

**MEETING OF THE  
BOARD OF GOVERNORS  
OF THE  
STATE BAR OF ARIZONA  
February 24, 2017  
Phoenix, AZ**

BOARD MEMBERS PRESENT: Lisa Loo, President, Phoenix; Alex Vakula, President-Elect, Prescott; Jeffrey Willis, Vice President, Tucson; Brian Y. Furuya, Flagstaff; Secretary-Treasurer, Phoenix; Richard D. Coffinger, Glendale; Hon. David G. Derickson, Phoenix; Diane L. Drain, Phoenix; Hector Figueroa, Payson; Denis M. Fitzgibbons, Casa Grande; Patrick Greene, Tombstone; Melissa S. Ho, Phoenix; Kenney F. Hegland, Tucson; Jennifer Rebholz, Phoenix; Dee-Dee Samet, Tucson; Jimmie Dee Smith, Yuma; Tucson; Public Members: Audrey R. Jennings, Scottsdale; John Gordon, Prescott; Anna C. Thomasson, Phoenix; and At-Large Members: David K. Byers, Phoenix; and Paul Senseman, Phoenix; Ex-Officio Members: Gary Stuart on behalf of Dean Douglas Sylvester, Phoenix and Dean Penny Willrich, Phoenix.

EXCUSED ABSENCES: Alexia Semlek, Young Lawyers Division; Samuel Saks, Phoenix; Public Member: Tony Finley, Tucson; At Large Member: Lori Higuera, Phoenix; Ex-Officio Members: Dean Marc Miller, Tucson; Geoffrey M. Trachtenberg, Immediate Past President;

OTHERS PRESENT: Nina Benham, Board Services Specialist; Sarah Corpening, Membership Administrator & Services Manager; Lisa Deane, Chief Member Services Officer; Rick DeBruhl, Chief Communications Officer; Martin Gaxiola, Accounting Manager; Kathy Gerhart, Chief Financial Officer; Rob Hosch, Information Technology Director; Gayle V. Jackson, Human Resources Director; Ann Leslie, Executive Assistant; Cameron Mustamandi, Systems Administrator; Lisa Panahi, Senior Ethics Counsel/Interim General Counsel; John Phelps, CEO/Executive Director; Patricia Seguin, Legal Services Manager; Carrie Sherman, Director of Board Operations; Roberta Tepper, Lawyer Assistance Programs Director; Maret Vessella, Chief Bar Counsel; and Court Liaison Hon. John Lopez, Phoenix.

GUESTS: Chris Groninger, Arizona Foundation for Legal Services & Education; John Nance; Brad and Kailee Pew; Jon Sands; Leticia Marquez; Hon Alison Bachus.

President Lisa Loo called the Board meeting to order at 8:30 a.m.

**Executive Session:** 8:30 am-9:15 am - The Board went immediately into Executive Session to discuss a Deferred Compensation Policy Amendment and the CEO's/ED's Annual Review by the Human Resources Committee.

**Reconvened in Open Session** at 9:15 a.m.

- **MOTION:** Audrey Jennings moved, Denis Fitzgibbons seconded and the motion carried to approve the CEO's/ED's compensation and the Deferred Compensation Policy Amendment as discussed during the Executive Session.

### **PRESIDENT'S REPORT** – Lisa Loo

- Attended the ABA's National Conference of Bar Presidents February 2-4 along with President-Elect Alex Vakula and CEO John Phelps.
- Bar Leadership Institute (BLI) graduation will be held on May 5th.
- The Board members were reminded of the invitation to attend a breakfast with the BLI participants on March 31, 2017 at 7:30 am-8:15 am at the Desert Willow Conference Center.
- Two new items were added to the agenda late: 1) Request to sign on to letters or resolutions supporting fair and impartial courts and 2) Proposal to split the 9<sup>th</sup> Circuit.

**NEW BUSINESS** – Gary Stuart, standing in for Dean Douglas Sylvester, announced he is authoring a book on Ernest McFarland, who became a member of the bar in 1921, two years prior to his graduation from law school. The State Bar of Arizona was previously known as the Arizona Bar Association from 1906 – 1927. The references made are detailed in the book “Law, Courts, & Lawyers – Through the Years in Arizona” by James M. Murphy, Univ. of Arizona Press, ISBN 8165-0197-1.

