

President Cahill called the meeting to order at 9:30 a.m. on Friday, July 20, 2007 at the Michael Frank Building in Lansing.

Commissioners present:

Lori A. Buiteweg	W. Anthony Jenkins, Treasurer
Beverly Hall Burns	Katherine Kakish
Kimberly M. Cahill, President	Ronald D. Keefe, President-Elect
John J. Conway	Jeffrey E. Kirkey
Margaret A. Costello	Donald E. McGinnis, Jr.
Bruce A. Courtade	Hon. William B. Murphy
Francine Cullari	Lambro Niforos
Richard L. Cunningham	Edward H. Pappas, Vice-President
Brian D. Einhorn	Eric J. Pelton
Elias J. Escobedo, Jr.	Michael J. Riordan
Robert K. Fergan	Thomas C. Rombach
Julie I. Fershtman	Kurt E. Schnelz
Kiffi Y. Ford	Laurin' Roberts Thomas
Robert C. Gardella	Charles R. Toy, Secretary
Edward L. Haroutunian	Gregory L. Ulrich

Commissioner Craig H. Lubben and Scott Strattard were absent and excused.

State Bar Staff Present:

Marge Bossenbery, Executive Coordinator  
Nancy Brown, Division Director, Member Services and Communications  
Gregory Conyers, Acting Director, Justice Initiatives  
Candace Crowley, Director of External Development  
Dawn Evans, Division Director, Professional Standards  
Cliff Flood, General Counsel  
James Horsch, Division Director, Finance and Administration  
Will Kramer, Manager, Information Technology Services  
Victoria Kremski, Deputy Director of Professional Standards  
Elizabeth Lyon, Director of Governmental Relations  
Catherine O'Connell, Assistant Professional Standards Counsel  
Nasser Stecker, Manager, Media, and Communications Division  
Anne Vrooman, Director of Research and Development  
Janet K. Welch, Executive Director

Guests Present:

Laura Chapelle, Commissioner-Elect

**Consent Agenda**

**Minutes**

The Board received the minutes of the June 15, 2007, Board of Commissioners meeting.  
The Board received the minutes of the June 19, 2007 Executive Committee meetings.

***President's Report***, Kimberly M. Cahill, 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***, W. Anthony Jenkins, Chairperson

The Board received the Financial Reports through May 2007.

**Professional Standards**, Charles R. Toy, Chairperson

The Board received the Client Protection Fund claims report.

**Proposed Section Bylaw Amendments**

The Board received proposed bylaw amendments from the Business Law Section, the Elder Law and Disability Rights Section, and the Probate and Estate Planning Section.

**Programs and Services**, Edward H. Pappas, Chairperson

The Board received the Annual Reports from the State Bar Committees and Sections.

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

**Board Officer Elections**

President Cahill announced that, pursuant to the Supreme Court Rules Concerning the State Bar of Michigan, President-Elect Ronald D. Keefe would succeed her as President of the State Bar of Michigan and that Vice-President Edward H. Pappas would become President-Elect for 2007-08.

A motion was made and seconded to nominate Charles R. Toy as Vice President for 2007-08. Motion carried.

A motion was made and seconded to nominate W. Anthony Jenkins as Secretary for 2007-08. Motion carried.

In an election for the position of Treasurer, among candidates Julie I. Fershtman, Kurt E. Schnelz, and Gregory L. Ulrich, Julie I. Fershtman was elected Treasurer for 2007-08.

**FY 2008 Preliminary Budget Review**

Ms. Welch and Mr. Horsch presented an overview of the preliminary budget.

**COMMISSIONER COMMITTEES**

**Finance** - W. Anthony Jenkins, Chairperson

**Financial Update**

Mr. Jenkins provided the commissioners with a financial report and reported that the Finance committee will meet with the staff in August to review the budget. The FY 2008 will be presented to the commissioners in September for their approval.

**Investment Policy**

Mr. Jenkins reported that 1943 PA 20 is still under review by the Finance Committee.

**Mileage Expense Reimbursement Policy**

Mr. Jenkins presented a proposed mileage expense reimbursement policy. After discussion, the proposal was referred back to the Finance Committee for further review.

**Directors and Officers Coverage**

Mr. Jenkins informed the commissioners that AIG would remain the carrier for Directors and Officers insurance coverage.

Bidding Process

Mr. Jenkins inquired whether the commissioners feel there is value to give preference to Michigan based companies in our bidding process. On the basis of an affirmative response, this item was referred to the Finance Committee for development.

**Professional Standards** – Charles R. Toy, Chairperson  
Practice Management Resource Center (PMRC)

Mr. Toy provided the commissioners with a Practice Management Resource Center (PMRC) update and reported that the PMRC was highlighted in the ABA Bar Leader magazine.

**Programs and Services** – Edward H. Pappas, Chairperson  
Mr. Pappas provided the commissioners with an event update.

**Public Policy, Image, and Identity** – Ronald D. Keefe, Chairperson  
Court Rules

There were no court rule proposals presented for consideration.

