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LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS MEETING

DATE: February 6, 1984

TIME: 10:00 A.M.

PLACE: Hilton Inn Orlando
LaBodega Room
3200 West Colonial Drive
Orlando, Florida

STATUS OF MEETING: Open (Portion of Meeting is to be closed to discuss personnel, personal, criminal, litigation, and investigatory matters under 45 CFR 1622.5 (a) (d) (e) (f) and (h)).

A P P E A R A N C E S:

BOARD OF DIRECTORS

- Donald P. Bogard, President
- Robert McCarthy, Chairman
- Albert Angrisani
- Peter Ferrara
- Ronald Frankum
- Milton Masson
- Donald Santarelli

Also Present:

LeaAnne Bernstein, Secretary to the Board

P R O C E E D I N G S

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MR. CHAIRMAN: The Board of Directors Meeting of the Legal Services Corporation is now in session.

First, I would like to thank you all for coming to Florida to get a little of this good winter weather that they have down here and let you know that it reminds me very much of San Francisco, so I feel quite at home. Thank you all for attending.

Mr. Henri of the Florida State Bar had promised to honor us with his presence here and is coming and when he does arrive I think we will stop wherever we are in the agenda and greet him and let him greet us.

There is a quorum of the Board present and the Board book contains the agenda which is intact, except under Item Six, Proposed Regulations. Definition and Lobby has been deleted. The reason for that is that the staff member preparing those two items was ill during the last two weeks and is not ready for review at this time. Otherwise, the agenda is in order.

May I hear a motion to approve the agenda?

(Thereupon, a motion was made to approve

CONFIDENTIAL

MEMORANDUM FOR THE DIRECTOR

Re: [Illegible]

Enclosed for you

is a copy of the report

dated 10/15/54 which shows

that the [Illegible]

and to [Illegible]

you will find [Illegible]

Very truly yours,

[Illegible Signature]

Enclosed for the [Illegible]

is a copy of the [Illegible]

and [Illegible]

[Illegible]

There is a [Illegible]

and [Illegible]

[Illegible]

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[Illegible]

CONFIDENTIAL
DIRECTOR
10/15/54

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the agenda and was seconded).

MR. CHAIRMAN: Mr. Frankum?

MR. FRANKUM: Yes.

MR. CHAIRMAN: Al?

MR. ANGRISANI: Yes.

MR. CHAIRMAN: And, Don?

MR. SANTARELLI: Yes.

MR. CHAIRMAN: The agenda is adopted as approved. A portion of this meeting will be closed subsequent to this session to discuss personnel, criminal, litigation, and investigatory matters under 45 CRF 1622.5, sub (a), (d), (e), (f), and (h). Do I hear a motion on the closure of the meeting?

(Thereupon, a motion was made to approve the closure of the meeting and was seconded).

MR. CHAIRMAN: Mr. Frankum?

MR. FRANKUM: Yes.

MR. ANGRISANI: Yes.

MR. FERRARA: Yes.

MR. SANTARELLI: Yes.

MR. CHAIRMAN: So moved. The Board book -- excuse me. Oh, yes, and, could our General Counsel please certify the closure?

MR. SWENDIMAN: I hereby certify that a

(Revised and approved)

MR. CHAIRMAN: THE HOUSE

However, a portion of this section will be

added in connection with the revision of the

section, and the section will be amended

to read as follows: (a) The

of (b) (c) (d) (e) (f) (g) (h) (i) (j) (k) (l) (m) (n) (o) (p) (q) (r) (s) (t) (u) (v) (w) (x) (y) (z)

The purpose of this section

(b) The purpose of this section

(c) The purpose of this section

MR. CHAIRMAN: THE HOUSE

excise tax on the sale of

General and special

MR. CHAIRMAN: THE HOUSE

THE HOUSE OF REPRESENTATIVES
COMMUNICATIONS SECTION
205 B. BANGS BUILDING
WASHINGTON, D. C. 20541

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portion of this meeting is properly closed to the public for an Executive session to discuss personnel, personal, criminal, litigation and investigatory matters under the provisions of the government and the Sunshine Act, 45 CFR 1622.5, paragraphs (a), (d), (e), (f) and (h).

MR. CHAIRMAN: Thank you, Alan. At this time and a little out of order, though, I would like to greet two new members of our Board which we are very, very happy to greet. Most of their background has been most helpful to this type of thing. There's Al Angrisani and Peter Ferrara. And, both of them have very courageously offered to serve on this recess Board and we do welcome them and thank them for being here. We sometimes had a difficulty in reaching a quorum and right now we have a little bit of leeway. So, I do welcome them and thank them for coming.

MR. PRESIDENT: If I may, at this time, also we'd like to advise you that in the audience is Mr. Greg Stoffal who was on the LSC Board from 1975 to '79. He's down from Chattanooga to see what's going on. And, we're glad to have you with us, Mr. Stoffal.

MR. SANTARELLI: He's called a veteran.

1 (Laughter).

2 MR. CHAIRMAN: Item Two on the agenda is
3 the Approval of Draft Minutes of January 6,
4 1984, of the Board of Directors Meeting held in
5 Washington, D.C. The Board has had the oppor-
6 tunity of reviewing the draft of these minutes
7 and I would solicit a motion for approval of
8 those minutes. Do we have a motion to approve?

9 MR. SANTARELLI: I wasn't present.

10 MR. FERRARA: I wasn't there either.

11 MR. CHAIRMAN: In which case, the
12 Chairman will then second that motion. The
13 motion has been moved and seconded to approve
14 the draft minutes of the January 6, 1984 meet-
15 ing. Mr. Frankum? (Simultaneous discussion).

16 MR. SANTARELLI: I'm in error. I was
17 present for that January 6th meeting, Bob.

18 MR. CHAIRMAN: Well, your name appears
19 there, so if it isn't --

20 MR. SANTARELLI: I wasn't listening
21 carefully, excuse me.

22 MR. CHAIRMAN: All right, then. Then,
23 we do --

24 MR. SANTARELLI: I will vote to approve.

25 MR. CHAIRMAN: Yes. So, I believe that

(Continued)

MR. QUINN: I would like to see the report in

the report of the Board of Directors held in

Washington, D.C. The Board has had the opportunity

of reviewing the draft of these minutes

and I would like to have a motion for approval of

these minutes. Do we have a motion for approval?

MR. QUINN: I would like to have a motion

for approval of these minutes.

MR. QUINN: In which case, the

minutes will then record that motion. The

minutes have been read and recorded as approved

the draft minutes of the January 1954 meeting.

MR. QUINN: (Simultaneous discussion)

MR. QUINN: I'm in error. I was

corrected for the January 1954 meeting.

MR. QUINN: Will you have a motion

for approval of these minutes?

MR. QUINN: I would like to have a motion

for approval of these minutes.

MR. QUINN: All right, thank you.

MR. QUINN:

MR. QUINN: I will vote to approve

these minutes. I believe that

AND REPORTS
GENERAL OFFICE
NOVEMBER
201 N. BROADWAY AVENUE
ORLANDO, FLORIDA 32801

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without asking our new members to approve, as they were not present at the time, then we do have a majority vote on that.

The minutes of the January 6th meeting as set out in the Board book are approved.