**CALL TO THE PUBLIC** – President Lisa Loo made a Call to the Public and, hearing nothing, moved to the next agenda item.

**MEMBER SERVICES MOMENT** – Bar Leadership Institute – Leticia Marquez and Hon. Alison Bachus

- 2007 BLI graduate Leticia Marquez was a member of the first class.
- BLI is a professional development program for diverse attorneys; class meets monthly September-May.
- Participants receive up to two years of CLE
- Graduates commit to two years of involvement in the State Bar, a local bar association or community organization.
- \$250 BLI registration fee; waivers available
- 142 have graduated and 15 are in the current class
- New in 2016: BLI participants are expected to complete a community service project as part of their participation in the program
- Promotes the competency, ethics and professionalism of lawyers and/or enhances the administration of and access to justice.
- Can partner with community stakeholders
- BLI Develops Leaders
  - 68% involved in a section or committee
  - 28% are serving or have served on a Board of Directors for a local bar association
  - 12% (19 graduates) have or are on track to serve as president of a local bar association
- Gender 2007-2017 – 41% Female and 59% Male
- Statistics included the counties represented; employment percentages by Private, Government, In-House, Judicial, Public Interest, Non-Profit, and Other; Years in Practice
- 69% believe that BLI advanced their career
- Presenters shared comments from graduates

- Future: Judge Bachus suggested that the Institute (built-in brain trust) be utilized as a true Institute and hold an annual forum to address strategic issues facing the State Bar and the legal profession
- Would like to see the classes linked together and expand their connection
- Implementation: detailed proposal to be submitted to the Board

**ABA HOUSE OF DELEGATES MID-YEAR REPORT** – Lynda Shely

- There are five delegates representing the State Bar of Arizona in the House of Delegates.
- Ms. Shely reviewed the process of meeting prior to the start of the session in order to determine which House Resolutions have Keller issues, and the delegates then submit their abstentions from those respective votes to the House.
- Summarized Resolutions of interest to the State Bar.
- Reported that the ABA is experiencing a \$2M per month loss and is tapping into its reserves.

**PRESENTATION** – President Lisa Loo

- President Loo awarded to Bradley John Pew, currently of Henderson NV, a gift from the unified Bar for his exceptional grade of placing first on the 2016 July Bar Exam.
- Mr. Pew thanked the Board and stated that he would be taking a position with Fennemore Craig and returning to the Mesa area in a few months.

**PUBLIC RECORDS POLICY** – Lisa Loo and John Phelps

- The Bar and Court staff continue to work on this policy which was provided in the materials. This Policy is due to the Court by May 1, 2017.
- Board members provided feedback and had questions which staff will research. Updated version of policy will be provided to Board for a vote at its April 21 meeting. Letter from Chief Justice Scott Bales included the Public Meetings Policy which the Board approved in January subject to some issues being worked through by Bar and Court staff. SBA Sections are not included in the Policy. Policy goes live May 1, effective August 1.

**RESOLUTION ON FAIR AND IMPARTIAL COURTS** – Lisa Loo

- Ms. Loo reported that this topic was discussed at the National Conference of Bar Presidents.
- Diane Drain reported that she had been contacted by the L.A. County Bar asking for the SBA to sign on to letters or resolutions supporting fair and impartial courts.
- Diane Drain moved and Kenney Hegland seconded to have the Board of Governors adopt a resolution supporting fair and impartial courts.
- Paul Senseman moved and Jim Smith seconded to table the issue.
- After further discussion, the Board determined that an educational forum, and other ways to inform the members on this issue, would be advisable, and to allow members individually to consider signing on to a resolution at such an event.

**PROPOSAL TO SPLIT 9<sup>th</sup> CIRCUIT** – Hon. Mary Schroeder

- Judge Schroeder gave a historical background of the previous proposals to split the 9<sup>th</sup> Circuit and the Judges' perspective.
- The Board was provided information on the history of this issue to review.

- The Board had a discussion including a proposed pro/con position in *Arizona Attorney Magazine* to inform and educate the members of the different perspectives.
- MOTION: Alex Vakula moved and Jim Smith seconded the motion to table the matter.
- Discussed education of membership on the issue.
- Consensus was not to take a position at this time.
- There are four vacancies on the 9<sup>th</sup> Circuit including one in Arizona (Hon. Barry Silverman's).

