

**MEETING OF THE
BOARD OF GOVERNORS
OF THE
STATE BAR OF ARIZONA
October 21, 2016
Phoenix, AZ**

BOARD MEMBERS PRESENT: Lisa Loo, President, Phoenix; Alex B. Vakula, President-Elect, Prescott; Jeffrey Willis, First Vice President, Tucson; Steven A. Hirsch, Second Vice President, Phoenix; Brian Y. Furuya, Secretary-Treasurer, Flagstaff; Alexia J. Peterson, YLD President, Phoenix; Richard D. Coffinger, Glendale; Hon. David G. Derickson, Phoenix; Diane L. Drain, Phoenix; Hector M. Figueroa, Payson; Denis M. Fitzgibbons, Casa Grande; Patrick Greene, Tombstone; Melissa S. Ho, Phoenix; Jennifer R. Rebholz, Phoenix; Samuel Saks, Phoenix; Dee-Dee Samet, Tucson; Jimmie Dee Smith, Yuma; Geoffrey M. Trachtenberg, Immediate Past President, Phoenix; Public Members: Tony Finley, Tucson; John W. Gordon, Prescott; Audrey R. Jennings, Scottsdale; Anna C. Thomasson, Phoenix; and At-Large Members: Mike Baumstark, Phoenix; Lori Higuera, Phoenix; and Paul Senseman, Phoenix; Ex-Officio Members: Dean Marc L. Miller, Tucson; and Gary Stuart for Dean Douglas J. Sylvester, Tempe.

EXCUSED ABSENCES: Kenney F. Hegland, Tucson; Ex-Officio Member: Dean Shirley Mays, Phoenix; Court Liaison Hon. Clint Bolick, Phoenix

OTHERS PRESENT: Nina Benham, Board Services Specialist; Lisa Boremaster, Advertising Sales Manager; Matt Campbell, Help Desk Technician; Lisa Deane, Chief Member Services Officer; Rick DeBruhl, Chief Communications Officer; John Furlong, General Counsel/Deputy Director; Rob Hosch, Technology Support Director; Gayle V. Jackson, Human Resources Director; Ann Leslie, Executive Assistant; Lisa Panahi, Sr. Ethics Counsel; John Phelps, CEO/Executive Director; Amy Rehm, Deputy Chief Bar Counsel; Patricia Seguin, Legal Services Manager; Carrie Sherman, Director of Board Operations; and Maret Vessella, Chief Bar Counsel.

GUESTS: Matt Horn and Ryan Caltagirone with Legal Services Link, LLC; Tyler J. Carrell, MCBA; Mauricio R. Hernandez; Michael Kielsky; Jack Levine; John Tokarz, Disabled American Veterans; Stanley Silas, MCBA; Kevin Ruegg, CEO and Chris Groninger with the Arizona Bar Foundation; Anthony Young, SALA

President Lisa Loo called the Board meeting to order at 8:35 a.m.

PRESIDENT'S REPORT – Lisa Loo

- Attended Chief Justice Scott Bales' presentation in Globe to the Gila County Bar Association. Southern Arizona Legal Aid sponsored the event which was well attended, including attorneys traveling from Payson to participate. CJ Bales spoke about the State Bar's new Mission. Ms. Loo thanked Board member Hector Figueroa and Judge Bryan Chambers, a past president, for the invitation to attend.

PRESIDENT'S REPORT (Continued)

- Reminded Board members to look for opportunities for her to visit their local bar associations.
- William E. Morris Institute for Justice honored Steve Hirsch, a founding member, as it celebrated its 20th Anniversary.
- Attended the Arizona Black Bar Annual Awards Dinner; Ray Anderson, ASU's Athletic Director, was the keynote speaker.
- Convention planning is on-going and moving forward.
- Standing Bar Committee assignments are complete.
- Thanked Board members for service on Standing Board Committees, especially those who have been given two assignments.

CEO/ED REPORT – John Phelps

- Employee of the Quarter - Noemi Lopez, Administrative Assistant III, who joined the staff in April 2015. Nominated by co-workers - she made an immediate impact by quickly analyzing what the Legal Services Department does within the organization and made suggestions to improve processes.
- 2017 budget - first draft completed and presented to Finance & Audit Committee. The final proposed 2017 draft budget will be presented to the Board in November with a vote at the December 9 Board meeting.
- Presented at the Conference of the Maricopa County Chapter of the Paralegals Association.
 - Discussed ethical obligations
 - Learned of paralegals' pro bono aspirational goals
 - Paralegals' interest in being more connected with the State Bar of Arizona
- Wellness Program at the Bar
 - Wellness Week included a wellness fair, financial wellness presentation, mindfulness/meditation instruction and an early morning walk.
 - Arizona Wellness Council recognized the SBA for the 4th year in a row. Staff's benefits of greater wellness equates to a reduction in insurance premiums.

