

**MEETING OF THE
BOARD OF GOVERNORS
OF THE
STATE BAR OF ARIZONA
December 6, 2019
Phoenix, AZ**

BOARD MEMBERS PRESENT: Brian Y. Furuya, President, Flagstaff; Denis M. Fitzgibbons, President-Elect, Casa Grande; Jennifer Rebholz, Vice President, Phoenix; Jessica Sanchez, Secretary-Treasurer, Mesa; Sandra Bensley, Tucson; Hector Figueroa, Payson; Sharon Flack, Prescott; Mark Harrison, Phoenix; Leticia Marquez, Tucson; Robert McWhirter, Phoenix; John Moody, Phoenix; David Rosenbaum, Phoenix; D. Christopher Russell, Sierra Vista; Samuel Saks, Phoenix; Amanda Salvione, President, Young Lawyers Division; Dee-Dee Samet, Tucson; Jimmie Dee Smith, Yuma; Benjamin Taylor, Phoenix; Phoenix; Board Advisor Jeffrey Willis; Public Members Robyn M. Austin, Tucson; John Gordon, Prescott; and Jonathan Martone and Anna C. Thomasson, both of Paradise Valley; At-Large Members Mike Baumstark, Phoenix; Lori Higuera, Phoenix; and Doreen McPaul, Window Rock.

EXCUSED ABSENCES: David K. Byers, Phoenix; Dean Marc Miller, Tucson; Sara Siesco, Phoenix; and Dean Douglas Sylvester, Phoenix.

OTHERS PRESENT: Jackie Brokaw, Legal Secretary; Matt Campbell, System Administrator; Candice French, HR Manager; Joel England, CEO/Executive Director; Kathy Gerhart, Chief Financial Officer; Joe Hengemuehler, Chief Communications Officer; Ann Leslie, Executive Assistant; Lori Maxwell, Chief Information Officer; Lisa Panahi, General Counsel; Rick Palmatier, Assistant General Counsel; Jim Penny, Chair, Client Protection Fund (CPF) Board of Trustees; Patricia (Trish) Refo, President-Elect, American Bar Association; James Patrick Ristvedt; Rosemary Rosales, Immediate Past Chair, CPF Board of Trustees; Carrie Sherman, Director of Board Operations; Karen Van Allen, Administrative Assistant; Maret Vessella, Chief Bar Counsel; Supreme Court Liaison Hon. John Lopez, Phoenix; Leah Won, Assistant Dean, UofA College of Law; and Victoria Ames, Assistant Dean, ASU College of Law.

President Brian Furuya called the Board meeting to order at 8:37 a.m.

Call to the Public

President Furuya made a Call to the Public and, hearing nothing, proceeded to the next agenda item.

President's Report – President Brian Furuya

- Thanked staff for organizing the Board's Holiday Reception held the previous evening. Those in attendance, including Justices Lopez and Timmer, enjoyed the evening.
- Reported that he and CEO Joel England made a "State of the State Bar" presentation to the Mohave County Bar Association on November 7. Also summarized the recommendations in the report of the Task Force on the Delivery of Legal Services which garnered some feedback. Learned that the Arizona Trial Lawyers Association opposes some of the recommendations. An entire issue of the *Arizona Attorney Magazine* will be dedicated to covering the report/recommendations.

- Will be making statewide presentations, along with CEO England, to obtain feedback on the Task Force recommendations and the Bar’s next Strategic Plan. Free CLE will be offered at these events.
- Attended:
 - Justice James P. Beene’s Investiture on November 1; presented engraved gavel set on behalf of the unified bar
 - Honored by the Arizona Asian American Bar Association on November 22
- Attending:
 - Judge Michael T. Liburdi’s Investiture on December 6
 - Arizona Judicial Council meeting on December 12

Special Presentation

President Furuya presented a memento to James Patrick Ristvedt who received the highest score on the July Bar Exam. Mr. Ristvedt spoke about his background and his own Bar prep study habits. The Board congratulated Mr. Ristvedt and wished him much success in his professional legal career.

