President Richard Platt called the meeting to order at 8:35 a.m.

PRESIDENT’S REPORT

- A moment of silence was taken to recognize John J. Sullivan, a public board member who passed away on May 16, 2015. Services to be held in Sahuarita, Arizona; John Phelps, CEO and Lisa Loo, President-Elect will attend to represent the State Bar.
- President Platt stated that a special “Lifetime Achievement Award” will be given at the Convention to posthumously recognize the Hon. Raúl Castro.
- Introduced Board members-elect who will begin service following the end of Convention: Denis Fitzgibbons, Casa Grande; Tyler Carrell, YLD President, Phoenix; and Public Member Anna C. Thomasson, Phoenix.
CEO/EXECUTIVE DIRECTOR’S REPORT – John Phelps

- Reflected on John Sullivan’s six years of Board service and his dedication as chair of the Human Resources Committee, always to remind us of the importance of people and how important it is to appreciate and support them.
- The staff preparation for the June Convention continues. California’s and New Mexico’s bar presidents will be in attendance.
- Review and appointment of attorneys to serve on the Bar’s 28 Standing Committees is underway by the President-Elect and staff.
- Attended the Lorna E. Lockwood American Inn of Court on May 20 and presented on mandatory vs. voluntary bars. Members present were very supportive of the current model. Presentation has been given 12-13 times around the state and well received.

APPOINTMENTS COMMITTEE – Chair Alex Vakula

Appointments Committee – Lisa Loo on behalf of Chair Alex Vakula

- **City of Tempe Judicial Selection Advisory Board (one seat)**
  - MOTION: Coming from the Appointments Committee, requiring no second, the following applicants were recommended:
    - Mr. Todd Allison, U.S. Attorney’s Office for the District of Arizona
    - Mr. Paul Friedman, O’Steen & Harrison PLLC
    - Mr. R. Scott Currey, Udall Shumway & Lyons
  - VOTE: Unanimous

- **Client Protection Fund Board of Trustees (one seat)**
  - MOTION: Coming from the Appointments Committee, requiring no second, the following applicant was recommended:
    - Ms. Janet G. Cornell, a non-lawyer from Phoenix; self-employed court consultant and adjunct/contract faculty for the National Center for State Courts and the Institute for Court Management.
  - Extensive discussion ensued regarding the needs of the CPF Board and the skill set desired in the person to fill this open position.
  - MOTION: Geoffrey Trachtenberg moved and Dee-Dee Samet seconded the nomination of Matthew Gerst, Financial Advisor and Assistant VP for Wells Fargo Advisors, Scottsdale, to fill the open seat on the CPF Board.
  - FRIENDLY AMENDMENT: Jim Smith asked that this matter be decided by election.
  - Amendment accepted by Mr. Trachtenberg and Ms. Samet.
  - VOTE: Mr. Matthew Gerst was appointed to serve on the CPF Board.

- **Arizona Commission on Appellate Court Appointments (two seats)**
  - A slate of three very qualified candidates was forwarded to the Governor after the Board’s February meeting: Ms. Monica B. Klapper; Mr. Keith Swisher; Mr. Todd S. Kartchner.
• The Governor subsequently asked President Platt for that the “State Bar of Arizona reopen the application period for the judicial nominating commissions and forward an expended list of attorney nominations for each vacancy…”

• Although the Scope and Operations Committee recommended to the Board that the Appointments Committee re-advertise and re-open the recruitment process and provide additional recommendations to the Board, the Board ultimately voted to direct the Committee to relook at the applications for the Commission in order to provide the Board with additional names for consideration in making its nominations to the Governor for two openings.

• Ms. Loo explained the extensive discussion and voting process the Appointments Committee undertook to arrive at the following statement that would accompany the recommendation of the original three candidates: “All candidates are subjected to the same vetting process by the Committee.”

• **MOTION:** Steve Hirsch moved to resend the original slate of three candidates recommended by the Appointments Committee and the statement, and add the following four individuals to the Bar’s nominations list for the Governor’s consideration:
  - Mr. Troy Larkin, Farhang & Medcoff PLC
  - Ms. Jennifer Nagel, Law Offices of Jennifer Nagel PC
  - Mr. John O’Neal, Quarles & Brady LLP
  - Mr. Benjamin Reeves, Snell & Wilmer LLP

• **FRIENDLY AMENDMENT:** Paul Senseman moved to add an explanation to the Governor regarding the process that had been undertaken by the Appointments Committee and the Board of Governors to reach this conclusion. Amendment accepted.

• **AMENDMENT:** Geoff Trachtenberg moved that the explanation be reviewed by Mr. Senseman and Steve Hirsch before submitting the package to the Governor. Amendment accepted.

• **VOTE:** Passed 20-0.

• Mr. Phelps suggested that the Board take a look at the Bar’s appointments process in the future for potential modifications.

**PROGRAM REVIEW COMMITTEE** – Whitney Cunningham

• Two recommended changes in the Board of Legal Specialization (BLS) program:
  - Add the following sentence to the BLS Mission Statement: “The Board of Legal Specialization administers the legal specialization program, seeks to identify fields of law for which specialized certification serves the public, and encourages lawyers duly qualified to attain certification status.”
  - Change the composition of the BLS to include four specialists, four non-specialist lawyers, four members of the public and one law school representative.

