

President Nolan called the meeting to order at 9:20 a.m. on June 9, 2017 in the Grand Pavilion room in the Grand Hotel on Mackinac Island.

Commissioners present:

Dennis M. Barnes, Secretary  
Robert J. Buchanan, Treasurer  
Hon. Clinton Canady III  
Richard L. Cunningham  
Syeda F. Davidson  
Shauna L. Dunning  
Andrew F. Fink III  
Robert C. Gardella  
Jennifer M. Grieco, Vice President  
Edward L. Haroutunian  
Krista Haroutunian  
James W. Heath  
Fred K. Herrmann  
Michael S. Hohaus

Mark W. Jane  
Thomas E. McCarthy Jr.  
Joseph P. McGill  
Hon. Maureen M. McGinnis  
Shenique A. Moss  
Lawrence P. Nolan, President  
Jules B. Olsman  
Colleen A. Pero  
Victoria A. Radke  
Donald G. Rockwell, President-Elect  
Brian D. Shekell  
Gregory L. Ulrich  
Dana M. Warnez  
Erane C. Washington

Commissioners absent and excused:

Danielle Mason Anderson  
Hon. David A. Perkins

Hon. Michael J. Riordan  
Richard J. Siriani

State Bar Staff present:

Janet Welch, Executive Director  
Marge Bossenbery, Executive Coordinator  
Gregory Conyers, Director, Diversity  
Candace Crowley, Assistant Executive Director and Director, External Development  
Peter Cunningham, Assistant Executive Director and Director, Governmental Relations  
Darin Day, Director, Outreach and Constituent Development  
Cliff Flood, General Counsel  
Danon Goodrum-Garland, Director, Professional Services Division  
James Horsch, Director, Finance and Administration Division  
Robert Mathis, Pro Bono Service Counsel  
Kari Thrush, Assistant Division Director, Communications and Member Services Division  
Tish Vincent, Program Administrator, Lawyers and Judges Assistance Program  
Anne Vrooman, Director, Research and Development

Guests

Laurel Blasi  
Chief Justice Stephen J. Markman  
Bridget Rohs  
Erich Rohs  
Nolan Rohs  
David Watson, Executive Director, ICLE  
Justice Kurtis T. Wilder

Mr. Nolan introduced Chief Justice Stephen J. Markman who addressed the Board.

Mr. Nolan introduced Justice Kurtis T. Wilder, who addressed the Board.

#### Consent Agenda

Mr. Nolan asked the Board if there were any items that needed to be removed from the consent agenda. There were none.

The Board received the minutes from the April 21, 2017 Board of Commissioners meeting.  
The Board received the minutes from the April 11 and May 17, 2017 Executive Committee meetings.  
The Board received the recent activities of the President.  
The Board received the recent activities of the Executive Director.  
The Board received the FY 2017 Financial Reports through April 2017.

A motion was offered and supported to approve the consent agenda. The motion was approved.

### **COMMISSIONER COMMITTEES REPORTS**

#### **Finance**, Robert J. Buchanan, Chairperson

##### FY 2017 Financial Update

Mr. Buchanan reviewed the FY 2017 financial reports through April 30, 2017 with the board members.

##### FY 2017 Budget Amendment

Mr. Buchanan informed the Board that the proposed budget amendments are triggered by the SBM budget control and amendment policy. The board needs to take action on proposed amendments on a projected overage in the salaries line and a new expenditure to the capital budget. The amendments do not change the overall bottom line in the budget because other budgeted expenses are being reduced.

A motion was offered and supported to approve the budget amendments. The motion was approved.

Mr. Buchanan reported that the insurance subcommittee of the Finance Committee met numerous times during the year, worked with our insurance consultant, Dan Hale, looked at what other bar associations are doing, consulted with the staff, and decided to make a change in the property general liability insurance package, business package, and umbrella, changing from Foremost to Chubb effective April 1, 2017.

Mr. Buchanan reported that the Finance Committee will meet with SBM senior staff on June 29 to review the FY 2018 proposed budget.

#### **Professional Standards**, Dennis M. Barnes, Chairperson

Mr. Barnes indicated the client protection fund claims are up and that the Professional Standards Committee members are managing the fund effectively and that it is in good shape.

**Communications and Member Services**, Jennifer M. Grieco, Chairperson

**SBM Committee Restructuring Update**

Ms. Grieco reported that the workgroup on committee restructuring had two conference calls since the last board meeting. The new application form has generally receiving very positive feedback. There are 520 completed applications at this time, with over 200 members who have never volunteered before expressing interest.

Ms. Grieco informed the Board that at its July meeting they will receive the SBM Standing and Special Committee 2017 – 2018 Resolution and Matrix for their consideration and action. The Board will see all of the proposed changes to the standing and special committees and how they are realigned or eliminated in that matrix and resolution.

**2017 SBM Liberty Bell Award Recommendation**

A motion was offered and supported to award the Liberty Bell Award to Annemarie Conway. The motion was approved.

**Public Policy**, Donald G. Rockwell, Chairperson

The Board members received a written public policy report.

**Legislation**

Mr. Rockwell asked Mr. Peter Cunningham to provide the Board with an update on legislation and court rules on which the State Bar has taken positions.

Mr. Cunningham reported that the HB 4209 and HB 4210, Increased Juror Compensation, have both passed both chambers and have been sent to the Governor for his signature; funding for Michigan Legal Help website, which was included in the Judiciary Budget, has the support of the conference committees in both the House and Senate and is expected to be approved; a substitute bill for HB 4463 on summary eviction proceedings which the SBM opposed in its original form was reported out of the House Committee on Law & Justice and is waiting for a vote from the whole House.