Agenda Item Three is the Election of a Chairman and Vice Chairman as provided for in the by-laws of the corporation.

MR. FRANKUM: Mr. Chairman?

MR. CHAIRMAN: Yes?

MR. FRANKUM: At this point in time, I'd like to offer into nomination and move to the election of a Chairman for this Legal Services Corporation for the next year and also a Vice Chairman for the next year. And, I would like to place the name of Robert McCarthy as Chairman of the Corporation and Donald Santarelli as Vice Chairman.

MR. CHAIRMAN: Thank you for your nominations. Do we have a second to that?

MR. FERRARA: I second.

MR. CHAIRMAN: Are there any other nominations or discussions? Being none, we'll take a vote. Mr. Frankum?

MR. FRANKUM: Yes.

without making any new motion to adjourn, as
they were not present at the time, then to do
have a majority vote on that.

The minutes of the January 27 meeting in

met me in the board room and reviewed.

agenda for the time in the direction of a

Chairman and Vice Chairman as provided for in

the by-laws of the corporation.

MR. CHAIRMAN: The Chairman

MR. CHAIRMAN: Yes.

MR. CHAIRMAN: At this point in time, I'd

like to offer this resolution and move to the

election of a Chairman for this fiscal year.

Resolution for the next year and also a Vice

Chairman for the next year. I would like to

place the name of Robert Murphy as Chairman

of the corporation and Donald Randall as

Vice Chairman.

MR. CHAIRMAN: Thank you for your

proposal. Do we have a second to that?

MR. CHAIRMAN: I second.

MR. CHAIRMAN: The motion is carried.

Resolution for the next year and also a Vice

Chairman for the next year.

MR. CHAIRMAN: Yes.

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MR. CHAIRMAN: Al?

MR. ANGRISANI: Aye.

MR. CHAIRMAN: And, Don?

MR. SANTARELLI: Can I vote for half the slate? (Laughter) (Simultaneous discussion).

MR. CHAIRMAN: We've got a unanimous consensus on this Board and we have a Chairman, Senior Speaker, Robert McCarthy and a Vice Chairman, Don Santarelli. And, on behalf of myself, I wish to thank you for your continued support and confidence.

Item Four on the agenda is a report from our President, Don Bogard.

MR. PRESIDENT: Thank you, Mr. Chairman. We'd like to report on the Executive session which was held January 6th; the last Board meeting. That session was held to discuss personnel, litigation, criminal, investigatory and personal matters. We had an update on all of the litigation that was pending against the corporation and informed Board members of what was taking place in those matters.

We advised Board members that Mr. Charles Ritter, who is the Vice President of Finance, has tendered his resignation from the corpora-

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tion and will be leaving at a time not yet determined. He also serves as the Controller and the Treasurer of the corporation and will be leaving after we have selected a replacement for the Controller position.

Also informed the Board of the unfortunate death of one of our staff members through an accident in the Washington area just after Christmas.

There was an update on the defunding procedures going on, the denial of refunding procedures, they were informed about that.

And, we also informed the Board members of a request for a FOIA request on the resume's of the members of the staff. No votes were taken; no action taken by the Board. It was purely an information session.

And, I believe that takes care of the Executive Session, Mr. Chairman.

MR. CHAIRMAN: Thank you, Don.

MR. PRESIDENT: I'm also to give you a brief update on the Legal Needs Study. For our two new Board members, we have been attempting to determine what the legal needs of our client population really is. We don't have any exist-

tion and will be leaving at a time not yet
 determined. He also serves as the Controller
 and the Treasurer of the corporation and will be
 leaving after we have selected a replacement
 for the Controller position.

Also informed the Board of the unfortunate
 death of one of our staff members through an
 accident in the Washington area just after
 Christmas.

There was an update on the pending
 procedures going on the detail of retaining
 procedures, they were informed about that
 and, we also informed the Board members
 of a request for a TOLA request of the members
 of the members of the staff. No votes were
 taken on action taken by the Board. It was
 merely an information session.

And, I believe that those are of the
 Executive Session, Mr. Chairman.

MR. CHAIRMAN: Thank you, good
 afternoon. We also to give you a
 list of names on the Panel Board. Why? For our
 list of names in regard to have been attending
 to determine what the Board needs to do about
 the situation really and to do it now and exist

ANDREW J. BROWN
 CHAIRMAN
 1000 AVENUE K
 WASHINGTON, D.C. 20004
 (202) 462-1000

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ing national surveys or studies which show what the needs are. We thought that it would be better for us as a corporation to be able to go to Congress and give them some definitive information on those needs in order to request an appropriation for next year and succeeding years.

Therefore, we had a staff member make a survey of all of the materials that had been gathered on the legal needs by different populations. We reviewed all of those and found that none of them were truly national in scope specifically relating to poor people. There was one national study, but it only incidentally involved poor people.

So, we have contacted a number of foundations in an attempt to get private funding to do a national study of our own. We have not gotten any groups coming forward to give us funding. We still have several to hear from. Several are reviewing the matter and will be advising us, hopefully, within the next few weeks.

It is, in my opinion, a very necessary study and a procedure that we ought to follow. And, in the event that we are not able to secure private funding, I will suggest that it be

the national surveys or studies which show what
 the needs are. We thought that it would be
 better for us as a organization to be able to go
 to someone and give them some definitive infor-
 mation on these needs in order to request an
 appropriation for next year and succeeding years.
 "Therefore, we had a staff member make a
 survey of all of the materials that had been
 prepared on the local needs by different people.
 We reviewed all of these and found that
 none of them were truly national in scope.
 Specifically relating to poor people. There was
 one national study, but it was incidentally
 involved poor people.
 So, we have contacted a number of people
 in an attempt to get private funding to do
 a national study of our own. We have not gotten
 any progress toward to give us funding.
 We will have several to four years. We will
 develop the nation and will be relatively na-
 tionally. We will have the next few years.
 It is in an effort to some necessary
 study and a procedure that we might be follow-
 ing. In the event that we do not get the
 national funding, I will suggest that we

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handled by the corporation. I think it's necessary that we proceed with this matter.

So, as soon as we hear more on the various funding sources through private foundations, we will advise you and if nothing is there we'll proceed with the study.

I'll be glad to respond to any questions about that, if you'd like.

MR. CHAIRMAN: Does the Board have any questions? If not -- thank you, Don.

Our next item on the agenda is Item Five --

THE AUDIENCE: Mr. McCarthy?

MR. CHAIRMAN: Yes?

THE AUDIENCE: William Henri, the President of the Florida Bar is here now.

MR. CHAIRMAN: Thank you.

(Thereupon, a brief recess was taken in the proceedings, after which the following proceedings were had).

MR. CHAIRMAN: Resuming on the agenda items, we have Item Five, which is a report from the Appropriations and Audit Committee, which is chaired by Ron Frankum. The Board book contains on page 13 the recommendations. So, Ron, if you would give us the benefit of your

handled by the corporation. I think it is necessary that we proceed with this matter.

So, as soon as we hear more on the various

standing sources through private foundations, we

will advise you and if nothing is there we'll

proceed with the study.

I'll be glad to respond to any questions

about that, if you'd like.

