Call to Order  Board President Gary Ramsey called the meeting to order at 4 p.m.

Roll call  Wade Enget, Laurie Forsberg, Mary Kae Kelsch, Lenora Kutz, Alan Lerberg, Rob Manly, Paul Murphy, Gary Ramsey

Absent  Jody Colling, Clyde Houle, Veronica Kirkaldie, Lisa Tomlinson

Staff  Admin: Rich LeMay, Kim Kramer, Audrey Solheim
       Belcourt: Rhonda Belgarde-Baker
       Bismarck: Brad Peterson, Nadia Javaid, Katie Valer
       Fargo: Adele Page
       Minot: Ed Reinhardt, Breezy Schmidt, Virginia Martin-Hansen, Crystal Davis-Wolfrum, Heather Deaton, Morgan Page, Mary Jo Ripplinger

Minutes  A motion to approve the minutes was made by Mary Kae, second to the motion was made by Lenora; motion carried.

Regulations  There were no actions to report on Regulations 45 CFR 1612 and 1620.

Fiscal Update  Kramer presented the Budget-to-Actual Report for August 2016. Revenues and expenses are both within approved budget through August.

2017 budget  Kramer presented the 2017 Preliminary Budget to the board. LSC and some local grants are based on 2016’s award amounts as new awards aren’t normally made available until mid-December. Other revenue sources are based on grant awards already received and/or estimates on carry over from current grants.

Five grants are currently pending approval: LSC Migrant Grant, Bank of America Funding, IOLTA, CDBG-City of Fargo funding and Fredrikson & Byron Foundational grant.

BOA [Bank of America] amount is an estimate and Rich, Adele and Breezy are currently working on a proposal to submit to SBAND. Bremer funding ends in November and we are requesting an extension so the amount is estimated carryover. The estimated is $2.3 million revenue.

Personnel expenses are based on the salary grid approved in 2015 with a step increase for employees. One change is to add Ed Reinhardt as an employee, with benefits, instead of as a contract attorney, as has been done in the recent past. Also included are two attorneys and a paralegal for the proposed Grand Forks Law Office.
Different health insurance options are being reviewed for cost savings. We are looking at Sanford, Medica and Blue Cross as possibilities, but 2017 rates are available until mid-October so a 5% increase was included for this preliminary estimate.

Lease expenses are estimated at $171,000 and include a $36,000 estimate for the proposed Grand Forks Law Office. Other expenses are based on past expenditures and include estimated 3% increase for other LSND office for items such as utilities, office, telephone, and program travel. Also, estimates are included for the Grand Forks Law Office for supplies, travel, telephone, etc. This made a total of $2,298,000 net operating expenses.

This preliminary budget doesn’t need approval; it is a tool to help our board see what direction the program is going. Once information is available on grant awards, a final budget will be prepared for adoption by the board.

**Combining Bank Accounts**

LSND is in the process of moving the bank accounts from US Bank and Starion to Bremer Bank. Kramer presented a resolution that listed approved signers for each account and LSC requirements for ensuring that all funds are FDIC covered or invested in US Treasury notes or investment instruments, and Bremer Bank accounts meet the requirement.

Currently each law office has a client trust account. It has been recommended that there be a single client trust account, administered by the CFO. Paul Murphy advocated that the client trust accounts should be in separate banks, as he had difficulty when a teller put the funds into the wrong account. By using another institution this would possibly eliminate this error.

Gary wanted to be assured that the funds are fully insured, and Kramer replied that Bremer Bank stated that they are fully insured through US Treasury notes and/or investment instruments, which meets LSC Accounting Guide for LSC Recipients 2-2.2 Cash and Investments (2010 Edition).

A motion was made by Wade, seconded by Alan that the bank accounts, including the trust accounts, are moved to the Bremer Bank and that Mary Kae be granted authority to sign the resolution required for such a transfer. The vote indicated a positive response with the exception of Paul’s negative vote. [A copy of the resolution is attached to these minutes.]
Attorney Positions

Rob, Paul, and Jodi’s positions on the board of directors will expire the end of 2016. Rob and Paul agreed to serve another three-year term; Jodi was not at the meeting. Rich will contact the State Bar Association Board of Governors and let them know of the desires of these current board members. It is up to them to determine if they want to reappoint these attorneys to represent the State Bar.

Migrant

There has been no word as to the decision of LSC as a result of our RFP for LSC Migrant funding. We probably will not learn until the middle or end of December if we will receive this funding or not.