NEW BUSINESS

- Question from a Board member – Has the Bar received many complaints regarding the elimination of the printed membership directory?
 - Received less than 40 comments from members; half supportive.
 - The Find A Lawyer search mechanism has been enhanced to make it easier to find a lawyer including lawyers that are certified specialists.
 - Every December the *Arizona Attorney* magazine will include a special list (insert) of the certified specialists.
- Call to the Public – President Loo announced that each speaker would be limited to three minutes.
 - Mo Hernandez – Concerned about the proposed Public Service Center but in the absence of hearing the facts, it is hard to make a comment. If this is lawyer referral service, are there Keller implications? Is it a benefit to the members? \$200k cost – impact to members?
 - Tyler Carrell – Maricopa County Bar Association Board member stated his concern over how the proposed Center might impact the MCBA's Lawyer Referral Service.

NEW BUSINESS (Continued)

- Call to Public concluded. President Loo encouraged those interested to submit written comments for consideration.

CHALLENGES FACING YOUNG LAWYERS - YLD President Alexia Peterson

- Presentation on “Why is their practice reality different?”
- Ms. Peterson reviewed several real life scenarios of the challenges facing young attorneys including their financial pressures, work life and family situations.
- Pressures include:
 - Insurmountable debt - undergraduate and law school loans. Facing debt that will never be paid off is a significant burden.
 - Recession job market – lack of choice
 - Lack of retirement options
 - More and more transplants: no meaningful built in networks, external support
 - Lack of partnership opportunity: Perpetual Associate v. Solo Practitioner
- Unanticipated Realities:
 - No Leisure/Early Burnout: Less than two weeks’ vacation per year, paid; no disposable income for vacation; fear of job security preventing vacation from being used.
 - Delayed family life - waiting for marriage & children for financial reasons
 - Delayed or prevented home purchases
 - Lack of flexibility seen in other professions – telecommuting, pressures for face time, rigid schedule
- Unique Contributions:
 - Different focus on entry to law school: more focus on desire and public service rather than “default career”
 - Gravitation to public service for loan reduction benefits
 - Active and engaged in practice: reported that this brings more job satisfaction and is necessary to move career forward
 - Ethics and professionalism focused: result of strong (reactionary) emphasis on professionalism in law schools
 - Collegiality: Many feel “stuck” in the profession and have this idea that we’re “in it together”
 - Collaboration/Egalitarianism – fewer staff, modernized workflow leads to open more casual, work environment
- Solutions? To be determined.

PUBLIC SERVICE CENTER (PSC) - Presentation by John Phelps, CEO

- Staff tasked by Board to develop concept for an internal unit within the Bar to focus on increasing pro bono service and access to legal services.
- PSC concept developed to: 1-connect those needing legal services with lawyers willing and able to meet needs; 2-create awareness of volunteer opportunities across broad spectrum for members; 3-create statewide awareness of legal service options for the public; 4-provide safe harbor mobile online system to connect lawyers with consumers and vice versa; 5-identify and reduce obstacles to providing pro bono service; and 6-partner with existing legal service providers to increase visibility.
- Mobile online technology demonstration by Legal Services Link LLC – Matt Horn and Ryan Caltagirone.

➤ **PUBLIC SERVICE CENTER (PSC) (Continued)**

- Presentation demonstration how a current online platform works in linking those seeking legal services with members of the Bar offering services, and how the platform could be expanded to incorporate volunteer service opportunities.
- Discussion ensued among Board members.
 - Concerns raised about impact to Pima County Bar Association's lawyer referral service.
 - ASU legal service triage center may provide opportunity to work together with the Bar and advance the work of the law school's efforts.
 - Concerns raised about people in rural districts who are un- or underserved; many living at or below poverty level with no referral services or accessible legal aid. 13 counties in the state have no lawyer referral programs.
- Program Review Committee - ranked this proposed program high with regard to mission alignment ("protect and serve the public").
- Public Service Center (PSC)
 - MOTION: Diane Drain moved and Geoff Trachtenberg seconded the motion to approve the ongoing development of a Public Service Center and include the anticipated costs in the proposed 2017 budget for discussion at the December meeting.
 - MOTION: Richard Coffinger moved and Sam Saks seconded the motion to table for one month.
 - Discussion regarding Roberts Rules - General Counsel John Furlong stated according to the Bylaws they are only used at the Annual Meeting in June; at all other Board meetings the president is the Parliamentarian; therefore the president can reject the motion to table.
 - The concept for this proposal was raised during last year's presidency, again at the Board of Governors' Retreat and now.
 - Finance & Audit Committee reviewed proposed costs; \$180k to \$300k, around 1% of the entire budget, depending on a final plan for the Center. Mr. Trachtenberg stated that what is ultimately approved is not static and can change over time. It is an evolutionary program.
 - AMENDED MOTION: Patrick Greene moved to amend the original motion to move the vote from October 21 to December 9 in lieu of the Motion to Table which would stop the proposal where it stands without further investigation.
 - MOTION: Brian Furuya moved and Alex Vakula second the motion to direct Finance and staff to find \$300k to be a new line item, to be designated for the purpose of advancing access to justice and serving the public and continue further discussion on how it is to be spent to meet those goals.
 - Reiterate the original motion: Geoffrey Trachtenberg moved to continue to develop and put together the PSC so that it appears on the 2017 proposed budget for consideration.
VOTE: 15 Yes – 7 No
 - MOTION: Richard Coffinger moved and Sam Saks seconded the motion to ask Finance and staff to prepare two budgets, one with the PSC and one without. No motion necessary; operational (budget) procedure; request so noted.
 - MOTION: Dave Derickson moved and Dick Coffinger seconded that a notice be published to the membership about the proposed PSC. No motion necessary; operational step; staff asked to handle request.