MR. CHAIRMAN: Does the Board have any

questions? If not, I thank you, Don.

Our next item on the agenda is item three

THE AUDITOR: Mr. Munnich

THE CHAIRMAN: Yes

THE AUDITOR: William Henry, the President

of the Florida Bay is here now.

MR. CHAIRMAN: Thank you.

"Therefore, a brief report was taken in the

proceedings, after which the subject was concluded.

(The Board)

MR. CHAIRMAN: Turning to the agenda

item, we have item five, which is a report

from the Appropriations and Audit Committee,

which is chaired by Don Williams. The Board has

agreed to refer it to the recommendations of

the Board, if you would like to refer it to

THE BOARD OF DIRECTORS
OF THE FLORIDA BAY
1964

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chairing that committee and what your recommendations are.

MR. FRANKUM: Yes; Mr. Chairman. We had a meeting in Washington, D.C., on January 27, this year and I, as a report to the Board in the Minutes, there is a change I would like to make on page -- on that page. Don, I'll give you a change in this Motion. (Inaudible) Because, I'm not going to make it. So, you need to know on the third paragraph --

MR. CHAIRMAN: Page 13 of the report.

MR. FRANKUM: So, I'd like to have this read -- I would like to have asserted at this point in time. The committee accepted the proposed fiscal year 1984 consolidated operating budget, including carryover fund as allocated and recommend it for adoption by the Board. There is a typo in there which changed the meaning of this.

I would like to move the committee report as to this minor change to the adoption by the Board.

MR. CHAIRMAN: Very well. Do we have a second?

(Thereupon, the motion was seconded).

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...that committee and what your response
...actions are.

MR. WALKER: Yes, Mr. Chairman, to the

...meeting in Washington, D.C., on January 21,
...this year and I, as a result of the board in the
...minutes, there is a change I would like to make
...on page 1 on that page. Now, I'll give you a
...change in this motion. (Inaudible) because
...I'm not going to make it. So, you need to know
...on the third paragraph -

MR. WALKER: Page 11 of the report.

MR. WALKER: I'd like to have this

...I would like to have inserted at this
...point in time. The committee needed the
...information that was provided regarding
...before including the report. I'd like to have
...the committee to be advised by the board

...in a type in which it would be possible
...to do this.

I would like to have the committee report

...to this when it comes to the motion for the

...motion.

MR. WALKER: Very well, to be done

...motion.

(Inaudible) the motion was seconded.

1 MR. CHAIRMAN: Mr. Frankum?

2 MR. FRANKUM: Yes.

3 MR. CHAIRMAN: Peter?

4 MR. FERRARA: Yes.

5 MR. CHAIRMAN: Al?

6 MR. ANGRISANI: Yes.

7 MR. CHAIRMAN: And, Don?

8 MR. SANTARELLI: Yes.

9 MR. CHAIRMAN: The recommendation of the
10 Appropriations and Audit Committee as set out in
11 page 13 of the Board book as amended by the
12 Chairman, has been adopted by this Board.

13 MR. CORDOVA: Mr. Chairman, may I ask a
14 question on the procedures the Board will follow
15 today?

16 MR. CHAIRMAN: Sure. And, please state
17 your name for the Record.

18 MR. CORDOVA: My name is Leroy Cordova.
19 I represent the Project Advisory Group.

20 Do I understand you have just taken an
21 action on entire Item A -- Item Five, excuse me.

22 MR. CHAIRMAN: That is correct, Leroy.

23 MR. CORDOVA: Does that mean that you will
24 not open yourself to hear from public comment
25 before you take action on the agenda items?

MR. CHAIRMAN: Mr. ...

MR. FRANKLIN: Yes.

MR. CHAIRMAN: ...

MR. ...

MR. ...

MR. ...

MR. CHAIRMAN: ...

MR. ...

MR. CHAIRMAN: ...

... and Audit Committee as set out in

page 11 of the board book as amended by the

Chairman has been adopted by this board.

MR. GORDON: Mr. Chairman, may I ...

... on the procedures this board will follow

...

MR. CHAIRMAN: ...

... for the board.

MR. GORDON: ...

... through

... you have given them an

... on this item 5 - ...

MR. CHAIRMAN: ...

MR. GORDON: ...

... from which ...

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MR. CHAIRMAN: That is our procedure today, yes. You may comment at the end of our agenda items.

MR. CORDOVA: That's -- I guess I must confess, Mr. McCarthy, I haven't been at a Board meeting since we met in San Francisco and at that time the procedure that the Board was following was not this procedure. The Board heard comment from the public at the time that it would -- can affect and inform your decision before you voted.

I'm somewhat surprised and chagrined that you've changed that procedure and will not hear from the public until after you have taken the action; that valuable public input might be recede. Is this to continue -- the practice that the Board will follow, sir?

MR. CHAIRMAN: This is the practice today, Leroy. The next meeting may be a different procedure, but this is the way we are conducting it today. So, I appreciate your remarks. I understand them and thank you for them. But, we have just adopted the -- this agenda item. I appreciate that.

MR. UDOUJ: Mr. Chairman, my name is Gary

MR. CHAIRMAN: This is our procedure today

You may want to see the end of our report

liberal

MR. GORDON: I think it is a good idea

because, Mr. Chairman, I have to be a

board meeting since we are in the process and

at that time the procedure that the board was

following was not this procedure. The board

based account from the public at the time that

it would -- can reflect and inform your decision

before you voted.

The committee advised and explained that

you've changed that procedure and will not be

from the public until after you have taken the

action, the valuable public input will be

needed. In this connection -- the procedure

that the board will follow.

MR. CHAIRMAN: This is the procedure today

today, the most serious way to a decision

procedure, but this is the way we are conducting

at today, it is a procedure your committee

will follow, and that will be the procedure

we have just adopted. I think you should know

I understand that.

MR. CHAIRMAN: The Chairman will now call

THE BOARD OF DIRECTORS
OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D. C.
MAY 19, 1964

1 Udouj. I'm with the Greater Orlando Legal
2 Service Program here in Orlando. There are
3 several Bar representatives here, other than the
4 President of the Bar. One from Orange County
5 by the name of Greg Preznell, who would like to
6 address this body particularly concerning the
7 pro bono concept; the staff delivery concept.
8 He's got some very valuable information. Where
9 could he be on this agenda?

10 MR. CHAIRMAN: I understood from Cynthia
11 that the other representatives of the Bar would
12 be willing to wait until we concluded our agenda
13 items and then we throw it open for public
14 discussion. If that's inconvenient to any
15 member, we will certainly accommodate them. But,
16 we had been advised that that was agreeable with
17 the other representatives.

18 MR. UDOUJ: Thank you very much.

19 MR. CHAIRMAN: Thank you.

20 MS. McMANN: My name is Patricia McMann;
21 I'm the Chairperson of the Funding Criteria
22 Committee. And, I again would like to express
23 my objection to the action taken by this Board.
24 The purpose of a Board meeting and actions of a
25 public body are to be accountable to the public.

