

**MEETING OF THE
BOARD OF GOVERNORS
OF THE
STATE BAR OF ARIZONA
April 21, 2017**

Beus Center for Law and Society
ASU Sandra Day O'Connor College of Law
222 East Taylor
Dan Cracchiolo Executive Conference Room 6th Floor

BOARD MEMBERS PRESENT: Lisa Loo, President, Phoenix; Alex Vakula, President-Elect, Prescott; Jeffrey Willis, Vice President, Tucson; Brian Y. Furuya, Flagstaff; Secretary-Treasurer, Phoenix; Alexia Semlek, Young Lawyers Division; Richard D. Coffinger, Glendale; Hon. David G. Derickson, Phoenix; Diane L. Drain, Phoenix; Hector Figueroa, Payson; Denis M. Fitzgibbons, Casa Grande; Kenney F. Hegland, Tucson; Jennifer Rebholz, Phoenix; Samuel Saks, Phoenix; Dee-Dee Samet, Tucson; Jimmie Dee Smith, Yuma; Tucson; Public Members: Tony Finley, Tucson; Audrey R. Jennings, Scottsdale; John Gordon, Prescott; Anna C. Thomasson, Phoenix; and At-Large Members: Mike Baumstark, Phoenix for Dave Byers, Phoenix; Lori Higuera, Phoenix; and Paul Senseman, Phoenix; Ex-Officio Members: Geoffrey M. Trachtenberg, Immediate Past President.

EXCUSED ABSENCES: Patrick Greene, Tombstone; Melissa S. Ho, Phoenix; Ex-Officio Members: Dean Marc Miller, Tucson; Dean Douglas Sylvester; Dean Penny Willrich.

OTHERS PRESENT: Nina Benham, Board Services Specialist; Sarah Corpening, Membership Administrator & Services Manager; Rick DeBruhl, Chief Communications Officer; Kathy Gerhart, Chief Financial Officer; Ayde Hernandez, Resource Center Supervisor; Rob Hosch, Information Technology Director; Ann Leslie, Executive Assistant; Lisa Panahi, Senior Ethics Counsel/Interim General Counsel; John Phelps, CEO/Executive Director; Carrie Sherman, Director of Board Operations; Maret Vessella, Chief Bar Counsel; and Court Liaison Hon. John Lopez, Phoenix.

GUESTS: Virjinya Torrez; Jack Levine and Acting Chair of Appointments Committee Sheena Chiang.

President Lisa Loo called the Board meeting to order at 9:00 a.m.

- Welcomed those present to the Beus Center for Law and Society (BCLS)
- Offered tours of the Center to Board and staff immediately following lunch.

PRESIDENT'S REPORT – Lisa Loo

- Attended Western States Bar Conference (WSBC) March 29-April 1 along with CEO John Phelps
 - Encouraged the Board to consider adding back into the 2018 budget the ability for the president-elect to attend WSBC in the future. It is one of the most helpful conferences, focusing on issues facing mandatory bar associations.

- Participated in Technology panel moderated by John Phelps; reported on the Bar's new Public Service Center.
- Attended the Bar Leadership Institute (BLI) breakfast March 31 that was a very nice event.
- BLI graduation will be held on May 5th.
- Attending ABA Day on the Hill in Washington, DC next week. Meetings are scheduled with Arizona's elected officials; #1 issue is the preservation of Legal Services Corporation funding.
- Arizona Asian American Bar Association Annual Banquet was April 20 and very well attended.
- The Steve Hirsch Gutter Bowl was held on April 18 in honor of Steve Hirsh. The fundraiser was held at Scottsdale Bowlmor and benefited the Steven A. Hirsch Scholarship Fund at the UofA's James E. Rogers Law School.
- There were four Appellate Court investitures this year:
 - Supreme Court Justice Andrew Gould – March 10; Court of Appeals Judge Paul McMurdie – March 24; Supreme Court Justice John Lopez – April 7; Court of Appeals Judge James Beene – April 28. Thanked Board members Brian Furuya and Alexia Semlek for stepping in on two of these occasions to present the ceremonial gavel on behalf of the State Bar.