STRATEGIC PLANNING COMMITTEE REPORT – Alex Vakula

- Held first meeting of the year.
- Agreed that the current Strategic Plan still reflects the Bar’s new Mission; however, the Plan will be rearranged to more closely align with the Court’s construct of the Mission and Vision.

FINANCE AND AUDIT COMMITTEE – Jeff Willis

- The State Bar is ahead of budget and included in the materials is a dashboard that summarizes year-to-date revenue and expenses and Q3 financial reports.

APPOINTMENTS COMMITTEE – Steve Hirsch

- Arizona Commission on Judicial Conduct (ACJC)
 - One opening on the ACJC – term is six years
 - Appointments Committee screened four new applications and seven previous applications.
 - After due diligence on all applicants, the Committee agreed unanimously that the incumbent, Mr. J. Tyrrell “Ty” Taber, was the most exceptional candidate; however noted other highly qualified candidates in a slate for consideration:
 - Mr. J. Tyrrell “Ty” Taber, Aken Schenk Hawkins & Ricciardi PC, Phoenix
 - Mr. Keith Swisher, Swisher PC, Scottsdale,
 - Mr. Hesam “Sam” Alagha, Herman Goldstein Law Firm, Phoenix
 - Ms. Karen Clark, Adams & Clark PC, Phoenix
 - MOTION: Coming as a motion from the appointments Committee, no second required, recommended the reappointment of Mr. Tyrell Taber to a second term on the ACJC. Motion carried unanimously.
- DNA-People’s Legal Services, Inc. Board of Directors
 - One opening on the Board of Directors – term is four years
 - Appointments Committee screened five previous applications. No new applications were received for this position.
 - After receiving due diligence on all applicants, the Committee unanimously agreed to recommend to the Board that it reappoint Mr. John C. Sledd (Kanji & Katzen PLLC), the incumbent, to a full four-year term on DNA’s Board of Directors. Mr. Sledd was completing a one-year unexpired term.
 - MOTION: Coming as a motion from the Appointments Committee, no second required, recommended the reappointment of incumbent John C. Sledd to a full four-year term on DNA’s Board of Directors. Motion carried unanimously.

LEGISLATIVE REPORT – Lobbyist Janna Day

- Elections are the top priority with all 90 members up for re-election.
- It is expected that Representative J.D. Mesnard from Chandler will become the Speaker of the House. It was also reported that Representative Mesnard recently toured the Bar offices and met with the CEO and CCO.
- Senate President is expected to be Steve Yarbrough
- Referenced forms in the Board materials and requested the members’ respective legislative districts information and whether they know or have a relationship with an elected official(s).

LEGISLATIVE REPORT (Continued)

- Encouraged Board members to reach out to their representatives and establish a relationship.
- It is anticipated that another round of bills designed to eliminate the integrated bar will be introduced in the upcoming legislative session.

CONSENT AGENDA – President Loo

- a) Approval of September 30, 2016 Board Meeting Minutes
- b) Approval of Resignations in Good Standing
- c) 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) Proposed Change to Policy Regarding Member Surveys
 - MOTION: Patrick Greene moved, Geoffrey Trachtenberg seconded, and the motion carried unanimously to approve the Consent Agenda as presented above.

FASTCASE 7.0 DEMONSTRATION – Richard Coffinger

- Board member Dick Coffinger gave a comprehensive presentation on how to use Fastcase for research and the new features of the 7.0 upgrade.

ADJOURN

There being no further business to come before the Board of Governors, the meeting adjourned at 12:40 p.m.

Respectfully submitted,

Brian Y. Furuya
Secretary-Treasurer