1 And, provide an opportunity for the public to
2 make comment before actions are taken, not after
3 actions are taken.

4 As you know, all of you received a memo
5 20 pages long raising serious questions about
6 the Appropriations and Audit Committee action --

7 MR. CHAIRMAN: And, for your -- excuse me,
8 Pat. I received it a little bit ago. I have not
9 read it and do not intend to read it until I have
10 plenty of time to look at it. And, the other
11 Board members feel the same way. So, it will be
12 read and considered. Please don't throw that at
13 us now, because we just received it -- or I just
14 received it.

15 MS. McMANN: Well, I realize I gave it to
16 you this morning at your meeting at breakfast.
17 And, the other gentlemen did receive their copies
18 last night. I realize that it's late, however,
19 I received the Appropriation and Audit Committee
20 report on Friday, the day of the meeting; Friday,
21 January 27th. Most people -- most members of the
22 public did not receive it until Monday or Tuesday
23 of this past week, the 30th or 31st of January.
24 And, therefore, the opportunity for public
25 comment was not provided. In contrast, LSC staff

and provide an opportunity for the public to
make comment before actions are taken, not after
actions are taken.

As you know, all of you received a memo
38 pages long raising serious questions about
the Appropriations and Audit Committee action --
MR. CHAIRMAN: And for your information, we

have not received a letter from you. I have not
read it and do not intend to read it until I have
clarity of time to look at it. And, the other
Board members feel the same way. So, it will be
read and considered. Please don't throw that at
me now, because we just received it -- on a just
received it.

MR. DOMINI: Well, I realize I gave it to
you this morning at your meeting at breakfast.
And the other gentlemen did receive their copies
last night. I realize that this is a long document,
I received the Appropriations and Audit Committee
report on Friday, the day of the meeting. Under
January 17th, most people -- most members of the
public did not receive it until Monday or Tuesday
of this week, the 19th or 20th of January.

And, therefore, the opportunity for public
comment was not provided. In contrast, the Board

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1 has known since at least November 23rd, 1983, the
2 amount of the carryover and choose not to present
3 any materials on that for two months on January
4 27th, 1984. And, to say that -- to provide no
5 opportunity for the public -- I'm sorry you
6 haven't had a chance to read the memo because you
7 weren't here last night. The other gentlemen did
8 get the memo. And, it raises serious questions
9 with -- questions your carrying out of your
10 fiduciary responsibility and your obligations to
11 Congress to account for the funds that you are
12 spending.

13 MR. CHAIRMAN: Pat, thank you very much.
14 You've made those comments before and we take
15 them to heart. We don't take them lightly. And,
16 your memo will be very seriously considered and
17 we do appreciate those comments and we're terribly
18 aware of them ourselves. And, it's part of our
19 fiduciary duty as Board members to consider those
20 and to act in good faith as under our perimeters
21 as set out by Congress.

22 MS. McMANN: You have stated to me that you
23 will not consider my -- in fact, have not consider-
24 ed the issues that I raised prior to your adoption
25 of the 1983 final consolidated operating budget

has known since at least November 1983, the amount of the overpayment and those not to be paid any material on that for two months on January 27th, 1984. And, to say that it provides an opportunity for the public -- I'm sorry you haven't had a chance to read the memo because you weren't here last night. The other gentleman did get the memo. And, it raises serious questions with -- questions you carry out of your fiduciary responsibility and your obligations to Congress to account for the funds that you are spending.

MR. THURMAN: That, thank you very much.

You've made those comments before and we look them to him. He doesn't take them lightly. And your name will be very seriously considered and we do appreciate those comments and we're grateful to them ourselves. And, it's part of our fiduciary duty as House members to consider those and to act in the most ethical manner our constituents are not out by Congress.

MR. THURMAN: Thank you very much.

It's hard, have any question and I want to get a better idea of your situation on this. Thank you very much.

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and the 1984 consolidated operating budget, including the allocation of 1983 carryover funds.

I have pointed out serious errors and misstatements in the documents there and what you're telling me is that despite those errors, despite those misstatements, you have approved the report of the committee.

Let me point out, just briefly, one error that Mr. Frankum has already made. At the Appropriation and Audit Committee, you allocated funds for the regional training center -- program and maintenance and improvement, one (D), not one (E), delivery, research, experimentation, as he states in his report. I was at that meeting and that's what Mr. Ritter's recommendation, Mr. Bogard's recommendation was. Instead, in the report that you've just adopted without allowing any public comment, you have accepted what the committee did not vote on. That's just a minor problem with what you have done.

And, I just want the Record to reflect that you have refused to accept the information that's been provided. You refused to ask the questions of your staff that you need to know before you accept the recommendation on the

and the 1984 consolidated operating statement, including the allocation of 1983 earnings. I have pointed out various errors and omissions in the documents there and what you're talking we talked about in those areas. I don't have any other comments, you were removed the report of the committee. Let me point out, just briefly, one error that I think you've already made. At the recommendation of Audit Committee, you allocated funds for the regional training centers - proper and balanced and reasonable, one (D), not one (E), delivery, necessary, experimentation, as he states in his report. I was at that meeting and that's what the letter's recommendation. Mr. Board's recommendation was, instead, in the report that you've just adopted without attached any other comment, you have adopted what the committee did not vote on. What is a minor problem with what you've done. And, I just want the Board to reflect that you were willing to accept the information that's been provided. You wanted to ask the question of your staff that you need to have before you accept the recommendation on the

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1 allocation of carryover funds. And, that if you
2 have the answers to these questions, they are
3 not part of the public record and, therefore,
4 there are serious questions about whether the
5 Sunshine Act has been violated.

6 MR. CHAIRMAN: Thank you very much, Pat.
7 As usual, we'll consider your comments.

8 We have agenda Item Seven, Report --
9 excuse me. Item Six on your agenda is the Report
10 from the Office of General Counsel. Alan, may
11 we hear from you?

12 And, again, for the benefit of the
13 audience, the agenda was amended to eliminate
14 the last two items under Six as shown in the
15 Board book. Definitions and Lobby are not to be
16 considered at this meeting.

17 MR. SWENDIMAN: Good morning.

18 MR. CHAIRMAN: Good morning, Alan.

19 MR. SWENDIMAN: The matter before the
20 Board -- the single matter before the Board
21 today is the proposed final publication of an
22 amendment to part 1606.2(a), the definition of
23 termination. This proposed regulation was
24 published on December 27th of 1983. The 30 days
25 has passed for public comment with respect to

allocation of employees...
 have the answers to these questions...
 not only of the public records and...
 there are serious questions about whether the...
 information has been verified.

MR. WASHINGTON: Thank you very much, Mr.

An annual, well-considered report...

We have made them... Report...

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1 this proposed regulation. The regulation seeks
2 to amend the definition of termination to allow
3 the corporation to offset part of a recipient's
4 grant to recover outstanding fund balances and
5 audit disallowances.

6 Only one comment was received during the
7 30 day period. So, the matter is now before
8 the Board for final publication.

9 MR. CHAIRMAN: Does the Board have any
10 questions? Do I hear a motion to publish for
11 final publication regulation?

12 (Thereupon, a motion was made to approve
13 the publishing of the final publication regula-
14 tion and was seconded).