• **MOTION:** Comes as a motion from the Committee, requiring no second. No vote taken.

• Discussion regarding the current composition of the Board and the recommendations from the Committee.

• **MOTION:** Geoffrey Trachtenberg moved to table action until the Antitrust Issues Task Force reports to the Board.

• **VOTE:** Passed. Unanimous.
RULES COMMITTEE – Chair Jeff Willis

- Introduced the Hon. Paul McMurdie, Chair of the Criminal Jury Instructions Committee.
- Technical changes were made to conform to or mirror statutory changes and case law.
- Mr. Willis explained to the Board that once reviewed by the Rules Committee the Instructions come to the Board for approval; once approved they become the approved version to be used.
- **MOTION**: Coming from the Rules Committee, requiring no second, recommended approval of the Revised Arizona Criminal Jury Instructions.
- **VOTE**: Passed. Unanimous.

CONSENT AGENDA

President Platt asked if anything was to be removed from the Consent Agenda, hearing nothing:

- **MOTION**: The Consent Agenda was unanimously approved:
  a) April 24, 2015 Board of Governors Meeting Minutes
  b) Resignations In Good Standing
  c) Reinstatements
     i) Reinstatement to Practice of Members suspended for Non-Compliance with MCLE Requirements (Rule 45, Ariz. R. Sup. Ct.)
     ii) Reinstatement to Practice of Members suspended for Non-Compliance with Annual Membership Dues and/or Trust Account Compliance (Rule 32(c)(10) and/or Rule 43, Ariz. R. Sup. Ct.)
  d) 2015 Dues Waiver Requests
  e) Resolution in Memory and in Tribute to Raúl H. Castro

RECEIPT AND CERTIFICATION OF ELECTION REPORT

- In a special election, Denis Fitzgibbons was elected to represent Pinal County, Board District 8, for a two-year term.
- **MOTION**: The Board voted unanimously to receive and certify the 2015 Election Report.

CLIENT PROTECTION FUND ANNUAL REPORT – Chair Chas Wirken

- Reviewed the 2014 annual report.
- 89 claims; $413K paid out on 43 claims; 30 denied; remaining claims pending
- Recovery from attorneys for claims paid was approximately $241K
- This year the trustees have hired an attorney to do collection work to be more diligent in restitution recovery.
- June 1 is the next CPF Board meeting; will review 15 claims totaling $340K
- The Fund currently has between $2-3M in reserves.
- The two most common problems are: 1) attorney taking a retainer and not doing the work and 2) forgery - when attorney receives the insurance claim settlement checks and then forges the client’s name and takes the money.
• Suggestion from Board member to share the report more widely, especially with Legislators so they understand the public protection provided by the Client Protection Fund.

• Reviewed the challenges the CPF Board of Trustees, and the Lawyer Regulation Office, face getting more cases prosecuted by the County Attorney’s Office when theft, and possible misappropriation are found.

2015-2016 BAR YEAR – President-Elect Bryan Chambers

• Mr. Chambers announced that he has applied for the Gila County judicial opening following Judge Peter Cahill’s decision to retire.

• According to the Bar’s Bylaws, should Mr. Chambers be selected by Governor Doug Ducey, he no longer would be eligible to serve as president or as a member of the Board of Governors.

• General Counsel John Furlong presented options for the Board’s consideration should Mr. Chambers be chosen.

FINANCE AND AUDIT COMMITTEE – Chair Dave Byers

• Finance Committee met the previous day and reviewed March and April Financials. To-date ahead of budget and expected to be a little above projected reserve.

• Lisa Deane, Chief Member Services Officer, provided a high-level overview of a new Association Management System (AMS) being planned for the organization.

• Reviewed the state of the current 14-year-old database and 18 related additional software programs that are being supported by the IT department.

• Staff is in the early stages of discovering the needs of the SBA before going out for bids to find an “off the shelf” version at the most reasonable cost.

• Money that is currently set aside for this project is $778K over the next two years.

• Myron Pecora, Project Director, gave overview of timeline.
  ➢ 2015-gather requirements; process re-engineering; final solicitation to vendors.
  ➢ 2016-Design, process re-engineering; implementation; configuration; integration; database conversion
  ➢ Target: to be done by the end of 2016.

STRATEGIC PLANNING COMMITTEE – Chair Bryan Chambers

• Mr. Chambers reviewed the final draft of the 2015-2019 Strategic Plan and asked the Board for any additional input as a vote is calendared for the June meeting.

COUNTY BAR REPORTS

• MCBA – report included in the materials.

• Yavapai County Bar update provided by Alex Vakula.
NEW BUSINESS

- **AZFLS&E** – Geoff Trachtenberg urged any Board member who is not already a Next Generation Fellow to make that $1K commitment ($200 per year over five years is acceptable). At his home on Tuesday, June 2, Mr. Trachtenberg, along with Chief Justice Scott Bales and Judge Lawrence Winthrop, will hold a reception for current and future Next Generation Fellows.

OBITUARIES
To honor our members who have passed, a webpage has been created and will be posted at [www.azbar.org/NewsEvents/InMemoriam](http://www.azbar.org/NewsEvents/InMemoriam).

ADJOURN
There being no further business to come before the Board of Governors, the meeting adjourned at 12:50 p.m.

Respectfully submitted,

Geoffrey M. Trachtenberg  
Secretary-Treasurer