**Michigan Indigent Defense Commission (MIDC)**

Mr. Cunningham informed the Board that the first four minimum standards proposed by the MIDC were approved by the Department of Licensing and Regulatory Affairs and that this approval begins the six-month window for local systems to submit compliance plans, due November 20, 2017. The MIDC has released the next set of standards for comment and the Board will likely discuss these at its July meeting.

Mr. Cunningham reported that the meetings with members of the Michigan Congressional delegation or their staff in Washington, D.C. to support Legal Services Corporation funding went very well.

Ms. Radke asked Mr. Cunningham about the status of legislation regarding joint parenting time. He reported that a hearing has been held and that the Family Law section testified against the legislation.

**HB 4612 (VerHeulen) Criminal procedure; sentencing guidelines; certain permissible costs; extend sunset. Amends sec. 1k, ch. IX or 1927 PA 175 (MCL 769.1k)**

A motion was offered and supported that this legislation is Keller permissible because of its effect on the operations of the court. The motion was approved.

A motion was offered and supported to support this legislation. The motion was approved.

**HB 4613 (VerHeulen) Courts; other; trial court funding commission; create, and prescribe powers and duties. Creates new act.**

A motion was offered and supported that this legislation is Keller permissible because of its effect on the operations of the court. The motion was approved.

A motion was offered and supported to support this legislation. The motion was approved.

**President's Report**, Lawrence P. Nolan, President

**Introductions**

Mr. Nolan introduced David Watson, Executive Director of ICLE.

**Board Officer Election Procedure, Matrix, and 2017 Timeline**

Mr. Nolan informed the Board that one candidate has filed for the position of Treasurer of the State Bar Board of Commissioners for the 2017-18 year and that is Ms. Warnez. The officer elections will take at the July board meeting.

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

**FY 2018 Preliminary Budget – Key Budget Assumptions**

Ms. Welch informed the Board about the process that was used in developing the preliminary budget and key budget assumptions. She informed the Board that the typical cycle for an increase in dues for bar associations is seven years, after which expenses exceeding revenues is normal and expected. SBM is now in the 13<sup>th</sup> year since the last dues increase. The Bar has been able to increase its activities in support of the State Bar's strategic plan during that time despite the fact that the dues that SBM members pay is below the national average and that some of our revenue sources have declined.

Ms. Welch urged the Board to consider what where the Bar should be headed beyond a single year, and think about what our opportunities and risks are further out in thinking about the budget. The foundation for that consideration is the 21<sup>st</sup> Century Practice Task Force initiative, the strategic planning process, and the new strategic plan. The preliminary budget is a first pass at thinking about what the optimal use of our revenue dollars is to accomplish what the strategic plan tells us we should be doing.

Ms. Welch asked Mr. Horsch to describe the key budget assumptions that are built into the preliminary budget.

Mr. Horsch reviewed the budget assumptions. The preliminary budget projection is for expenses to exceed revenues by about \$1.2 million. Senior management team will meet with the Finance Committee on June 29 to review the budget in detail.

#### SBM Election Update

Ms. Welch informed the Board that the SBM used a new election services provider this year and that the cost of this provider is less than the former one. Ms. Welch asked Ms. Bossenbery to provide the board with an update on the 2017 SBM Election. Ms. Bossenbery stated that voter participation has increased a little compared to last year at this time and that the deadline for members to vote in the elections is midnight on Thursday, June 15.

#### Litigation Update

Ms. Welch asked Mr. Flood to report on the litigation status report. Mr. Flood reminded the Board that they had received a memo from him regarding pending litigation and asked if there were questions. There were none.

#### Representative Assembly (RA) Report, Fred Herrmann, Chairperson

Mr. Herrmann reported that the Assembly had a very successful meeting in April. The Chief Justice addressed the members, the recipients of the RA awards were approved, the members listened to a panel discussion on civil legal aid funding in Michigan, addressed court rule and ethic rule amendments, and approved the SBM strategic plan.

Mr. Herrmann informed the Board that the September 28 RA meeting marks the 45<sup>th</sup> anniversary of the RA and at that meeting they will be conferring the RA Awards and treating some of the issues that are on track with the 21<sup>st</sup> Century Practice Task Force.

Mr. Herrmann reported that July 25 is the deadline for nominations for the position of RA Clerk, and that August 17 is the deadline for submission of proposals for the September meeting agenda.

#### American Bar Association (ABA) Report

Mr. Ulrich reported that he will submit an item for the Board's consideration of support at the July Board meeting regarding a Resolution from the American Bar Association's Legal Assistance for Military Personnel Committee that addresses due process and representation for modifying other than honorable military discharges where PTSD, sexual assault, or underlying medical conditions are involved. The resolution will be brought before the ABA House of Delegates at the ABA Annual Meeting in August.

#### Young Lawyers Section (YLS) Report, Shenique A. Moss, Chairperson

Ms. Moss provided the Board with an update on the activities of the Young Lawyers Section.

Ms. Moss offered congratulations to the Board of Commissioners on their victory over the Young Lawyers Section Executive Council in the bowling event but she is confident that if the original "fowling event" had taken place that the outcome would have been different.

#### Comments from Commissioners

Ms. Welch reminded the Board that the BLF begins at 1:00 p.m. with opening remarks from the Chief Justice.

#### Adjournment

The meeting was adjourned at 11:15 a.m.