15 MR. CHAIRMAN: It is approved and seconded
16 for the final publication. Mr. Frankum?

17 MR. FRANKUM: Yes.

18 MR. CHAIRMAN: Peter?

19 MR. FERRARA: Yes.

20 MR. CHAIRMAN: Al?

21 MR. ANGRISANI: Yes.

22 MR. CHAIRMAN: Don?

23 MR. SANTARELLI: Yes.

24 MR. CHAIRMAN: So moved. The proposed
25 rule will be put to the final publication.

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1 Thank you very much, Alan.

2 MR. SWENDIMAN: That will conclude our
3 report.

4 MR. CHAIRMAN: Agenda Item Seven is the
5 report from the Office of Program Development.
6 And, I'd ask our President, Don Bogard to
7 introduce the staff.

8 MR. PRESIDENT: Thank you, Mr. Chairman.
9 We have two people with us today from the office
10 of Program Development; Peter Broccoletti, who
11 is the Director of that Office and Heidi
12 Ackerman, who is Assistant Director. Peter is
13 going to be discussing a couple of issues on
14 the private legal clinics and the law school
15 clinic programs that we are interested in. And,
16 Heidi is going to be discussing a report that
17 has been tentatively been prepared by the NORC
18 Company out of Chicago and IOLTA Grants Program.
19 So, if you two could join us?

20 MS. ACKERMAN: I am pleased to have this
21 opportunity to discuss with you two of several
22 projects that I am responsible for. First, I
23 will be addressing NORC and then IOLTA.

24 My objective is to provide you with a
25 brief overview of the NORC project, why it was

Thank you very much, Alice

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Report from the Office of Program Development

And I'd ask our President, Ben Howard to

introduce the staff

Mr. [Name] will be [Name]

We have two people with us today from the office

of Program Development, Bob [Name] and [Name], who

is the Director of the Office of [Name]

Admission, who is [Name] Director. [Name] is

going to be introducing a couple of changes on

the program level of [Name] and the [Name]

of the program that we are interested in. And

that is going to be [Name] a report that

has been tentatively approved by the [Name]

committee of [Name] and [Name] [Name]

and you can [Name] [Name]

Mr. [Name] is [Name] to [Name]

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undertaken, the types of questions that were asked, and to discuss certain select findings.

Let me begin by saying that NORC stands for the National Opinion Research Center, which is a Social Science Research Organization affiliated with the University of Chicago. LSC contracted with NORC to conduct a confidential telephone survey of legal professionals who directly deliver assistance to indigent clients. This survey is part of the corporation's support study.

The survey was conducted last summer, but the NORC report is not yet final. We have received draft reports, but there have been stylistic type problems that have required revisions.

The NORC survey was undertaken to provide the corporation with three types of information.

First, an identification of areas in which legal professionals who represent indigent clients need support.

Second, specific information on where and how these support needs are presently being fulfilled, the effectiveness of these forms of support and satisfaction with these resources.

understand, the type of questions that were asked, and to discuss certain select findings. Let me begin by saying that NRC stands for the National Opinion Research Center, which is a Social Science Research Organization affiliated with the University of Chicago. ICG contacted with NRC to conduct a confidential telephone survey of legal professionals who directly deliver assistance to indigent persons. This survey is part of the corporation's support study.

The survey was conducted last summer, but the NRC report is not final. We have received draft reports, but there have been stylistic type problems that have required revision.

The NRC survey was intended to provide the corporation with three types of information: first, an identification of areas in which legal professionals who represent indigent clients need support;

second, to identify the nature of what and how these support needs are presently being satisfied; and, third, to identify areas of need that are not being met.

It is important to note that the survey was conducted with three resources:

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1 And, third, information on potential
2 sources to meet unsatisfied support needs.

3 The term support as used in this study
4 means professional assistance beyond one's
5 personal expertise in the representation of
6 indigent clients. Support is not limited to
7 assistance received from outside of an individu-
8 al's program, but can include assistance re-
9 ceived from colleagues, supervisors and program
10 materials.

11 There were 302 LSC funded programs that
12 were eligible to participate in the survey. And,
13 these programs were eligible because they direct-
14 ly provide services to clients.

15 Of these 302 programs, 273 responded to
16 NORC's request for staff rosters. And, a total
17 of 835 interviews were conducted.

18 The population sampled was divided into
19 three groups. The first group consisted of
20 project directors who answered most questions on
21 behalf of their staff.

22 The second group was the staff sample.
23 And, this was divided into two subgroups. The
24 first group, which I will refer to as staff, was
25 comprised of managing and supervising attorneys,

The first of these is the fact that the
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 information from the Government as to
 whether or not the Government is
 prepared to accept the Commission's
 findings. It is therefore necessary
 to continue to monitor the situation
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1 staff attorneys, and reggies. And, the second
2 subgroup was made up of paralegals.

3 The third group was made up of Judicare
4 attorneys affiliated with LSC funded programs
5 that provide over half their service through
6 the private Bar.

7 Now, NORC used screening questions to
8 ensure that those being interviewed, other than
9 project directors, were front line deliverers of
10 service to indigent clients.

11 Now, for the staff and paralegals, this
12 meant they spent at least half their time on
13 caseload responsibility. And, for Judicare
14 attorneys, it required that they have handled
15 at least three indigent client cases since the
16 start of '82.

17 The first set of questions that the
18 respondents were asked were about professional
19 characteristics. And, this was done so that
20 the corporation could see whether needs varied
21 due to the length of time one has been in a
22 position, length of time one has served indigent
23 clients, or number of years since law school
24 graduation to give you some examples.

25 And, in addition to these professional

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1 characteristics, there were 11 program character-
2 istics that were assigned to each respondent.

3 And, this was done so that the corporation could
4 learn whether needs vary depending upon the type
5 of program that an individual is associated with.

6 And, these program characteristics in-
7 clude the size of program, the length of time
8 the program's been receiving LSC funds, whether
9 the program received State support funding, and
10 whether the program is an urban program or a
11 rural program.

12 But, the major portion of the survey was
13 devoted to gathering information on specific
14 needs for support experienced by respondents.
15 And, the questions about needs were asked in
16 three different ways. First, respondents were
17 asked to identify the needs that they, or in the
18 case of the project director, their staff --
19 experienced in working with indigent clients.
20 Then, they were asked to specify which of those
21 needs they considered very important. And, then
22 to indicate which of those needs they have
23 experienced most frequently.

24 The reported results reveal that in each
25 instance, the same needs received high ratings.

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These are training in a substantive area of law, training in skills and techniques, legal advice or consultation, law library materials, and other legal materials such as pleadings, forms, and checklists.

Among the needs that were least acknowledged by the respondents were training in another language, co-counsel, non-legal library materials, and indexes of published materials.

Now, in addition to these questions about individual needs, there was one question asked only of project directors which inquired into needs of programs. And, the highest ranked need was program planning assistance, which includes grants, fund raising and setting priorities. And, this was followed by law office management, such as time and personnel management and, then case and litigation management. And, finally fiscal management.

Now, looking at sources of assistance, the large majority of respondents said that they were usually able to find assistance for their most important and most frequent needs.

Of the program directors and staff samples, 79 to 88 percent of the respondents reported

These are training in a substantive area of law,
 training in skills and techniques, legal advice
 or consultation, law library materials, and
 other legal materials such as pleadings, forms,
 and checklists.

