.

15 And possibly, even when we were discussing this -- I
16 hadn't thought about this before -- but maybe some of the,
17 like, the Chairmen of the committees when they have to do
18 other meeting work, when they have to come -- like, how we're
19 coming to Washington and spending a day with these people to
20 sort out a lot of things that I don't have to deal with, that
21 he could be compensated for that day, rather than time at
22 home, which I think would be hard to monitor.

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1 That's just some of my thoughts, and I'm sure I'm
2 coming from a whole different perspective on this, because \$5
3 an hour sounds pretty good to me, and, you know, \$360, \$389
4 that's a lot of money to me, so I feel like I can spend a lot
5 of time at home.

6 I mean, I don't feel like \$389, or \$260 even is--
7 that's a lot of money for me to spend a day in Washington.
8 And I think I can take some of that and apply to the time I
9 spend at home, but that's because I'm coming from a \$5 an hour
10 wage being a pretty average wage where I live. So it's a
11 whole different thing for me.

12 MR. UDDO: I understand exactly what Jeanine is
13 saying. But I made the motion, and I would echo I think
14 Howard's approach, and that is that there is an awful lot of
15 time involved in doing it, and doing it the way it should be
16 done. Committee work, in particular, takes an awful lot of
17 time in reading and preparation, and this committee, at least
18 during certain times of the year, takes an awful lot of time
19 and preparation.

20 As I was explaining to Jeanine and Howard, the stack
21 of material that I've got for the reauthorization committee is
22 about two feet high right now, and I think that I'm going to

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1 have to read it, and I think the folks on that committee are
2 going to have to read it to get a good background as to what's
3 going on with reauthorization and to be prepared for the
4 hearings and to be able to question people and ultimately make
5 some recommendations to the Board on some fairly highly
6 charged issues that are going to come up in the
7 reauthorization process.

8 So I think that it's fair to compensate people for
9 putting in that kind of time, because it does take them away
10 from other things. I think I view Jeanine's time and Ms.
11 Love's time as similarly valuable, not just based on what they
12 might otherwise be doing if they weren't doing this.

13 I think that the responsibility that you've been
14 given is a valuable responsibility. I mean, you've been
15 asked, along with the rest of us, to take on the
16 responsibility for managing this large complicated
17 corporation.

18 So I view your time in doing that as every bit as
19 valuable as my time or anyone else on the Board. So that's
20 where I would disagree with you. You're going to be doing the
21 same things that we're going to do in terms of the
22 responsibility and the commitment, so I view your time as

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1 valuable as anyone else's on the Board.

2 But having said that, there are three other Board
3 members here that I see. It wouldn't hurt to get some advance
4 notices as to what they're thinking, if any of the Board
5 members have any thoughts on this. They may not want to --

6 MR. HALL: What kind of compensation?

7 MR. UDDO: Well, we had talked about what the
8 guidelines allowed, but I don't see any reason why we can't,
9 you know, pick a figure that we think is one that increases it
10 from where it's been since I first came on in '84. It hasn't
11 changed since '84, I don't think.

12 CHAIRMAN DANA: I don't know about '84, at least '85
13 for sure.

14 MR. UDDO: Well, we were recess appointed at the end
15 of '84, so I'm judging from that. Is that -- David, do you
16 recall if it's -- I don't think it's been increased since
17 then.

18 MR. RICHARDSON: It hasn't.

19 CHAIRMAN DANA: It's \$261 now.

20 MR. RICHARDSON: That's right.

21 CHAIRMAN DANA: And it could go to \$389. I guess my
22 feeling is that I'm not sure that we have the money in the

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1 budget to go to \$389 and pay for other than meetings, assuming
2 everybody comes to the meetings, which they won't do. But I
3 would almost prefer to back off on the rate some and expand
4 the scope for which people are paid.

5 I understand Jeanine's point about monitoring one's
6 time. That is not as much of a problem for lawyers, because
7 we do that all the time, in the sense that we are -- that's
8 what we charge people for: our time. And so we have -- some
9 of us do it better than others, but we monitor the amount of
10 time we spend in various activities and record it, hopefully
11 on a daily basis.

12 MR. UDDO: I'm laughing over here because most
13 lawyers that I know, it's more likely when somebody forces
14 them to record it on a daily basis, but maybe people are
15 getting better in the age of computers. When I was with a big
16 firm, they used to beat us once a month to get us to make sure
17 that that was all done.

