

**Legal Services Corporation  
Meeting of the Audit Committee**

**Open Session**

**Friday, January 29, 2016**

Chairman Victor B. Maddox convened an open session meeting of the Legal Services Corporation's ("LSC") Audit Committee ("the Committee") at 3:30 p.m. on Friday, January 29, 2016. The meeting was held at the Mills House Wyndham Grand Hotel, 115 Meeting Street, Charleston, South Carolina 29401.

The following Committee members were in attendance:

Victor B. Maddox, Chairman  
Harry J.F. Korrell, III  
Gloria Valencia-Weber  
Paul Snyder, Non-Director Member (by telephone)  
John G. Levi, *ex officio*

Other Board members present:

Robert J. Grey, Jr.  
Father Pius Pietrzyk, O.P.  
Laurie Mikva  
Martha L. Minow  
Julie A. Reiskin

Also in attendance were:

James Sandman	President
Rebecca Fertig Cohen	Chief of Staff
Mayealie Adams	Special Assistant to the President for Board Affairs
Lynn Jennings	Vice President for Grants Management
Ronald S. Flagg	Vice President for Legal Affairs, General Counsel & Corporate Secretary
Stefanie Davis	Assistant General Counsel, Office of Legal Affairs
David L. Richardson	Treasurer and Comptroller, Office of Financial and Administrative Services
Traci Higgins	Director, Office of Human Resources
Wendy Rhein	Chief Development Officer
Jeffrey E. Schanz	Inspector General
Joel Gallay	Special Counsel to the Inspector General, Office of the Inspector General
David Maddox	Assistant Inspector General for Management and Evaluation,

John Seeba	Office of the Inspector General (OIG) Assistant Inspector General for Audit, Office of the Inspector General (OIG)
Daniel O'Rourke	Assistant Inspector General for Investigations, Office of the Inspector General (OIG)
Carol Bergman	Director, Office of Government Relations and Public Affairs (GRPA)
Janet LaBella	Director, Office of Program Performance (OPP)
Lora M. Rath	Director, Office of Compliance and Enforcement (OCE)
Allan J. Tanenbaum	Non-Director Member, Finance Committee
Robert E. Henley, Jr.	Non-Director Member, Finance Committee
Frank B Strickland	Non-Director Member, Institutional Advancement Committee
Herbert Garten	Non-Director Member, Institutional Advancement Committee
Andrea Loney	Executive Director, South Carolina Legal Services
Leslie Fisk	South Carolina Legal Services
Adam Protheroe	South Carolina Legal Services
Gerald Jones	South Carolina Legal Services
Matthew Billingsley	South Carolina Legal Services
Rusty Infinger	South Carolina Legal Services
Rita Roache	South Carolina Legal Services
Stephanie van der Horst	South Carolina Legal Services
Juanita F. Middleton	South Carolina Legal Services
Jamie L. Bell	South Carolina Legal Services
Angela Myers	South Carolina Legal Services
Kimaka Nichols Graham	South Carolina Legal Services
Mark Fessler	South Carolina Legal Services
Kirby Mitchell	South Carolina Legal Services
Sheila Thomas	South Carolina Legal Services
Robin C. Murphy	National Legal Aid and Defender Association (NLADA)
Don Saunders	National Legal Aid and Defender Association (NLADA)
Terry Brooks	American Bar Association Standing Committee on Legal Aid and Indigent Defendants (SCLAID)

The following summarizes actions taken by and presentations made to the Committee:

Committee Chairman Maddox called the meeting to order.

### **MOTION**

Mr. Korrell moved to approve the agenda. Professor Valencia-Weber seconded the motion.

### **VOTE**

The motion was approved by voice vote.

### **MOTION**

Mr. Snyder moved to approve the minutes of the Committee's meeting of October 4, 2015. Professor Valencia-Weber seconded the motion.

### **VOTE**

The motion passed by voice vote.

Chairman Maddox and the Committee members agreed to adopt Non-Committee Members' Paul Snyder's excel spreadsheet on allocation of various charter obligations by quarterly meetings as a working protocol for the Committee.

Mr. Schanz briefed the Committee on current projects OIG is working on. He discussed the compendium report on internal control findings and reassured the Committee OIG is aggressively pursuing oversight of federal funds, and grantees. Mr. Schanz answered Committee members' questions.

Chairman Maddox led the discussion on the Committee's evaluation for 2015 and goals for 2016. He invited Committee members' comments and received none.

Mr. Flagg briefed the Committee on the LSC Risk Management Matrix. He answered Committee member's questions.

Ms. Rath provided a briefing on OCE's follow-up of referrals from the OIG regarding audit reports and the annual independent public accountants' audits of grantees. Ms. Rath answered Committee members' questions.

Chairman Maddox led the discussion on LSC's oversight of grantees' services to groups. President Sandman, Ron Flagg, Janet LaBella and Lora Rath answered the Committee members' questions.

President Sandman and Traci Higgins briefed the Committee on the 403(b) Thrift Plan.

Committee Chairman Maddox invited public comment. Don Saunders of the National Legal Aid and Defenders Association (NLADA), and Terry Brooks of the American Bar Association Standing Committee on Legal Aid and Indigent Defendants (SCLAID) commented.

There was no other business to consider.

**MOTION**

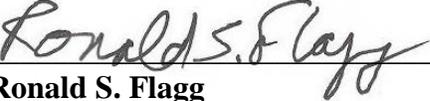
Mr. Levi moved to authorize a closed session of the Audit Committee meeting. Mr. Korrell seconded the motion.

**VOTE**

The motion passed by voice vote.

The Committee moved into closed session at 4:54 p.m.

*I hereby certify that this is a true and correct copy of the minutes adopted by the Legal Services Corporation's Audit Committee on April 18, 2016.*

  
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**Ronald S. Flagg**  
Vice President for Legal Affairs,  
General Counsel & Corporate Secretary