

President Keefe called the meeting to order at 9:00 a.m. on Friday, June 13, 2008 in the Terrace Room at the Grand Hotel, Mackinac Island.

Commissioners present:

Lori A. Buiteweg
Laura Chappelle
B. D. "Chris" Christenson
John J. Conway
Margaret Costello
Bruce Courtade
Francine Cullari
Richard L. Cunningham
Brian D. Einhorn
James N. Erhart
Elias J. Escobedo, Jr.
Robert K. Fergan
Julie I. Fershtman, Treasurer
Kiffi Y. Ford
Robert C. Gardella

Elizabeth M. Johnson
Katherine Kakish
Ronald D. Keefe, President
Donald E. McGinnis, Jr.
Hon. William B. Murphy
Lambro Niforos
Edward H. Pappas, President-Elect
Eric J. Pelton
Thomas C. Rombach
Kurt E. Schnelz
Julie A. Sullivan
Laurin C. Roberts Thomas
Charles R. Toy, Vice-President
Gregory L. Ulrich

Commissioners Beverly Hall Burns, W. Anthony Jenkins, and Michael J. Riordan were absent and excused.

State Bar Staff Present:

Janet K. Welch, Executive Director
Marge Bossenbery, Executive Coordinator
Candace Crowley, Director, External Development
Dawn Evans, Director, Professional Standards
Cliff Flood, General Counsel
James Horsch, Director, Finance, and Administration
Elizabeth Lyon, Director, Governmental Relations
Naseem Stecker, Manager, Media and Public Relations
Anne Vrooman, Director, Research and Development

Guests

Lynn Chard, Executive Director, Institute for Continuing Legal Education
Nell Kuhnmuensch, Executive Director, Governmental Consultant Services, Inc.
Linda Rexer, Executive Director, Michigan State Bar Foundation
Hon. Cynthia Diane Stephens, Co-Chair of CJI Committee

Consent Agenda

Minutes

The Board received the minutes from the April 11, 2008 Board of Commissioners meeting.

President's Report, Ronald D. Keefe, President

The Board received a written report on the President's recent activities.

Executive Director's Report, Janet K. Welch, Executive Director

The Board received a written report on the Executive Director's recent activities.

Finance, Julie I. Fershtman, Chairperson
The Board received the financial reports through April 2008.

Professional Standards, W. Anthony Jenkins, Chairperson
The Board received the Client Protection Fund Claims.

A motion was offered, supported, and adopted to approve the consent agenda.

COMMISSIONER COMMITTEES

Finance, Julie I. Fershtman, Chairperson
Financial Update
Ms. Fershtman provided the board members with a financial update.

Investment Policy
A motion was offered, supported, and adopted to approve the investment policy recommended by the Finance committee.

Funding Retirement Health Care Liability
A motion was offered, supported, and adopted to authorize the drafting of an irrevocable trust document to provide for funding of the State Bar's liability for the closed set of Tier 1 and Tier 2 retiree health care liability.

Budget Control and Budget Amendment Policy
Ms. Fershtman advised the Board that a proposed Budget Amendment Policy and a policy recommendation regarding a Michigan preference for purchasing goods and services would be brought to the board at the July meeting.

Professional Standards, W. Anthony Jenkins, Chairperson
Client Protection Fund Rule Change
A motion was offered, supported, and adopted to approve proposed changes to Rule 12 (B) & (C) of the Client Protection Fund (CPF) to change the CPF payouts maximums, as recommended by the Professional Standards committee.

District Character and Fitness Committee Appointments
A motion was offered, supported, and adopted to approve the District F Character and Fitness Committee appointments recommended by the Professional Standards committee.

Programs and Services, Charles R. Toy, Chairperson
No report provided

Public Policy, Image and Identity, Edward H. Pappas, Chairperson
Court Rules
2006-16 Proposed Amendment of Rules 6.302 and 6.310 of the MCR
A motion was offered, supported, and adopted to oppose this amendment.

2007-30 Proposed Amendment of Rules 2.107 and 2.117 of the MCR
A motion was offered, supported, and adopted to support the Civil Procedure and Courts Committee recommendations with amendments. Also, recommend that any uniform standard adopted for Michigan should not have presumption of electronic service for pro se.

2007-31 Proposed Amendment of Rule 4.201 of the MCR

A motion was offered, supported, and adopted to support this amendment.

Legislation

HB 4180

Action on this item was deferred. Ms. Lyon will participate in a work-group

S.702 State Court Interpreter Grant Program Act

A motion was offered, supported and adopted to support the Justice Initiatives Committee position and to join a national sign-on letter of support.

Keller Discussion

Is legislation regarding criminal sentencing Keller permissible?

Action on this item was deferred to July.

Justice Initiatives Report

The board members were provided with a written report from Co-Chairs of the CJI, Hon. Cynthia Diane Stephens and Ms. Terri Stangl.

NLADA Report Update

Ms. Lyon provided the board members with an update on the release of the NLADA report. Ms. Lyon indicated that she would send a copy of the Executive Summary to all board members.

LEADERSHIP REPORTS

President's Report, Ronald D. Keefe, President

Honoring Kim Cahill

Mr. Keefe reported that the Executive Committee has discussed a number of ways to honor Kim Cahill's service to the legal profession and the State Bar. A memo discussing these options was distributed to the board at the April meeting. The Executive Committee is recommending that an award be developed in Kim's name and that it would be given to either a local or affinity bar program or leader that promotes the ideals of the profession or equal justice for all or an award that recognizes a solo and small practice firm. Mr. Courtade made a motion to adopt the Cahill Bar Leadership Award that would recognize a local or affinity bar or bar leader for excellence in promoting the ideal of professionalism or equal justice for all. The motion was supported and adopted.