18 CHAIRMAN DANA: Twice a month in Maine. Bud, do you
19 have any thoughts on it?

20 MR. KIRK: I'm opposed to the principle, most of it.
21 I feel like the \$389 a day is like \$50 an hour for the time
22 that we spend. That's more money than most of the people that

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1 work for the corporation are out there earning. I think that,
2 a great deal, we're giving public service. And when we came
3 on, I kind of knew what the score was, and I was willing to do
4 it in order to give to it.

5 I am very strongly opposed to study time and time--
6 anything other than official committee meetings, because I
7 think it tends to make disequal members of the Board, you
8 know. The person who has the time and wants to get paid for
9 attending meetings becomes more of an authority and better
10 speaker, and I'm not really in favor of that.

11 I know I'm in the minority, and I have to apologize
12 for disagreeing with you all, but I will probably oppose it,
13 but the thing I will oppose the most is the study time at home
14 and anything other than the authorized committees.

15 MS. WOLBECK: How do you break that down to \$50 a
16 hour? How are you figuring that?

17 MR. KIRK: Eight hours.

18 MS. WOLBECK: See, I don't think about it that way.
19 I think about it as -- I mean, if there's \$260, and that's
20 what I got in a check for my monthly meeting, that's anything
21 I put in during that month, comes out of that \$260. That's
22 not \$50 an hour.

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1 MR. KIRK: You and I are thinking the same.

2 MS. WOLBECK: See, that's where I mean -- what you
3 were saying about me valuing my time; I value my time. My
4 time is worth as much as anybody's. But I don't think about
5 it that way. I think about it as for the service for that
6 month, it's \$260. And if I put in 30 hours that month, then I
7 got less, if I put in 2, I got a lot. That's the way I think
8 about it. So I guess it's just --

9 MR. KIRK: I think we did it the other way, where
10 you kept track of your hours and all of it would come out to
11 \$50 or \$40 or \$30 or something like that, a heck of a lot
12 bigger than it came out to be.

13 MS. WOLBECK: I don't think you can put an hourly
14 wage on this type of thing. It's a service, it's not a job.

15 MR. HALL: Howard, I understand the \$389. What I
16 was curious about is how would you compensate for the hourly
17 or the at home study? If I read my Board book on the plane
18 home to Rockwell for the three-hour trip, would I get paid
19 \$15?

20 CHAIRMAN DANA: Oh, no. If you were --

21 MR. HALL: I'd like to buy a \$250 an hour lawyer at
22 \$10 an hour, if that's what you guys are. So you might be

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1 worth \$10 an hour to me.

2 CHAIRMAN DANA: Right. And, I mean, the way I would
3 view it is that if the daily rate is X, divided by eight, then
4 that's the hourly rate. So and that is, in fact, how it used
5 to be, from about 1975 to 1982, people were paid at the rate
6 of the president's salary spread over the year and divided by
7 hours. And that was what happened. And it was only after the
8 hoopla of late '82 that we went back to the pay only for
9 meetings, and then only if you were an official member of the
10 meeting.

11 I don't think there's a right answer in this,
12 incidentally. And I think the primary reason why I favor it
13 is that I do think that it is the one way of encouraging Board
14 members to put in the time that is necessary, is to make sure
15 they get paid more than \$5 an hour. And maybe not \$45, but
16 maybe it ought to be more than \$5.

17 Is there a --

18 MR. UDDO: Do you have anything, Ms. Love?

19 MS. LOVE: Well, this came up last year, and Mr.
20 Collins wanted me to vote it in, and I told him no, I wasn't
21 going to vote anything in, because -- if you go back into the
22 minutes you'll see it -- but I was satisfied enjoying going

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1 out meeting the people, and I was the only one who had gone to
2 the field at the time, to do two different, in my own state
3 and into Pennsylvania.

4 So I enjoy doing what I'm doing because I'm
5 learning, and I'm not a professional attorney or anything, but
6 I think you all make enough, you know. So maybe, you know--
7 I'm not politically inclined or, you know -- And I know
8 Washington is, they say, full of money, but, you know, I
9 don't go along with studying at home, because I enjoy getting
10 in the middle of my bed, and I was reading those 300 resumes
11 to get the president. And I didn't get paid no \$5 an hour,
12 and it took me a while.