Among the needs that were least acknowl-
 edged by the respondents were training in another
 language, co-counsel, non-legal library materials,
 and indexes of published materials.
 In addition to these questions about

individual needs, there was one question asked
 only of project directors which inquired into
 needs of program. And, the highest ranked need
 was general clerical assistance, which included
 printing, and mailing and copying services.
 This need was followed by law office management
 staff or time and resource management and then
 need for financial management and finally
 financial management.

Not looking at sources of assistance, the
 same majority of respondents said that they
 were usually able to find assistance for their
 most important and most frequent needs.

Of the project directors, 50% stated that

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1 receiving more than 40 percent of their
2 assistance from their programs. And, the most
3 likely sources were colleagues followed by
4 program materials and specialists.

5 As far as the Judicare sample is concern-
6 ed, only 25 percent of the Judicare attorneys
7 reported finding assistance from local legal
8 services programs. Rather, Judicare attorneys
9 reported finding help from other attorneys, law
10 school libraries and other law resources.

11 Now, next to the respondent's own program
12 as a source of assistance, came other LSC fund-
13 ed entities. And, the project directors and
14 the staff sample attributed the largest portion
15 of this help to national support centers of the
16 corporation funds. And, paralegals were slight-
17 ly more likely to mention State support facili-
18 ties rather than national support centers. And,
19 few Judicare attorneys mentioned either State or
20 national support and those that did were more
21 likely to mention State support.

22 As far as usage of these national support
23 centers is concerned, 92.5 percent of the Judi-
24 care attorneys reported not using any national
25 support center. But, the majority of all the

1 other groups did report using them. And, the
2 two most frequently used centers were the
3 National Consumer Law Center and the National
4 Housing Law Project.

5 As far as State support, the majority
6 responded, except for the Judicare sample, also
7 reported using these facilities.

8 As far as computer sources are concerned
9 only a small segment of the staff and Judicare
10 samples reported either using Lexis or Westlaw
11 with any frequency. And, with the exception of
12 Judicare attorneys, the majority of respondents
13 reported using these computer research tools to
14 some extent. But, the most cited reason for
15 infrequent use was inconvenient location follow-
16 ed by cost and insufficient training.

17 And, in response to the question about
18 other needed resources, project directors
19 mentioned more money, which was no surprise.
20 Staff mentioned more staff, money, training and
21 books and periodicals. Paralegals mentioned more
22 staff and training. And, Judicare attorneys
23 were satisfied with the status quo.

24 Now, turning to satisfaction. All groups
25 reported satisfaction with resources used in

other groups and reports being made. And the
two most frequently used centers were the
National Consumer Law Center and the National
Consumer Law Project.

As far as their support, the majority
responded, except for the 1980s survey, also
received similar results. As far as support was concerned
only a small amount of the staff and business
center received either state funds or money
to collect the data. And, with the exception of
the 1980s survey, the majority of respondents
reported using their own funds to collect data to
the extent that the most often reason for

independent was the involvement of the
by the state and federal government.
And, in response to the question about
other needed resources, project directors
most often mentioned staff and money. And
the 1980s survey were state funds. The
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survey and other surveys. And, the 1980s
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government.

Now, turning to the question of
reported activities with consumers groups in

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1 their own or local LSC funded programs. And, this
2 was also true for the assistance that they re-
3 ceived from other LSC funded entities.

4 As far as why needs go unmet, the most
5 frequent response was lack of funds followed by
6 the unavailability of necessary resources.

7 I hope that this brief overview of the
8 NORC study has given you some insight into the
9 survey and the results will be reviewed very
10 carefully and you will be receiving copies of
11 the final report.

12 MR. CHAIRMAN: Thank you very much, Heidi.
13 That seems like a most valuable report for the
14 Board and the staff.

15 MR. PRESIDENT: As most of you know, in
16 1982 the Board directed the staff to study the
17 issues of State and national support regarding
18 continuation of funding for those entities.

19 We started that study during 1983 and, of
20 course, Congress put a restriction on the funding
21 saying that there could not be any changes made
22 until they had a confirmed Board. Therefore, we
23 have been taking this study on a very slow basis.
24 We haven't been rushing to judgment in any
25 particular way. This study reflects one aspect

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their own or local and under program and, this
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As far as why needs so much, the more

amount resources was lack of funds followed by
the availability of necessary resources.

I hope that this brief overview of the
NORC study has given you some helpful insight into

anyway, and the results will be reviewed very
carefully and you will be receiving copies of

the final report.
THE CHAIRMAN: Thank you very much, thank

you very much for your report and for the
Board and the staff.

MR. PRESIDENT: As most of you know, in
1982 the Board discussed the need to study the

function of these and national financial institutions
contribution to financing for these activities.

The report that study group 1982 will be
your own Government with a contribution on the financing

system that there will be some ideas made
world have had a very strong focus. Therefore, we

have been asking this study on a very short basis
to have a very strong focus on the financing in any

particular way. This study will be a report
on the financing of these activities.

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1 of the total study. And, it will be -- when we
2 receive it in final form, it will be presented to
3 the Board along with other parts that we are
4 currently undertaking; monitoring visits on the
5 program to evaluation and other methods.

6 At that point, we'll be making a recommenda-
7 tion to you. I have no idea of what that
8 recommendation is going to be. Assuming there
9 are any changes in the appropriations language
10 by the Congress and we'll proceed at that point.
11 For right now, this is just one part of the
12 continuing study on the most effective ways to
13 spend the money the Congress gives to us for
14 support of the programs.

15 MR. CHAIRMAN: Thank you, Don.

16 MS. ACKERMAN: We'll now turn to IOLTA,
17 Interest On Lawyer's Trust Accounts, which is a
18 concept that has tremendous potential as a
19 source of supplemental funds for legal services
20 programs.

21 Traditionally, attorneys have held client
22 funds that are nominal in amount or being held
23 for a short period of time in noninterest bear-
24 ing accounts. But, under the IOLTA concept, such
25 funds can be pooled and earn interest for law

1 related public services projects.

2 I assumed responsibility for the corpora-
3 tion's IOLTA program in September. This program
4 began last April when the corporation issued a
5 solicitation inviting states to apply for one of
6 two types of grants, either a developmental
7 grant or an implementation grant.

8 A second solicitation was issued in
9 September and applications are being accepted
10 through April 30th.

11 Now, the difference between these two
12 types of grants is that a developmental grant is
13 available to a state that is planning an IOLTA
14 program and ranges from 1000 to \$2500.

15 While an implementation grant is available
16 to a state with an IOLTA program approved by an
17 enacting authority, either the State Supreme
18 Court or the State Legislature. And, these
19 grants range from 10,000 to \$25,000.

20 Now, a state that has received a develop-
21 mental grant may, after the IOLTA program has
22 been approved by the State, apply for an
23 implementation grant. However, no state has yet
24 applied for both.

25 To date, the corporation has awarded

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13 grants and these amount to approximately \$157,000. There have been six developmental grants and seven implementation grants.

Now, in addition to these two types of grants which are available to states, the corporation has established the National IOLTA Clearinghouse through a \$200,000 grant to the Florida Justice Institute.