Legislation

HB 4249

This bill was taken off of the agenda because it is not Keller permissible.

HB 4267

A motion was offered, supported and carried to actively oppose this bill.

HB 4406

The committee recommended that no position be taken on this bill, but to authorize the Justice Initiatives Committee to advocate their position. A motion was offered, supported and carried to grant that authorization.

HB 4423

A motion was offered, supported and carried to actively oppose this bill.

HB 4433

A motion was offered, supported and carried to support this bill in principle and to adopt the ADR section position.

HB 4564

A motion was offered, supported and carried to oppose this bill in principle.

HB 4578

A motion was offered, supported and carried to support this bill in principle.

SB 62

A motion was offered, supported and carried to oppose this bill in principle.

HB 4515, HB 4516, HB 4517, SB 298, SB 299, SB 300 - Consumer Protection Social Security Numbers  
These bills were removed from the agenda because they are not Keller permissible

HB 4518, HB 4519, HB 4520, SB 301, SB 302, SB 303

Motion was offered, supported and carried to support these bills in principle and to authorize the Real Property Law section to advocate its position. (Real Property Law section opposed because of the time gap with the recording of register of deed.)

HB 4521, HB 4522, HB 4523

The committee recommended that these bills be deferred for comment from the Family Law section.

Justice Initiative Report

Commissioners were provided with a copy of a report from Justice Initiatives.

### **LEADERSHIP REPORTS**

**President's Report** - Kimberly M. Cahill, President

Laura Chapelle was introduced as a newly appointed commissioner from the Supreme Court.

President Cahill recognized that Commissioner Riordan received the Charles Rutherford award from the Irish American Lawyers Association.

Proposed policy change to the SBM appointment process

President Cahill reported that a member of a Character and Fitness district had a formal complaint from the Michigan Attorney Grievance Commission pending at the time of his appointment to the committee. At the request of the Executive Committee, State Bar staff prepared the following proposed policy for the Board's consideration

“The membership status of a member of a Character and Fitness standing or district committee shall be automatically suspended and the member precluded from participation as a committee member at the point at which the member is subject to a formal complaint of the Michigan Grievance Administrator, or the equivalent formal disciplinary action in any other jurisdiction, pending the final resolution of the matter. At the first Board meeting following final disposition of a pending matter, the Board of Commissioners shall make a determination of reinstatement or removal. During a period of suspension, suspended members' names shall be removed from the committee or appointment public roster, and they are not eligible to sit on the committee or panel, cast votes, act as a committee member, or represent themselves to be committee members.”

Motion was offered, supported and carried to adopt the proposed policy. The extension of the policy beyond the Character and Fitness committee will be addressed at a future date.

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

F2007-08 Resolution on Standing and Special Committees

Ms. Welch provided the commissioners with the FY 2008 Resolution on Standing and Special Committees. A motion was offered, supported and carried to adopt the resolution.

Proposed New State Bar Section – Insurance and Indemnity Law

Ms. Welch reported that all of the qualifications have been met for the formation of a new State Bar of Michigan Section. A motion was offered, supported and carried to approve the formation of the Insurance and Indemnity Law section.

Economics of Law Survey Update

Commissioners were provided with an update on the Economics of Law Survey. At the end of the second quarter, 1,000 members had completed the survey.

Staff Update

Ms. Welch reported that Ms. Frook has recently been certified as a Professional in Human Resources and Mr. Horsch recently earned the Certified Association Executive (CAE) credential awarded by the American Society of Association Executives.

Election Process Recap

Ms. Welch provided the members with data regarding the increase of members using electronic voting. In 2007, 50% of the members voted on line compared to 24% in 2005. In the Young Lawyers Executive Committee race, 71 % of the members voted on line.

Annual Meeting BOC meetings

Ms. Bossenbery reported to the members that both the 2006-07 and the 2007-08 Board will meet on September 26 prior to the start of the SBM Annual Meeting. Registration information will be sent to the members soon.

**Representative Assembly (RA) Report** – Edward L. Haroutunian, Chairperson

Mr. Haroutunian provided an update on the agenda items scheduled for the September 27 RA meeting. Mr. Haroutunian also reported that there would be a reception honoring the 35<sup>th</sup> anniversary of the RA and that a resolution of tribute in honor of the late President Gerald R. Ford will be presented.

**OTHER REPORTS**

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

Mr. Jenkins provided an update of the ABA annual meeting agenda. The House of Delegates is meeting on August 13 & 14.

**Young Lawyers Section Report** - J. J. Conway, Chairperson

Mr. Conway provided an update on the Young Lawyers section.

**FOR THE GOOD OF THE PUBLIC AND THE PROFESSION**

**Comments or questions from Commissioners**

There were none.

**Comments or questions from the public**

There were none.

The Board entered into an Executive Session at 12:45 p.m.

**Adjournment**

The Board returned to open session at 12:55 p.m. and the meeting was adjourned.