13 MR. UDDO: I'm sure it did.

14 MS. LOVE: So I'm with Ms. Wolbeck, and I think this
15 is cutting the poor people short, in a sense they got so many
16 more things. The military now is involved with us, they want
17 us to give them money, which they need it. So I don't really
18 -- I'm in a deadlock. I'm only one body. But if it's right
19 I'm going to agree with it, but if it's wrong I'm not going to
20 agree with it.

21 MR. UDDO: I tend to agree with Howard. I don't
22 think there's a right or wrong answer to this. I mean, I

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1 think this is one of those questions that have an awful lot of
2 different ways of looking at it, and I wouldn't agree with you
3 that it shortchanges poor people, because I think that the
4 work we do is important for poor people. So, you know, I
5 wouldn't agree with that characterization of it.

6 If the work of the corporation is important for poor
7 people, the Board's involvement and activity and preparation
8 and meeting attendance is all important, too. But I think
9 maybe what we need to do is, if there are any changes we want
10 to propose in the motion, I'm sure that there will be a
11 lengthy discussion tomorrow.

12 I suspect that there are probably an awful lot of
13 different ways of doing this. For example, things that I'm
14 thinking are maybe have some limits on preparation time, that
15 we think are sufficient limits for someone to prepare for a
16 committee meeting or a Board meeting, and use those guidelines
17 so that it's not, as Ms. Wolbeck says, something that can't be
18 monitored, even though I trust all the people on this Board to
19 do that. I don't think anyone would abuse it.

20 Or maybe eliminate certain kinds of activity like
21 visiting programs -- I mean, that may be something that we do
22 for our own enrichment and experience and education -- and

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1 focus on things like preparation and attendance at meetings,
2 or attendance at -- see, I don't --

3 Bud, if what you were saying is, you know, someone
4 would get compensated for coming to the corporation as Howard
5 did last week, or week before, to meet with the staff to go
6 through some of these problems we had to get to the point
7 where it took all of 10 minutes to deal with the consolidated
8 operating budget. I don't agree with that.

9 I mean, I think that's a day that Howard takes, that
10 he doesn't have to take, to go to Washington to help
11 facilitate the work of the committee and ultimately the work
12 of the Board. And I think that's extremely legitimate time
13 well spent, that if we're going to be compensated for time, I
14 think that's legitimate time.

15 So I think we're going to end up somewhere in
16 between on some of these. Yes?

17 MR. KIRK: Mr. Chairman, I'm willing to listen to
18 anything. You all asked me what my views were at this point,
19 and I gave them. I have a practical suggestion. It seems to
20 me that something this committee might do -- I mean, this is
21 one of those things that will tie us up with parliamentary
22 procedure all day tomorrow.

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1 And what you might do is put down the things you
2 know increase in rate, payment for functions that you're not a
3 committee member of, but it's an official meeting, one of
4 those, none of those, study at home, and all that.

5 And maybe take some straw votes on that when we get
6 in, so we can focus in the areas where there might be support
7 or lack of support, as opposed to putting out a motion then--
8 I mean, honestly, it will take two hours to get through
9 otherwise. So if I can make that suggestion to you all.

10 MR. UDDO: I think it's a good suggestion.

11 MS. LOVE: I think you should get paid for coming in
12 if you lose a day with your firm. I think you coming in here,
13 working on what you're working on, I think you should get paid
14 for that. We have to compromise I think.

15 CHAIRMAN DANA: But I think -- do I hear a motion
16 that we follow Bud's suggestion and reason together a sort of
17 a -- and hopefully come up with a suggestion that has some
18 chance of passage, and approach it that way.

19 MR. UDDO: I think it's a good idea. Are you saying
20 that -- is that a motion to do that now? To try to do it as a
21 committee, to break it into parts, or to do it tomorrow at a
22 Board meeting?

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1 CHAIRMAN DANA: To try and do it, actually,
2 basically to confer among ourselves. Maybe poll Board members
3 what will fly, and see if we can develop a consensus.

4 MR. KIRK: My thought was just tomorrow to have a
5 list and kind of go into the committee as a whole without--
6 just let everybody kind of say, here's what I think of these,
7 and then if there's two or three things that have a lot of
8 support, let's let the motions be directed at those two or
9 three, or one or two, or what have you.