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 – Resource Center – Ayde Hernandez

Ongoing series featuring the programs/services/activities handled by staff.

- The staff includes: 1 Supervisor, 4 Resource Specialists, 1 Reception/Intake Coordinator
- The Resource Center handles the dues statements and Bar Cards (23,620)
- In 2016 the Center received 21,121 phone calls of which 40% were from the public, and processed pro hac vice (644) and In-House Counsel (50) applications, status changes (1,792) and address changes (7,351).
- The Resource Center also maintains accuracy of member records:
 - 24,052 Total
 - 18,555 Active
 - 945 New Admittees in 2016
- Handles updating web pages; tests online processes, i.e., dues statements, convention registration, MCLE Affidavits; reports for Court, Board of Governors, Maricopa County Sheriff's Office.

COMMUNICATIONS/GOVERNMENT RELATIONS DIVISION – Rick DeBruhl

- Janna Day was unable to attend. Rick DeBruhl reported on her behalf.
- HB 2295 is in the Senate awaiting a Judiciary Committee hearing; not moved forward, appears to have died but could always be revived.
- 1,000+ bills introduced (1,200 in 2016); 214 bills to date have passed (388 total in 2016); 4 bills vetoed so far this session (14 in 2016)
- The session's 100 day mark was April 20th.

Member Survey Report – Rick DeBruhl

- Survey was sent out to 23K members (including Inactive and Judicial) on March 1st and remained open for three weeks. Research USA handled the survey.
- 3,499 respondents
- In 2014 the overall satisfaction rating with the Bar was 63% (coming on the heels of a dues increase)
- In 2017 the overall satisfaction rate was 77%
- Benefits ranked by members: 1) website; 2) CLE's; 3) Ethics Hotline; 4) Arizona Attorney Magazine.
- Personal Challenges: 1) work life balance; 2) handling stress; 3) time management
- Student Loans (1st time question): The hardest challenge for those under age 40.
- Legal Professional Challenges: 1) ethics in the profession; 2) people being able to access the justice system; 3) too many lawyers
- Results will be published in Arizona Attorney Magazine. Suggestion was made to share with legislators.

PUBLIC SERVICE CENTER – John Phelps

- Contract signed with Legal Services Link and working to integrate LSL and State Bar's technological systems.
- Hired Center Manager –Cheryl Kulas – who the Board will meet at its May meeting.
- Project on track. Other bars are watching as they too seek to enhance their efforts at closing the access to justice gap in their states. A working group is being formed to share what Arizona learns in this process.
- Presentation on the Center scheduled for the Court's next Access to Justice Commission meeting.

PUBLIC MEETING POLICY – Lisa Panahi

- Court has issued an Administrative Order and the policy goes into effect on August 1.
- Policy review and training will be included in Board's July Retreat.
- Program Review Committee (PRC) is currently reviewing all Bar committees to determine whether they are subject to the policy.
- PRC to report to the Board at its May 19 meeting.

PUBLIC RECORDS POLICY – Lisa Loo and John Phelps

- The Bar and Court staff worked together on this policy, most recently considering the input provided by Board members at its February meeting.
- All records will be available except what is exempted in the policy.
- Staff currently determining operational/protocol issues and how to implement the policy.
- Policy is due to the Court by May 1, 2017.
- Final draft before Board for a vote.
- Dee-Dee Samet suggested some minor editing/formatting changes.
- **MOTION:** Alex Vakula moved, Jeffrey Willis seconded and the motion carried to accept the draft as submitted with the understanding that staff will review the policy with an eye towards the suggested changes before submitting it to the Court by the deadline.

CONSENT AGENDA – Lisa Loo

Approval of February 24, 2017 Board Meeting Minutes

Approval of Resignations

- a) In Good Standing
- b) In Lieu of Reinstatement

Approval of Reinstatements

- a) Approval of Reinstatements of Members Suspended for Non-Compliance with MCLE Requirements, Rule 45, Ariz. R. Sup. Ct.
- b) 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.)

