



For Immediate Release

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***ENZI SAYS LEGAL SERVICES CORPORATION OVERSIGHT MUST
BE STRENGTHENED, BETTER MANAGEMENT NEEDED***

Washington, D.C. – U.S. Senator Mike Enzi (R-WY), Ranking Member of the Senate Health, Education, Labor and Pensions (HELP) Committee, today said that a new report by the General Accountability Office (GAO) confirmed that the Legal Services Corporation (LSC) needs additional governance and accountability measures to ensure effective board oversight.

“With my accounting background, I am particularly concerned that LSC is years behind similar organizations in developing effective measures to monitor and control spending,” Enzi said. “This lack of accountability is likely the cause of many of the improper spending practices found in my investigation, like \$14 cookies at board meetings, first class travel and expensive limousine services for board members, and excessive bonuses.

“LSC is responsible for safeguarding \$348.6 million in taxpayer dollars, but GAO reports that it will take many years and much expense for LSC to bring its financial controls and management in line with best practices for accountability. I will seriously consider the next steps and GAO’s suggestion that LSC could benefit from being modeled after other government agencies of the federal government.”

Senator Enzi requested that GAO review LSC board oversight following his own investigation which revealed fiscal abuses, conflicts of interest, and general mismanagement by the LSC board.

“Federal resources for organizations like LSC are scarce, and we want to ensure that every dollar they receive from the federal government is spent in the way Congress intended,” Enzi said. “I will be working with my colleagues on the HELP Committee as well as the Finance Committee to modernize and strengthen LSC management.”

The full GAO report, titled “Legal Services Corporation: Governance and Accountability Practices Need to Be Modernized and Strengthened,” GAO-07-993, is available at:

<http://www.gao.gov/cgi-bin/getrpt?GAO-07-993>.