Mr. Keefe indicated that he would appoint a sub committee to work with Janet and that any one who was interested in being on this committee should let him know.

Naming the Boardroom

Ms. Welch provided the board with a brief history of the discussions that took place when the SBM building was remodeled to name the room with the fireplace in it after the fourth executive director of the State Bar, Milton E. Bachman. Mr. Keefe reported that the space that was to be named no longer exists and suggested that as an option that the atrium be named the Bachman Atrium with a picture of Mr. Bachman hung there. A motion was offered, supported, and adopted to name the atrium after Mr. Bachman.

Executive Director Performance Template

Mr. Keefe discussed the procedure that would be used this year to evaluate Executive Director Janet Welch and provided the board with a performance template for their approval that would be used for the evaluation. A motion was offered, supported, and adopted to use the performance template. This document would be sent to the board members for them to complete and submit to Mr. Keefe. It was suggested that the Senior Management Team also provide input to the evaluation process.

Executive Director's Report, Janet K. Welch, Executive Director
Recognized Francine Cullari

Ms. Welch recognized Ms. Cullari for her efforts in raising money for the ATJ fund at a Genesee County event honoring civil rights lawyers. Ms. Cullari in turn recognized the efforts of Ms. Rexer and Ms. Battisfore from the Michigan State Bar Foundation and Ms. Sain, Executive Director of the Genesee Bar Association.

Personnel Update

Ms. Welch reported that there are two new staff members in the Professional Standards Division and that they will be introduced to the board at the July meeting

Ms. Welch reported that the SBM is actively exploring a pilot project for the summer for a compressed workweek. This project will be reviewed in August to determine if it will continue.

Election Services update

Ms. Welch provided the board with an update on the status of the 2008 SBM election

FY 2009 Preliminary Budget

Mr. Horsch reviewed the Preliminary Budget.

2008 Awards Committee Recommendations

The 2008 Awards Committee presented their recommendations for the State Bar of Michigan awards. They included Kimberly M. Cahill and Kathleen McCree Lewis as the recipients of the Roberts P. Hudson Award, Thomas L. Casey and Bruce A. Timmons as the recipients of the Frank J. Kelley Distinguished Public Service Award, David A. Hoort, Michael J. Lavoie, Mary DuFour Morrow, Joan P. Vestrand, and Lorraine H. Weber as the recipients of the Champion of Justice award, and Jesse Gonzales and Rachel Crandal as recipients of the Liberty Bell Award. A motion to approve the recommendations was offered, supported, and adopted.

Ms. Welch reported that Richard Bernstein is recommended as the recipient of the 2008 John W. Cumiskey Award. A motion to approve the recommendation was offered, supported, and adopted.

Policy on Political Endorsement

Ms. Welch provided the board members with an proposal regarding political endorsements by the officers and executive director of the SBM. This proposal is different from the one that was presented to the board in April. The proposed policy is that State Bar officers are discouraged from making personal political endorsements during their term of office that might be construed as being an endorsement of the SBM, and that the Executive Director is prohibited from making political endorsements and contributions. Motion was offered, supported, and adopted.

Dues Statement Recommendation

Ms. Welch referred to the Committee on Justice Initiatives' recommendation, included in the board packet, for the inclusion on the dues statement of three questions concerning disabilities. Ms. Welch reported that it is the recommendation of the Executive Committee that the questions be included in the members survey rather than on the dues statement. A motion was offered, supported, and adopted to include the questions in the membership survey that will be conducted in 2009.

Frank J. Kelley Distinguished Public Servant Award Proposed Amendment

Ms. Welch offered an amendment to the language included in the criteria for the Frank J. Kelley Distinguished Public Servant Award that would specify that the award not be given to an elected official in a year in which the official is running for office. A motion was offered, supported and adopted the proposed changes.

American Bar Association Charges

Ms. Welch discussed with the board a policy regarding the reimbursement by the State Bar members of the ABA House of Delegates for travel and food while attending the ABA Mid-Winter or Annual meetings. Ms. Welch indicated that this procedure has never been amended or adopted for the delegation meeting that is arranged by the State Bar and that occurs just prior to the convening of the House of Delegates, typically a breakfast meeting. Ms. Welch is suggesting that the policy be rescinded and that the SBM assume the cost for this meeting rather than charge back the expense to each member. The meeting is an opportunity to meet and discuss the issues that will be presented at the HOD meeting.

Motion offered and supported. Discussion followed. Action on this item has been deferred to the July meeting so that Ms. Welch can provide more information about how these expenses are Keller permissible.

Representative Assembly Report, Robert C. Gardella, Chairperson

Mr. Gardella provided the Board with an update on the April 12 Representative Assembly meeting.

Mr. Gardella reported that former Michigan Supreme Court Justice Thomas E. Brennan is the recipient of the 2008 Michael Franck Award and that Susan B. Spagnuolo-Dal is the recipient of the 2008 Unsung Hero Award. These awards will be presented during the RA meeting during the Annual Meeting in September.

American Bar Association (ABA) Report, W. Anthony Jenkins, State Delegate

No report provided.

Young Lawyers Section Report, Robert K. Fergan, Chairperson

Mr. Fergan provided the board with an update on the activities of the Young Lawyers Section.

Comments or questions from Commissioners

There was none.

Comments or questions from the public

There was none.

The Board entered into an Executive Session at 11:40 a.m.

Adjournment

The Board went into open session at and the meeting was adjourned at 12:00 p.m.