The Clearinghouse provides states with information, materials, training and technical assistance on IOLTA program design and operation. This assistance is extremely valuable to states since the development and implementation of an IOLTA program is a complicated and time consuming process.

Now, turning to IOLTA activity on a state by state basis. There are presently 21 states with approved programs and those are the states that are indicated with the red dots.

There are seven states that have program petitions pending before their Supreme Courts and Pennsylvania has a bill pending before its legislature and those states are shown by the green dots.

In addition, there are 17 states

approximately \$1.5 million and these amounts are approximately \$1,000,000. These have been in development

programs and some implementation programs.

Now, in addition to these two types of

programs which are available to states and territories

which are available through the National Health Service

through a \$100,000 grant to the states

Health Institute.

The Organization provides states with

information, materials, training and technical

assistance on health program design and operation

with assistance in extremely valuable to states

where the development and implementation of an

health program is a complicated and time consuming

process.

Now, turning to health activity on a state

by state basis. There are generally 11 states

with approved programs and these are the states

that are indicated with the red dots.

There are seven states that have programs

and are indicated with blue dots.

and are indicated with a half blue dot.

and are indicated with a half blue dot.

These dots

In addition, there are 14 states

1 and the District of Columbia that are studying
2 IOLTA and those states are represented by the
3 orange dots. And, the blue dots indicate states
4 where there have been some problems and I'll
5 address that in just a few minutes. And, these
6 little yellow dots indicate which states have
7 been recipients of a corporation IOLTA grant.

8 And, to date there are only two states
9 where there has been no IOLTA activity and those
10 states are Louisiana and Wyoming.

11 Now, of the 21 states that have approved
12 programs, nine have collected funds, but Florida
13 is the only state to have distributed money.
14 And, to elaborate on what Mr. Henri told you
15 earlier, since September 1st of 1981, 2.7 million
16 dollars has been raised in Florida and over 1.5
17 million dollars has been distributed. And, this
18 money was given to 36 programs consisting of LSC
19 funded programs, Bar affiliated legal aid
20 societies and pro bono projects and other private
21 delivery systems.

22 Now, as far as some of the other states
23 that have programs operating, to give you some
24 examples New Hampshire's program began in
25 January of this year -- excuse me January of

1 1983 -- and, as of December 31st of 1983, they
2 have collected over \$74,000 and there were 382
3 attorneys participating or 19 percent of the Bar
4 with trust accounts.

5 California's program began in March of
6 '83 and they have collected 2.9 million dollars.
7 There were 45,000 attorneys participating and
8 the average for each attorney is \$133 annually.
9 And, they are collecting \$500,000 per month.
10 And, in California the 1984 projected revenue is
11 \$6,000,000.

12 Maryland's program began at the end of
13 March. They have collected \$161,000. That's
14 with 1,631 attorneys or 35 percent of the Bar
15 with trust accounts participating.

16 And, Virginia, who's program began
17 November 1st of '83, has collected over \$25,000
18 and that is with 1,108 attorneys or 8.84 percent
19 of the Bar with trust accounts participating.

20 As I've said, there have been some problems
21 Four states have rejected the concept. The
22 Courts in Arkansas and in Maine rejected their
23 Bar Association's petition in early 1983. But,
24 the Bar's are planning to repetition their Courts

25 And, South Carolina's Supreme Court also

1988 - and, as of November 30, 1988, they
 have collected over \$14,000 and that in 1988
 they have collected over \$10,000 in the amount of the war
 with their assistance.

The National program began in March of
 1988 and they have collected \$2 million dollars.
 There were 45,000 telephone calls in March and
 the response for each telephone call was \$25.
 They are collecting \$200,000 per month.
 In California the 1988 collected revenue is
 \$6,000,000.

Michigan's program began at the end of
 March. They have collected \$14,000. There
 were 1,000 telephone or 35 percent of the war
 with a total amount of \$14,000.
 Michigan's program began in
 November of 1988. It collected over \$25,000
 and that is with 1,100 telephone or 3.34 percent
 of the war with that amount of contribution.

As you said, the war has been very difficult
 for them and they have rejected the concept of
 the National program. In Michigan they have
 the National's decision in early 1988. The
 the National's decision in early 1988. The
 the National's decision in early 1988. The

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rejected IOLTA, but the Bar Association is pursuing an IOLTA program and I know that South Carolina is interested in applying for a corporation grant. Just last week I received a call from a representative of that Bar inquiring about the grants.

And, the fourth state to reject IOLTA is Indiana. And, Indiana's Supreme Court rejected the State Bar and Bar Foundation's request for a rule change which would have created a voluntary IOLTA program. However, IOLTA activity, I am told, is continuing in Indiana.

Probably the most serious problem, to date, is in California where there has been the first frontal attack on the constitutionality of an IOLTA program. And, without getting into much detail, let me say that California has a mandatory program which requires that attorneys participate. But, in the lawsuit that is pending, the trial Court found the program to be client voluntary, meaning that the client can choose whether or not to participate in the program. And, by coming to this decision, the judge did find the IOLTA concept constitutional. And, needless to say, California is being closely

rejected FOIA, but the Bar Association is
 regarding an FOIA program and I know that
 Coxall is interested in applying for a copy
 of that grant. That last week I received a call
 from a representative of that Bar regarding
 about the program.

And, the fourth state to reject FOIA is
 Indiana. And, Indiana's Supreme Court rejected
 the State Bar and Bar Foundation's request for a
 rate change which would have created a voluntary
 FOIA program. However, FOIA activity, I am
 told, is continuing in Indiana.

Probably the most serious problem is
 that, in California where there has been the
 first frontal attack on the constitutionality of
 an FOIA program. And, without getting into
 much detail, let me say that California has a
 mandatory program which requires that all
 agencies, but, in the lawsuit that is now

pending, the trial court found the grounds to be
 at least voluntary, meaning that the state can
 choose whether or not to participate in the
 program. And, by coming to this decision, the
 judge has said the FOIA cannot be constitutional.

And, besides the fact California is being denied

1 watched to see if this decision is upheld.

2 There's no doubt that IOLTA has tremendous
3 potential for raising additional funds for Legal
4 Services Programs and I am very pleased to be
5 responsible for the corporation's project.

6 MR. CHAIRMAN: Thank you very much, Heidi.
7 That's two excellent reports.

8 MS. ACKERMAN: Thank you.

9 MR. CHAIRMAN: Does the Board have any
10 questions?

11 MR. FERRARA: What is the -- I know you
12 probably don't have a specific figure on this,
13 but what is the average amount of client's sum
14 that would be held in the trust fund and for
15 how long an average would it be held?

16 MS. ACKERMAN: That's something that is
17 decided by each state. I am told that it's
18 usually a matter of days that the money is being
19 held. And, the sum is generally under \$50. But
20 it varies. There is no -- I think there is only
21 one state where it's defined and I don't have
22 that information with me; I'm sorry.

23 MR. FERRARA: And, is it usual that the
24 client has the authority to say -- is he usually
25 given the option of or is he informed that this

1 is -- it's going to be put in this fund or is
2 that the lawyer's decision? How does that work?