10 MR. UDDO: I agree with you.

11 CHAIRMAN DANA: Fine.

12 MR. UDDO: I think that will make it go faster. I'm
13 just questioning whether we should try to do that now as a
14 committee, or whether, you know, just -- we've already got a
15 motion. Take that as the committee's recommendation, and then
16 in some sort of ad hoc way, the three of us just try to break
17 it down and make those recommendations? Because we really
18 hadn't thought about it in its parts too much yet.

19 CHAIRMAN DANA: It may make sense to sort of think
20 it through in between now and tomorrow, and do it as Bud
21 suggests, when we get to the meeting tomorrow. But all of us
22 think about the components of this, the rate and for what

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1 kinds of service that rate should be applied.

2 MR. UDDO: I think we can rattle off a few that
3 people could think about. Obviously, the rate and which rate
4 we will fix this at is a key, and of course that could change
5 depending on whether we're going to compensate more activities
6 or not, but I think the rate is important.

7 I think we've already got the principle that
8 attendance at a committee meeting or a Board meeting would be
9 compensated.

10 CHAIRMAN DANA: Well, the first question is
11 attendance at the Board or committee meeting that you're on.

12 MR. UDDO: I mean, a committee meeting that you're a
13 member of, so breaking into new territory, on whether
14 nonmembers attending a committee meeting would be compensated.
15 And then non attendance-related activity, for example,
16 preparation for either committee or board meetings.

17 CHAIRMAN DANA: I suppose -- While we've never done
18 this, I suppose you could have two rates. You could have an
19 attendance rate, and you could have a preparation rate.
20 That's a theoretical possibility.

21 You could do that, or you could do as I say: have,
22 you know, put our heads together and figure out average

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1 preparation time for either a committee or a Board meeting,
2 and that's the limit to which you can be compensated, and you
3 have to submit some sort of a time sheet showing that you did
4 X number of hours or whatever. Travel time is also something
5 that was included in our earlier discussions.

6 I think what we've been talking about, I don't know
7 how we should characterize it, meetings with staff or other
8 meetings in Washington, or with staff. However you think we
9 should. What I'm saying -- in Washington, the staff is
10 distinguished from say, visiting a program, or giving a
11 speech, or some other board-related activity that's not
12 directed toward committee or Board work or preparations.

13 CHAIRMAN DANA: I have rate, attendance at a Board
14 or committee meeting, nonmembers attendance at committee
15 meeting. I have the concept of a preparation rate or
16 preparation, either for what, or some kind of a ceiling
17 associated with that; travel time; other meetings in
18 Washington with staff; and other non staff-related meetings,
19 such as visiting a program. Any other subcomponents? We may
20 be overdoing this.

21 MR. UDDO: I think that kind of covers the scope of
22 what we were talking about, breaks it into its parts. Any

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1 other parts that anyone can think of?

2 MR. RICHARDSON: You haven't mentioned, for
3 instance, when your chairmen go to your Congressional
4 reauthorization meetings.

5 MR. UDDO: That's a good point.

6 CHAIRMAN DANA: That might be other meetings in
7 Washington with staff or Congress.

8 MR. UDDO: That's a good point.

9 CHAIRMAN DANA: Should we leave it there?

10 MR. UDDO: Yeah, I think we should leave it there.
11 Do you want to amend this motion to take cognizance of what
12 we're really going to do tomorrow, or just leave this as the
13 committee's recommendation? We'd have to change Jeanine's
14 vote, because she doesn't really support the motion as worded
15 here. Do you prefer to just do that, or to come up with a--
16 how about this?

17 M O T I O N

18 I move that the committee recommend to the Board a
19 restructuring of Board compensation, taking into consideration
20 various categories of Board activity, and to establish
21 appropriate guidelines for compensation. How's that? That's
22 innocuous enough.

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1 CHAIRMAN DANA: That's excellent. Vote to consider
2 restructuring Board compensation taking into consideration
3 various activities --

4 MR. UDDO: And to propose guidelines, or to adopt
5 guidelines for compensation. Now, that doesn't actually say
6 we're supporting increasing or making the changes. You may
7 want to -- we may want to put it in those terms. Practically,
8 I guess, it doesn't make much difference. I mean, the Board
9 is still going to consider those things in that fashion and
10 make a decision.