NARF

The Native American Rights Fund, which we have a contract with to serve the Native Americans, came to monitor our program this summer. It has been 18 years since they last monitored our program. They were happy with what we are doing. There was only one finding concerning a reporting snafu that involved cases that were reported in the wrong grant award. LSND usually has two awards to report on each quarter.

Bush Book Interviews

Since we received a Bush Prize award, our program was chosen to be part of a book the Bush Foundation is writing. Rich, Adele and Rhonda were interviewed and we will be included in a chapter in their book to help promote our program.

LSC OCE Visit

A fun time was had by all, or so Rich reported! LSC’s OCE department hadn’t been to visit our program for 10 years. All in all we did very well. Not perfect as they found some things, but the things they found weren’t systemic problems. They involved our effort to try to be more efficient in helping clients, so will need to tweak a couple of things. It involved items needed in every file – there were 37 items noted, all with the same error.

LSC didn’t find anything saying we helped somebody we shouldn’t have, we just didn’t have the documentation in the file that we should have had. It may be a finding, we don’t know for sure.

On the fiscal side (as opposed to case management) they focused primarily on PAI and percentages we are using to allocate staff time to PAI. Kim said they also indicated a need to update our Accounting Manual. There was one instance where attorney fees revenue should have been recognized in the fund it was received in. A correcting entry in the accounting system cleared that problem.
An award for the state of North Dakota is approximately $1.1 million as a result of a settlement resulting from a mortgage foreclosure case. What can we do with this money? North Dakota hasn’t had the kind of mortgage foreclosure problems that other states programs have had. The money is to be used for mortgage foreclosure prevention or community redevelopment within the state. Since LSND is the only legal services program in the state it is likely the award will come to us.

The State Bar suggested a collaborative effort might be made between LSND, High Plains Fair Housing and the UND Law School.

There is a possibility of establishing a Grand Forks legal services office. Adele and Breezy have had a couple meetings with the Law School and High Plains Fair Housing. The Grand Forks office would provide the ability to work with law students to help our clients. High Plains is the only North Dakota organization that deals with fair housing issues. The law school is on board in the collaboration process. There is a new requirement that all graduating law students need a 6 credit hour externship before they graduate. Externships could be provided at that Grand Forks location.

Also the law school would like assistance in providing some kind of class such as family law. LSND should be able to provide teaching across the state using technology. It would be good to have law students influenced and to learn about poverty law; even if they don’t come to work for us they would have knowledge to help our clients.

We hope to get office space for us at $8 per square foot per year by working with the law school, which beats the alternative. The other space we are looking at is near the courthouse and close to downtown Grand Forks.

High Plains Fair Housing could also provide benefits to this collaborative project. One thing they have is fair housing testers, which are hard to find. In a fair housing case good testers make a good case. Granting sources are generally more willing to give grants to collaborating agencies. We will see what develops.

A meeting has been scheduled with a representative of each of the two groups on the 24th of October, those people are the Kathryn Rand, Dean of the Law School and Michelle Ritz from High Plains Fair Housing in Grand Forks.
The IOLTA Commission and the SBAND Board Foundation have the final say in who will be awarded the funds. Most of those people are on both boards. Adele will provide the names on those two groups to the Board. This proposal will create a win-win situation for everybody, especially our clients. Board members were encouraged to visit with members making the decision to encourage their support.

LSND should be the holder of the funds. The goal is to maintain an office in Grand Forks for years to come, to attract sustainability. If we also receive the LSC Migrant funding, additional Grand Forks CDBG money and other funding opportunities, with four years to develop this office gives us an excellent chance of sustainability. Long range this would give us an opportunity for full state coverage.

Strategic Planning

LSC has been advising us that we need to do something with our Strategic Plan and our Legal Needs Assessment. We will try to do it with as little staff time as possible. Audrey S is working on an electronic legal needs assessment, and with the help of our Treeno software the strategic plan should have efficient way of meeting these goals.

Supreme Court Appeal

There was a decision out of Williams County where District Court Judge J. B. Rustad rendered a judgment. The appeal is posing a number of interesting issues. It is before our Supreme Court, a matter that needed to be appealed.

Other Supreme Court Appeals

Gini was successful at district court level, her client received custody. It was a case from the Bakken, concerning Native American children, that includes a history of domestic violence. The other side felt they needed to appeal so it will be argued at the ND Supreme Court.

Board Meeting

The next board meeting will be on Thursday, December 1 following the holiday party. On Wednesday, November 30 there will be staff training in afternoon. Our training will continue on Thursday with a half day devoted to human resources information and a half day for staff training.