CEO’s/Executive Director’s Report – CEO Joel England

- Introduced Legal Secretary Jackie Brokaw, the Employee of the Quarter. Ms. Brokaw is a member of the Innovation Council and led the organization’s “green” working environment initiative for which the Bar was recently recognized by the City of Phoenix as a Phoenix Green Business Leader.
- Announced that this meeting is Executive Assistant Ann Leslie’s last Board meeting. She is retiring at the end of the year. Recognized her for her outstanding organizational skills and contributions to the organization these past 10 years, and personally thanked her for her support and counsel this past year as he took the CEO helm.
- Introduced Deanna Commack who will become the CEO’s Executive Assistant. Ms. Commack has been with the organization for approximately six months as the Board of Legal Specialization Administrator.
- HR is currently conducting Open Enrollment; the last day for employees to participate is December 13.
- Employee survey, or an environmental scan of the organization, closes today. Contracted with DecisionWise to conduct the anonymous survey.
- Held the quarterly orientation for new Bar members. Thanked Justice Lopez for addressing the attendees.

10 Minute Topic – Robert McWhirter

A presentation on the topic of “Impeachment” was given by Robert McWhirter.

POLICY DISCUSSION AND POTENTIAL ACTION

Remote Board Meeting Survey Results – President Brian Furuya

President Furuya thanked everyone for experimenting with the remote-format for the October Board meeting before reviewing the Board survey results. The survey was completed by 16 Board members. In 2018 the staff’s Gold Bold Initiative proposed that a few virtual Board meetings be held each year to help defray meeting-related costs.

- Question: Is there a desire to continue with the remote format?

- The bylaws will need to be amended if future meetings will be held in a remote format.
- The process will need to be fine-tuned for remote access.
- He mentioned that even if the State Bar had the best in technical equipment, a participant might have a different experience based on their equipment.
- President Furuya spoke about the commitment of Board members to attend as many Board meetings as possible and miss no more than two each year.
- Discussion points:
 - Is \$5,000, the approximate savings by holding a remote-format Board meeting, a significant amount in terms of a \$16M budget?
 - A virtual meeting was considered more favorable to younger individuals.
 - Holding an emergency meeting online would be acceptable.
 - The format affects people outside of the Phoenix area more.
 - Prefer in-person meetings.

MOTION: After discussion, Jennifer Rebholz made a motion to permit Bar staff to draft an amendment to the bylaws to allow, at the discretion of the president, up to two virtual Board meetings per Bar year. Seconded by Dee-Dee Samet. Motion carried over two dissents.

Finance and Audit Committee Report – Benjamin Taylor and Kathy Gerhart

- CEO England reviewed the budget process which included 30 individual budget meetings within the organization and parallel consultation with the HR Subcommittee regarding personnel costs.
- Secretary/Treasurer Taylor summarized the 2020 budget guidelines, adopted by the Board in September, that were used in the budget preparation. He then reviewed the five-year projections and expenses.

ACCLAMATION: By acclamation the 2020 State Bar Operational and 2020-2024 Capital Expense budgets were approved over one dissent.

Consent Agenda – President Brian Furuya

President Furuya asked if any matter should be removed from the Consent Agenda and, hearing nothing,

MOTION: Denis Fitzgibbons moved, Jessica Sanchez seconded and the motion carried unanimously to approve the Consent Agenda.

Appointments to Arizona Foundation for Legal Services – President Brian Furuya

- The Board of Governors appoints six members to the Foundation Board. In recent years sitting Governors have been appointed to serve in order to improve communications and support common goals.
- Three members need to be appointed today due to the expiration of their terms: Kenney Hegland, Dee-Dee Samet, and Alexia Semlek.
- Jennifer Rebholz spoke about the responsibilities and time commitment that a person can expect when serving on the Foundation. There are four meetings/year along with work on special projects and a standing committee.
- Also serving are John Gordon (term expires 2020); Robert McWhirter (term expires 2020); and Jennifer Rebholz (term expires 2021).
- Kenney Hegland indicated that he does not wish to be reappointed.