Dues and/or Late Fees Waiver Requests

Real Property Bylaws Revised 2016

Ms. Loo was asked if any item needed to be removed from the Consent Agenda, hearing nothing,

- **MOTION:** Alex Vakula moved, Audrey Jennings seconded and the motion carried unanimously to approve the Consent Agenda.

APPOINTMENTS COMMITTEE – Acting Chair Sheena Chiang

Pinal County Commission on Trial Court Appointments, Supervisorial District 2

- No applications received; advertising will continue to recruit candidates

Public Members, Board of Governors

- The Board will interview public member finalists at its May 19 meeting and appoint two individuals; 2019 the Court will begin appointing the public Board members. Eight applications were received; six candidates will be invited for an interview with the Appointments Committee at its May 18th meeting.

City of Scottsdale Judicial Appointments Advisory Board

- **MOTION:** Coming as a motion from the Appointments Committee, requiring no second, the Board voted to send the following slate of nominations to the Scottsdale City Council: Mr. Max Covil, Arizona Department of Transportation; Mr. Craig Rosenstein, Rosenstein Law Group; Ms. Wendy Harnagel Roberts, CVS Caremark.

City of Surprise Judicial Selection Advisory Commission

- **MOTION:** Coming as a motion from the Appointments Committee, requiring no second, the Board voted to send the following slate of nominations to the City of Surprise City Council: Ms. Brooke Gaunt, Office of the Legal Defender; Ms. Tina Solomon, City of Phoenix Prosecutor's Office; Ms. Elizabeth Ortiz, Executive Director, Arizona prosecuting Attorneys' Advisory Council.

Client Protection Fund Board of Trustees

- **MOTION:** The Board concurred with the Appointments Committee's recommendation and voted to reappoint Robert Schmitt (Murphy Schmitt Hathaway & Wilson PLLC, Prescott) to a second and final five-year term on the Client Protection Fund Board.

Judicial Nominating Commissions – AZ Senate Confirmations

- A written report summarized the Senate’s confirmations to date of the attorneys appointed by the Governor to serve on the various judicial nominating commissions.

AWARDS COMMITTEE – Chair Lori Higuera

Award of Appreciation (non-lawyer)

- **MOTION:** Jeff Willis moved, Alex Vakula seconded and the motion carried unanimously to select Ms. Meredith Peabody as the 2017 recipient of the Award of Appreciation.

Award of Special Merit

- **MOTION:** Alex Vakula moved, Jeff Willis seconded and the motion carried to select Hon. Robert L. Gottsfield (Ret) as the 2017 recipient of the Award of Special Merit.

Diversity and Inclusion Leadership Award

- **MOTION:** Alex Vakula moved, Jeff Willis seconded the motion and the motion carried to select the Arizona Collaborative Bar as the 2017 recipient of the Diversity and Inclusion Leadership Award.

James A. Walsh Outstanding Jurist Award

- **MOTION:** After discussion, the motion on the floor from the Awards Committee passed to select Hon. Patricia K. Norris as the 2017 recipient of the James A. Walsh Outstanding Jurist Award.

Member of the Year

- **MOTION:** Alex Vakula moved, Geoffrey Trachtenberg seconded and the motion carried unanimously to select Ms. Jo Ellen McBride as the 2017 recipient of the Member of the Year Award.

Sharon A. Fullmer Legal Aid Attorney of the Year Award

- **MOTION:** Jeff Willis moved, Alex Vakula seconded and the motion carried unanimously to select Ms. Golden E. McCarthy as the 2017 recipient of the Sharon A. Fullmer Legal Aid Attorney of the Year Award.

Tom Karas Criminal Justice Award

- **MOTION:** Geoffrey Trachtenberg moved, Jeff Willis seconded and the motion carried unanimously to select Mr. Stephen M. Weiss as the 2017 recipient of the Tom Karas Criminal Justice Award.

Michael C. Cudahy Criminal Justice Award

- **MOTION:** Hector Figueroa moved, Jeff Willis seconded and the motion carried unanimously to select Hon. John S. Leonardo as the 2017 recipient of the Michael C. Cudahy Criminal Justice Award.

