

**MEETING OF THE
BOARD OF GOVERNORS
OF THE
STATE BAR OF ARIZONA**

January 20, 2023

BOARD MEMBERS PRESENT: Jessica Sanchez, President, Mesa; Benjamin Taylor, President-Elect, Phoenix; Ted Schmidt, Vice President, Tucson; Sam Saks, Secretary/Treasurer, Tempe; Diandra Benally, Fountain Hills; Sandra Bensley, Tucson; YLD President Nicholas Brown, Phoenix; Jena Decker-Xu, Phoenix; Denis Fitzgibbons, Casa Grande; Sharon Flack, Prescott; Kelsi Lane, Phoenix; Leticia Marquez, Tucson; Robert McWhirter, Phoenix; John Moody, Phoenix; Preston Pollock, Globe; Jennifer Rebholz, Board Advisor, Phoenix; David Rosenbaum, Phoenix; Eric Ruchensky, Flagstaff; D. Christopher Russell, Sierra Vista; Jimmie Dee Smith, Yuma; Public Governors Robyn Austin, Tucson, Cedric Dave, Chandler, Mignonne Hollis, Sierra Vista; At-Large Governors Mike Baumstark, Scottsdale, Dave Byers, Phoenix, and Doreen McPaul, Window Rock; Ex-Officio Member Dean Marc Miller, UA College of Law, Tucson.

BOARD MEMBERS WITH EXCUSED ABSENCES: Public Member Jonathan Martone, Paradise Valley.

STAFF: Matt Campbell, System Administrator; Deanna Commack, Executive Assistant; Joel England, CEO/Executive Director; Sarah Epperson, Ethics Counsel; Joe Hengemuehler, Chief Communications Officer; Jessica Iennarella, Controller; Lori Maxwell, Chief Information Officer; Elena Nethers, Director of Diversity, Equity and Inclusion; Lisa Panahi, General Counsel; Amy Rehm, Deputy Chief Bar Counsel; Carrie Sherman, Director of Board Operations; Roberta Tepper, Chief Member Services Officer; Maret Vessella, Chief Bar Counsel.

GUESTS: Victoria Ames, ASU College of Law; Hon. William Montgomery, Arizona Supreme Court Liaison; Affinity Bar Reps: Hon. David Allen, Wil Comer, Kevin Pooley, Serena Serassio, Nina Targovnik, Cindy Villanueva; 2022-2023 BLI Class: Ross Arellano, Dwayne Burns, Danny Evans, Esmeralda Gaxiola, Adrian Genco, Chis Heo, Desiree Kerfoot, Nicole Lopez, Brian Molitor, Bijal Patel-Weintraub, Lauren Ramirez, Paloma Scheiferstein, Denae Suchy, Haley Terrell.

Call to the Public – Jessica Sanchez

President Sanchez made a Call to the Public and hearing nothing, moved on to the next item on the agenda.

Diversity Survey Results – Professor Tammi Walker

- The D&I survey presentation covered:
 - Executive Summary
 - Survey Purpose and Acknowledgements
 - Survey Design
 - Respondents & Demographics

- Key Findings
- Discussion
- Appendices
- The results provide the State Bar with a foundation from which to measure future growth; what are next steps?
- Q&A session followed:
 - Any future survey to be open for a longer timeframe
 - Ways to broaden the reach to members to educate/respond to a future survey
 - Reiterate confidentiality assured; survey endorsed by the Institutional Review Board
 - Compare results with other professions
 - Affinity bar leaders asked to provide feedback to the Board's D&I Panel
 - Publish results

President's Report – Jessica Sanchez

- Attended:
 - PCBA Board Meeting and then a Meet and Greet with District 5 members held at Ted Schmidt's law firm; thanked VP Schmidt for arranging these events
 - Investitures: Phoenix City Judges Patricia George, Frankie Jones, and Alex Navidad
 - Maricopa County Bar Association Holiday Party
 - NCBP 21st Century Lawyer webinar - "A Conversation with DOJ on Increasing Access to Justice"
 - President Sanchez recognized the Arizona Supreme Court for the innovations it has already made to improve access to justice
- Considering holding:
 - the April or May Board meeting outside Phoenix
 - an Executive Council meeting in Window Rock
- Playlist from Board Retreat to be circulated later today; enjoy!

CEO's Report – Joel England

- Introduced:
 - Employee of the 4th Quarter Jennifer Sonier, Professional Development Director
 - Employee of the Year Caitlin Kelly, Program Coordinator in the Legal Services Division
- Attended same events as President Sanchez
- SB 1092 introduced; the State Bar and Supreme Court may not infringe or impede "the political speech rights of any attorney or the attorney's clients"
- Staff updates:
 - New HR Director starts on January 30
 - CFO Kathy Gerhart to begin phasing out career at the Bar; Controller Jessica Iennarella will become Deputy CFO in April, train extensively on CFO responsibilities not currently handled, and become CFO at yearend

Proposed Amendments to the SBA Articles of Incorporation – Lisa Panahi

- The Bar's Articles of Incorporation were filed in 1987 and needed to be reviewed.

- Some general language clean-up was proposed but Article VII, which deals with the dissolution of the corporation, would be changed to allow the assets to also be distributed to a 501(c)(6), whereas the current Articles only mention assets being distributed to a 501(c)(3).
- Notice was given to the Board at the December meeting that the proposed amendments would be voted on at this meeting; no comments/feedback were received.
- **MOTION:** David Rosenbaum moved, Eric Ruchensky seconded and the motion carried unanimously to approve the proposed amendments to the SBA Articles of Incorporation.

Consent Agenda – Jessica Sanchez

President Sanchez asked if there were any matters that needed to be removed from the Consent Agenda and hearing nothing,

- **MOTION:** David Rosenbaum moved, Eric Ruchensky seconded, and the motion carried unanimously to approve the Consent Agenda:
 - a) Approval of December 2, 2022 Board Meeting Minutes
 - b) Approval of Resignations in Good Standing
 - c) Approval of Resignations in Lieu of Reinstatement
 - d) Approval of Reinstatement of Member(s) Suspended for Non-Compliance with Annual Membership Fees and/or Trust Account Compliance (Rule 32(c)(10) and/or Rule 43, Ariz. R. Sup. Ct.)
 - e) Approval of 2021-2022 Summary Suspensions for Non-Compliance with MCLE Requirements (Rule 45, Ariz. R. Sup. Ct.)
 - f) Fee Waiver Denials

Finance and Audit Committee – Jessica Iennarella

- Currently anticipating a surplus for the year of \$1,554K relative to a budgeted surplus of \$389K – excluding investment activity.
 - Revenues – Anticipate \$712K favorable variance – Variance primarily driven by increased CLE revenue, advertising sales and rental income
 - Expenses – Anticipate \$453K favorable variance – Variance primarily driven by lower bank fees and personnel costs
- December financial statements will be issued in two phases. Preliminary will be issued January 31st. Final, including year-end adjustments, will be out around end of February.

Information

- Human Resources Subcommittee – Sandra Bensley
 - Board members will receive a survey to assess the CEO’s 2022 performance
 - Executive Session at February Board meeting to vote on CEO’s compensation

Adjournment: 11:00 a.m.

Respectfully submitted,

Sam Saks
Secretary/Treasurer