- Dee-Dee Samet’s second three-year term is expiring and she is ineligible for reappointment. Since she participated in the Foundation Board meeting the previous day by phone, President Furuya presented Dee-Dee with a thank-you gift for her service from the Foundation Board. Anna Thomasson thanked Dee-Dee Samet for her work on the Foundation which benefits the community.
- President Furuya called for volunteers and the following Board members obliged: Hector Figueroa, Doreen McPaul and David Rosenbaum.

MOTION: Dee-Dee Samet moved, Mark Harrison seconded and the motion carried unanimously to appoint Ms. McPaul and Messrs. Figueroa and Rosenbaum to three-year terms on the Board of Directors of the Arizona Foundation for Legal Services & Education.

Client Protection Fund Annual Report – Jim Penny

CPF Board Chair Jim Penny presented the 2018 Annual Report. He reported on the creation of the Fund and its purpose to reimburse losses experienced by consumers caused by the conduct of dishonest lawyers. 2018 financial overview:

- Net assets as of 12/31/17 - \$2,467,714
- Revenues received in 2018 - \$460,617
- Claims paid in 2018 - \$547,907
- Operational expenses paid in 2018 - \$148,380
- Net assets as of 12/31/18 - \$2,232,044
- 83 claims filed (not all claims are paid or paid in full, and not all are paid in the year they are filed)
- 42 claims were denied

ABA Status Report – Trish Refo

ABA President-Elect Patricia (Trish) Refo addressed the Board. Her term as president commences in August of 2020 and it will be only the second time in the ABA’s 144-year history that an Arizona attorney will serve as president.

Ms. Refo’s initiatives include strengthening the relationship between state bar organizations and the ABA, addressing access to justice, independence of the judiciary and basic principles regarding the rule of law. The State Bar of Arizona is her starting place since Arizona is her home state. She would like to hear about issues and open a conversation that can be continued during the next year.

Recognition of Rosemary Rosales – Brian Furuya

President Furuya recognized Rosemary Rosales for her 10 years of service on the Client Protection Fund Board of Trustees, including serving as Board Chair during her last year of service. The Board thanked Ms. Rosales for her outstanding volunteer service, given while working at the Chandler City Attorney’s Office and raising a young family.

Human Resources Subcommittee – Anna Thomasson

Anna Thomasson asked everyone to mark their calendar for January 17, 2020. That is the date that CEO Joel England’s review is due. Board members were encouraged to complete the CEO review, noting that substance and quality of comments are more important than a score rating between one and five. President Furuya reiterated that it is the job of the Board to review their one employee, and

that the review is conducted by an independent organization. CEO England will not have access to the information.

Status Reports

- *Amicus Curiae* – General Counsel Lisa Panahi reported that two Amicus Briefs were filed since the October Board meeting, both of which were approved by the Executive Council. A copy of these Briefs will be circulated after the Board meeting. Mirror briefs were filed in the Ninth Circuit in the Crowe and Gruber cases, and the other brief was filed in District One of the Court of Appeals, at the request of the Court asking the State Bar to participate.
- Strategic Planning Working Group – Secretary-Treasurer Jessica Sanchez spoke about the progress of the plan that the Working Group is continuing to solidify. The Group is working with an ABA consultant and will be conducting focus groups with about 30 stakeholders. Resulting feedback/data should be collected by the end of February.
- Special Constitutional Appointments Committee – President Furuya reported that the Committee met and reviewed the Board’s directive taken at the October Board meeting. The Committee has already reached out to previous applicants to determine their ongoing interest in the judicial nominating commissions, will reopen/re-advertise for additional new applicants, and will interview all applicants before making its recommendations to the Board at its February 2020 meeting.

Correspondence/Reports

- Executive Council Minutes of October 14, 2019
- AO 2019-125 – Establishment of Discipline System Oversight Committee (DSOC)
- AO 2019-151 – Appointments to the DSOC (disseminated under separate cover to the Board)

Adjourned at 11:15 a.m.

Respectfully submitted,

Jessica Sanchez
Secretary/Treasurer