3 MS. ACKERMAN: Well, once again, it's a
4 state decision and it's the attorney who is part
5 of the program. And, I would imagine that in the
6 state it would -- once again, whether the client
7 is informed of the IOLTA program or not. There
8 are very few states where IOLTA is mandatory.
9 In Minnesota it's mandatory; all attorneys must
10 participate. And, in California where it is
11 mandatory that all attorneys with trust accounts
12 participate, the judges ruled that the client
13 must be informed and must make the decision of
14 whether his or her funds will be part of the
15 IOLTA program.

16 MR. FERRARA: Let me just ask one more
17 question. How high up did the maximum -- well,
18 what's the, you know, what is the upper reaches
19 of these amounts per client?

20 MS. ACKERMAN: That's, once again, a state
21 issue. And, hopefully next time I do it --
22 (simultaneous discussion).

23 MR. FERRARA: Well, the typical -- I mean,
24 you know, then you can experience what is it,
25 you know, what, you know, I suppose there are a

is -- it's easy to be put in this kind of
situation. The lawyer's position is not that

MR. WINTERMAN: Well, once again, this is

state decision and it's the attorney who is part

of the program. And I would imagine that in the

state it would -- once again, whether the client

is informed of the TORT program or not, there

are very few states where TORT is mandatory.

In Minnesota the mandatory tort attorney must

participate. And in California where it is

mandatory that all attorneys who have business

participate, the judge ruled that the client

must be informed and must make the decision of

whether to opt out or not. And that is part of the

TORT program.

MR. WINTERMAN: But we just ask one more

question. How high is the premium -- well,

what is the cost, what is the cost, what is the

of those amounts per client?

MR. WINTERMAN: Well, once again, I think

that's a question that's best left to the

legislature.

MR. WINTERMAN: Well, the typical -- I mean,

you know, that's the question that I'm asking

you know, what is the cost, what is the cost

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lot of things these funds may be used for, but does it ever get to be a large amount for an individual client?

MS. ACKERMAN: I'm sorry, I --

MR. PRESIDENT: If I may? It's always, of course, the lawyer's responsibility to make the proper determination on what will be best for his client. And, therefore, it's not something that can be mandated.

The traditional way for the program to operate has been that the funds would be held for a short period of time or would be so small that the client couldn't get any benefit from it. If, of course, there is a way to make the client benefit, the lawyer has the ethical responsibility of making sure that that happens.

Generally, this is something that is put into a lawyer's trust account overnight or for a day or two and the amount of interest that would be generated would be so small that it wouldn't be economically worthwhile to set up the interest bearing account for the individual client.

And, so as Heidi mentioned, \$50 has been a traditional measure, I believe that was in Maryland. Other states may have different ways

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lot of things these things may be used for, but
 does it ever get to have some amount for an
 individual client?
 THE ATTORNEY: I'm sorry, I don't know.
 THE PRESIDENT: It's always
 of course, the lawyer's responsibility to make
 the proper determination on what will be done
 for his client. And, therefore, it's not some-
 thing that can be mandated.
 The traditional way for the program to
 operate has been that the funds would be held
 for a short period of time or would be so small
 that the client couldn't get any benefit from
 it. If, of course, there is a way to make the
 client benefit, the lawyer has a moral
 responsibility of nature and that suggests
 generally, that is something that is not
 into a lawyer's moral account especially on for a
 the on the one hand the amount of interest that would
 be awarded would be so small that it wouldn't
 be economically worthwhile to put in the money
 bearing account for the individual client.
 But, as an individual, \$100 has been a
 traditional amount, I believe that was the
 maximum. Other things may have \$100 and other

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of doing so, but it's primarily the lawyer's prime responsibility to make sure that he does what's best for his client. So, there is no magical figure.

MR. CHAIRMAN: Thank you very much.

MR. BROCCOLETTI: The Law School Clinical Project is one of the two major projects presently underway or about to be underway in the Office of Program Development.

The project is intended to research possible supplements to the legal services to the poor, mandated under the Research Division of the Legal Services Corporation Act. We plan to make one time grants of up to \$100,000 to 12 geographically dispersed law schools around the country.

We firmly believe that there are thousands of ready, willing and able law students out there that can assist in the delivery of legal services to the poor people. Normally, we've been very careful in studying what has been done in the past in regards to law schools, both in regards to the Legal Services Corporation, as well as the Department of Education and foundations such as the Ford Foundation.

of doing so, and this is the primary responsibility of the lawyer, and it is his responsibility to make sure that he does what's best for his client. So, there is no magical figure.

MR. CHASTAIN: Thank you very much.

MR. BROOKHUIS: The law school clinical

project is one of the two major projects presently underway or about to be underway in the Office of Program Development.

The project is intended to research possible

alternatives to the legal services to the

poor, mandated under the Research Division of

the Legal Services Corporation Act. We plan to

make one-time grants of up to \$100,000 to 12

geographically dispersed law schools around the

country.

I think believe that there are thousands

of people, within and also law schools out

there that we assist in the delivery of legal

services to the poor people. Some of the ways

have very general in studying and have been done

in the past in regard to law schools, with in

regards to the Legal Services Corporation, in

will be the Department of Education and research

along with on the Legal Services Act.

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1 In the late 1960's the predecessors of the
2 Legal Services Corporation and the Legal Services
3 Office of Economic Opportunity funded the Antioch
4 School of Law's Clinical Program. The Antioch,
5 as you probably all know, is a work study type
6 law school with the only model of its kind in
7 the United States.

8 In 1974 the Legal Services Corporation
9 grandfathered in the Antioch School of Law Program.
10 Presently, it is still functioning under grants
11 from the corporation. In 1978 there was tremen-
12 dous demand, appeals, pleas from law schools
13 around the country to the Legal Services Corpor-
14 ation to make grants available to law school
15 clinical programs. Schools such as Temple,
16 Drake, Kentucky were virtually pleading that if
17 they didn't get the funds, they'd go out of
18 business.

19 The University of Kentucky's law school
20 clinical program did go out of business due to
21 the lack of funds. An interesting side note
22 here is that I found a note a few weeks ago from
23 a professor at Drake University asking about
24 the progress of the law school clinical program.
25 The note was dated 1978. I called up the

In the late 1960's the effectiveness of the
Local Services Corporation and the local services
offices of the Federal Government in the
School of Law's Clinical Program, the Attorney
as you probably all know, in a wide study-type
law school with the only model of the kind in
the United States.

In 1971 the Local Services Corporation
was established in the Attorney School of Law Program.
Initially, it is still functioning under grants
from the corporation. In 1978 there was a transfer
of the program, assets, and from the school
to the country to the Local Services Corporation
and to make grants available to the school
initial program. Grants were made to
the school and were virtually identical to the
other grants. They'd go out of
the school.

The history of the school
clinical program has not of course been to
the law of the school. An interesting side note
is that I found a note in the school records
a professor at the University asked about
the program of the school clinical program
the note was dated 1971. I called on the

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professor about three weeks ago and he said you mean the corporation is finally going to do something on a national basis? So, to say the least, he was extremely pleased to find out that we're going forward with the project.

The Department of Education back in 1978, started to make grants available to new law school programs, to new law school clinical programs with a different type of twist. They are still making the grants and in 1984 it will be approximately \$1,000,000. Their emphasis, of