Outstanding In-House Counsel of the Year Award

- **MOTION:** Geoffrey Trachtenberg moved, Jeff Willis seconded and the motion carried unanimously to select Michael J. O'Connor as the 2017 recipient of the Outstanding In-House Counsel of the Year Award.

Hon. John R. Sticht Disability Achievement Award

- **MOTION:** Jeff Willis moved, Hector Figueroa seconded and the motion carried unanimously to select William R. Jones, Jr. as the 2017 recipient of the Hon. John R. Sticht Disability Achievement Award.

ARIZONA SUPREME COURT TRIBAL, STATE AND FEDERAL COURT

FORUM - Virginia Torrez

- The Forum consists of four federal members, eight state members, at least eight tribal members, one State Bar member and two public members. The federal members include a judge from the Ninth Circuit Court of Appeals, a judge from the District of Arizona, the U. S. Attorney (or designee) and the Federal Public Defender (or designee). The state members include an appellate judge, five trial court judges, the clerk of the superior court (or deputy clerk), and the Arizona Attorney General (or designee). The tribal members include at least eight chief justices or justices of tribal courts. Positions are based on appointments (of office) and terms are three years.
- The Forum has six defined purposes, and all of them revolve around improving the quality of justice in relation to the overlapping of state, tribal and federal jurisdictions.
 - Increased communication and coordination, recognition and respect for the different justice systems, regulatory and court rule changes where appropriate, education and awareness, etc.
- More information available at www.azcourts.gov/stfcf
- Meets quarterly; a link to meeting minutes and material are available at the above website.
- Currently working on Juvenile Rule revisions that incorporate the language of the new Indian Child Welfare Act (ICWA) regulations. ICWA regulations were passed in 215 and are mandatory.
- Also working on Juvenile Rule revisions that expedite pro hac vice admission, and allow non-attorneys to represent tribal clients in ICWA matters.

FINANCE & AUDIT COMMITTEE – Jeff Willis

- Q1 Financial Dashboard showed \$ in Thousands – Revenue Sources: Dues \$2,438 (59%); Non-Dues \$1,214 (29%); Dues-Penalties \$477 (12%)
- Total Expenses in 2017 YTD Actual (\$ in Thousands): Personnel \$2,605 (66%); Other Operating \$1,163 (29%); Depreciation \$205 (5%)
- Presented the 2016 Audited Consolidated Financial Statements of the State Bar of Arizona and the Client Protection Fund of the State Bar of Arizona.

Board of Legal Specialization Update – Lisa Deane and Sarah Corpening
Staff provided an update on steps taken to date to comply with new Rule 44.

- BLS Members
 - Board nominates, Court now appoints chair and members
 - No terms expiring in 2017
 - Standing Appointments Committee to handle recruitment and screening
- BLS Rules/Regulations
 - Each Commission has been tasked with reviewing their area of specialization, and submitting recommendations for revisions to the Standards of Certification (“Standards”) and/or BLS Rules and Regulations to the BLS by March 31, 2017.
 - Particular attention on objective criteria for the Standards for each are of specialization and ensuring any due process concerns are addressed.
 - Standards language will be drafted addressing consideration of an applicant’s disciplinary history.
 - Process/procedure for creating new areas of specialization to be drafted.
 - Communications Team will handle informing members of revised Rules/Regs and invite comment.
 - Revised Rules/Regs presented to Board in October; December vote; submit to Court by its January 1, 2018 deadline.
- Public Meetings Policy – BLS covered under this new policy

RULES REVIEW SUMMARY FOR 2016

- Written summary provided of all the Rules that came before the Board and the action taken; the at-a-glance recap was acknowledged to be a valuable tool.

CORRESPONDENCE/PARTNER BAR REPORTS

- Maricopa County Bar Association Calendar of Events
- Retired Member’s correspondence regarding late fees
- Arizona Judicial Council Update March 2017
- Rep. Bob Goodlatte letter re attorney advertising and responses from SBA and ABA

ADJOURN

There being no further business to come before the Board of Governors, the meeting adjourned at 12:38 p.m.

Respectfully submitted,

Brian Y. Furuya
Secretary/Treasurer