11 CHAIRMAN DANA: We have a motion. Is there a
12 second?

13 MS. WOLBECK: Second.

14 CHAIRMAN DANA: Any further discussion?

15 MR. UDDO: Bud, does that reflect what you're
16 thinking is?

17 MR. KIRK: Yeah, I was just thinking it might make
18 it go faster tomorrow.

19 MR. UDDO: But that kind of a motion?

20 MR. KIRK: It sounded like there were a lot of
21 options.

22 MR. UDDO: But that kind of a motion, with those

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1 categories, ought to target this a little bit more?

2 MR. KIRK: Yeah, just so that George understands
3 what we'd like to do is just kind of take straw votes on--
4 talk on each one and take straw votes on them, and then maybe
5 we can -- you guys can come back after a recess or something
6 with --

7 MR. UDDO: With what we think will fly?

8 MR. KIRK: With a motion that we can get it going.
9 I just -- I don't know about you all, but I get frustrated
10 with the delays and some of the --

11 MR. UDDO: That meeting last time, that was short
12 and sweet, right, Blakely? I mean, that was nothing.

13 MR. KIRK: If George weren't running a good meeting,
14 it would have been forever I know that. He deserves more
15 credit.

16 MR. UDDO: We can tell you some stories about
17 meetings.

18 CHAIRMAN DANA: If there is no further discussion,
19 all those in favor say aye.

20 (A chorus of ayes.)

21 CHAIRMAN DANA: Opposed?

22 (No response.)

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1 CHAIRMAN DANA: It's a vote. The last item on the
2 agenda, we may just want to put it off until tomorrow, because
3 it's Congress has given the field another million dollars and
4 the President is about to, I assume, sign the bill. And I
5 don't know whether the Board has to take any action to carry
6 out Congress' intent or not.

7 MR. UDDO: Just a point of clarification. I haven't
8 seen -- I know that this has happened, but I haven't seen it.
9 Is it directed directly toward the field? Is there really no
10 -- so there's no really decision for the Board to make?

11 MR. MARTIN: It's just -- the compromise language
12 was that it's \$1 million to be distributed to the field, and,
13 according to the current grant ratios, we can do that through
14 a computer and advise the Board what it would be. It's to be
15 distributed for Fiscal Year '91 money, which would take the--
16 for the programs through the end of December.

17 CHAIRMAN DANA: Congress chose to provide all the
18 money in the "fill up the cup" category as opposed to across
19 the board, so that those programs that are at the ceiling, the
20 program at the ceiling doesn't get anything. But everyone
21 else gets their percentage of the -- they take the gap, the
22 total gap, and everybody shares proportionately. It amounts

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1 to 3.5 cents per poor person for those programs at the floor,
2 and then somewhat less as you are -- for the somewhat more
3 funded -- better funded programs.

4 But the president is absolutely correct. I think
5 under the Congressional guidelines, we have no discretion, but
6 I wanted to make sure that we did what was necessary at this
7 meeting, so that if it does get authorized we can -- the
8 corporation can sort of implement it promptly.

9 In fact, I think it would be appropriate to
10 recommend to the Board that we do that. That however we would
11 normally carry out this sort of thing, that we authorize
12 management to do that.

13 M O T I O N

14 MR. UDDO: Then I move that the committee recommend
15 to the Board that management be authorized to distribute the
16 supplemental appropriation in accordance with the
17 Congressional mandate.

18 CHAIRMAN DANA: Is there a second?

19 MS. WOLBECK: I second it.

20 CHAIRMAN DANA: Any discussion?

21 (No response.)

22 CHAIRMAN DANA: Hearing none, all those in favor say

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1 aye.

2 (A chorus of ayes.)

3 CHAIRMAN DANA: Opposed?

4 (No response.)

5 CHAIRMAN DANA: It is a vote. Is there any further
6 business to come before this meeting?

7 M O T I O N

8 MR. UDDO: I move we adjourn.

9 MS. WOLBECK: Second.

10 CHAIRMAN DANA: All those in favor say aye.

11 (A chorus of ayes.)

12 CHAIRMAN DANA: It's a vote.

13 (Whereupon, at 5:24 p.m., the meeting was
14 adjourned.)

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