#### **CONSENT AGENDA** – Lisa Loo

- a) Approval of January 27, 2017 Board Meeting Minutes
- b) Approval of Resignations in Good Standing
- c) Approval of Reinstatements
  - i) Approval of Reinstatements of Members suspended for Non-Compliance with MCLE Requirements, Rule 45, Ariz. R. Sup. Ct.
  - ii) Approval of Reinstatement of Member(s) 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) Dues Waiver Requests
- Ms. Loo was asked if any item needs to be removed from the Consent Agenda, hearing nothing,
- MOTION: Alex Vakula moved, Patrick Greene seconded and the motion carried unanimously to approve the Consent Agenda.

#### **APPOINTMENTS COMMITTEE** – Acting Chair Sheena Chiang

- Rocky Mountain Mineral Foundation Board of Trustees
  - 4 applications screened and vetted by the Committee
  - Committee's recommendation in ranked order: Ms. Shilpa Hunter-Patel, Freeport-McMoRan, Inc; Mr. Matthew Bingham, Rosemont Copper Company; and Mr. Patrick Paul, Snell & Wilmer LLP
  - After discussion, Dave Derickson moved, Melissa Ho seconded and the motion carried over one abstention (Jeff Willis) to appoint Ms. Shilpa Hunter-Patel to the Rocky Mountain Mineral Foundation Board of Trustees Council.
- Pinal County Commission on Trial Court Appointments, Supervisorial District 2
  - No applications received; advertising will continue to recruit candidates
- President Loo noted that Ms. Chiang has agreed to serve as Acting Chair for the remainder of the current Bar year. The Board thanked Ms. Chiang for her support and leadership.

#### **COMMUNICATIONS/GOVERNMENT RELATIONS DIVISION** – Rick DeBruhl/Janna Day

- Legislative Report
  - Representative Anthony Kern's Bill, HB2295, would split the Bar into mandatory and voluntary functions passed the House in a vote of 31-29; goes to Senate but which Committee was not yet known
  - HB2300 pulled; would move all regulatory functions to the Arizona Supreme Court.
  - Noted that some misinformation about the Bar was provided during Committee testimony and that related stakeholders (specifically the court) have not been included in discussions about the Bill, particularly regarding Bar membership fees should the mandatory functions move to the Supreme Court.

- Mr. DeBruhl reported than any member can send him the number of the Bill(s) they are interested in and the legislation will be added to *Bar Track*.
- Communications Report
  - Triennial Member Survey going out first week in March. The #1 challenge for attorneys in the last survey was “stress”.

**FINANCE AND AUDIT COMMITTEE** – Jeffrey Willis

- Form 990 – Related Party Information Requested of Current Board members were distributed and signed by current Board members and returned.
- Cash Reserve Policy – Annual Surplus Allocation
  - The Finance and Audit Committee met on January 26 to review the Cash Reserve Policy and discuss the allocation of the 2016 surplus. Recommendation:
    - Fund the Capital Reserve to meet the maximum \$2M (\$745,818)
    - Fund the Dues Reserve with the balance of the 2016 Surplus.
  - MOTION: Coming as a motion from the F&A Committee, the Board voted unanimously to support the allocation of the 2016 surplus as recommended.

**PUBLIC SERVICE CENTER** – Rick DeBruhl

- Pleased to announce that the PSC Manager has been hired; has a very diverse background.
- Many states, including Arizona, are participating in a national survey on pro bono. Will be the most comprehensive survey of its kind in recent memory.

**CONVENTION 2017** – Silent Auction Charity Selection – Lisa Loo

- Ms. Loo encouraged the Board members to register for the Convention and attend as many of the special events as possible. A hotel registration form and a breakout of reimbursable expenses were included in the Board’s materials
- The Convention Committee is seeking a keynote speaker for the annual Friday Awards Luncheon.
- Dee-Dee Samet requested the Board’s help in obtaining items for the silent auction. Tucson Homeless Connect, which holds semi-annual events to assist the homeless acquire ID cards, clothes, health screening, haircuts, VA benefits, drug and alcohol counseling, rabies shots for their dogs and other services, is the beneficiary of this year’s silent auction.

**ADJOURN**

There being no further business to come before the Board of Governors, the meeting adjourned at 12:55 p.m.

Respectfully submitted,

Jeffrey Willis  
First Vice-President