LSC indicated some staff reported they had never received training on LSC Regulation requirements. We will start from scratch; all can go through the training and we will make a record of those participating in
this training. Our holiday party will be at the Radisson after the training, followed by a board meeting that evening. The next day December 2 is the winter CLE. We are still waiting to schedule additional trainers, and will let the board know once that is determined. Breezy will do a segment on evictions in ND; the JAG office will be contacted to do something on military issues and what might be available for military active or National Guard or veterans, and there will be something on human trafficking too.

Deputy Director
Report
Adele has been working with the law school and High Plans on the negotiations for the BOA funds. The RFP is due date December 5. It will be written and finalized ready for review at the December board meeting. An extension was obtained because of the intent for collaboration with UND Law School and High Plains Fair Housing.

Personnel, annual performance reviews have been instituted again. There was also an engagement survey sent electronically to all staff. The results of this survey will be available at the next meeting. In addition, to encourage better communication among our staff, monthly contact calls have been done on a monthly basis.

NAILS
Award
NAILS, at its annual conference at Indianapolis in November will be awarding Jim Fitzsimmons the Pierce Hickerson Award. This is honoring outstanding contributions to the advancement or preservation of Native American rights. It was started in 2003 by advocates in the civil legal assistance programs to pay homage to the legacies of Julian Pierce and Robert Hickerson for their outstanding advocacy in pursuit of justice for Native Americans. Ed Reinhardt will attend the NAILS conference in Indianapolis on behalf of LSND; Jim’s daughters will also be in attendance.

Memorial
Fund
We are still working on memorial fund; there have been contributions in the amount of $3700 so far. Alan Lerberg will work with Kim Kramer in establishing this fund. A goal for the funding will be needed, and advertising for additional donations will also be made.

Adjourn
A motion to adjourn the meeting was made by Mary Kay and seconded by Lenora. Motion carried.

Mary Kae Kelsch, Secretary/Treasurer
Banking Resolution - Bremer Bank
Legal Services of North Dakota

Date: 10/10/16

Name of Organization: Legal Services of North Dakota (LSND)

RESOLVED, that Legal Services of North Dakota (LSND) execute and deliver to said bank a duly signed original of the completed banking resolution as is annexed hereto, and that the authority to transact business, including but not limited to the maintenance of savings, checking and other accounts, shall be as contained in said resolution with the named officers therein authorized to so act on behalf of the Corporation as specified hereto.

Business Money Investment (Savings), Wage Works FSA, Main Operating Account (Checking):
1. Richard LeMay, Executive Director
2. Bradley J Peterson, Attorney/Spec Projects Dir.
3. Mary Kae Kelsch, Board Treasurer
4. Alan Lerberg, Board Member

IOLTA Lawyers Trust Account signers:
1. Richard LeMay, Executive Director
2. Adele Page, Deputy Director
3. Ed Reinhardt, Supervising Attorney
4. Steve Simonson, Fargo Managing Attorney
5. Mikayla Jablonski Jahner, Bismarck Managing Attorney

Filing Fee Account signers:
1. Richard LeMay, Executive Director
2. Adele Page, Deputy Director/Attorney
3. Mikayla Jablonski Jahner, Bismarck Managing Attorney
4. Bradley Peterson, Attorney/Special Projects Dir.
5. Mary Kae Kelsch, Board Treasurer

Debit Card Checking account (VISA cards):
1. Richard LeMay, Executive Director
2. Gale Colman, Intake/IT Coordinator
3. Adele Page, Deputy Director
4. Steve Simonson, Managing Attorney
5. Mikayla Jablonski Jahner, Managing Attorney
6. Kim Kramer, Chief Fiscal Officer
7. Clarine DeGroot, Office Manager

Kim Kramer, Chief Fiscal Officer, will have authority make deposits, monitor accounts online, transfer money between accounts as needed online, and monitor and maintain the accounts on behalf of the organization.
FURTHER RESOLVED, that Legal Services Corporation (LSC) requires that LSC funds be maintained in federally-insured bank accounts or invested in U.S. Treasury notes or bills or investment instruments, such as money market accounts and repurchase agreements that invest in U.S. government securities. (Accounting Guide for LSC Recipients 2-2.2 Cash and Investments (2010 Edition))

Bremer Bank investment tools are secured by US Government investments, such as treasuries or government bonds, therefore they meet LSC guidelines.

I certify that this resolution was adopted by Legal Services of North Dakota’s Board of Directors and is now in effect. I certify that the persons whose names, titles, and signatures appear above are authorized to operate the accounts above within the guidelines presented above.

Mary Kae Kelsh
Treasurer

10-25-16
Date