

President Cahill called the meeting to order at 1:30 p.m. on Wednesday, September 26, 2007 at the Amway Grand Plaza Hotel in Grand Rapids.

Commissioners present:

Lori A. Buiteweg	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 Escobedo	Michael Riordan
Robert K. Fergan	Thomas C. Rombach
Julie I. Fershtman	Kurt E. Schnelz
Kiffi Y. Ford	Scott Strattard
Robert C. Gardella	Laurin' Roberts Thomas
Edward L. Haroutunian	Charles R. Toy, Secretary
Craig H. Lubben	Gregory L. Ulrich

Commissioners Beverly Hall Burns and W. Anthony Jenkins, Treasurer, were absent and excused.

State Bar Staff Present:

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

Guests Present:

Lynn Chard, Executive Director, ICLE
Susan Licata Haroutunian
Krista Licata Haroutunian
Linda Rexer, Executive Director, Michigan State Bar Foundation
Terri Strattard
John Van Bolt, Executive Director, Attorney Grievance Commission

Consent Agenda

Minutes

The Board received the minutes of the July 20, 2007, Board of Commissioners meeting.
The Board received the minutes of the July 17, 2007 Executive Committee meeting.
The Board received the minutes of the August 7, 2007 Executive Committee meeting.
The Board received the minutes of the August 28, 2007 Executive Committee meeting.
The Board received the minutes of the September 11, 2007 Executive Committee meeting.

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 July 2007.

Professional Standards, Charles R. Toy, Chairperson

The Board received the Client Protection Fund Claims report.

Proposed Section Bylaw Amendments

The Board received a proposed bylaw amendment from the Real Property Law section.

A motion was offered, supported, and carried, to approve the consent agenda contingent upon amending the July 20 minutes to add Michael Riordan as being present and voting.

FY 2008 Proposed Budget Approval

Ms. Welch and Mr. Horsch presented the FY 2008 budget to the Board that the FY 2008 for their approval. A motion was offered and supported to approve the FY 2008 Budget. Motion passed.

COMMISSIONER COMMITTEES

Finance - W. Anthony Jenkins, Chairperson

Financial Update

In Mr. Jenkins absence, Mr. Horsch provided the commissioners with a financial report through July 2007.

Mileage Expense Reimbursement Policy

Mr. Horsch indicated that the Finance committee is reviewing the mileage expense reimbursement policy.

Preference for Michigan Firms in Bidding Policy

Mr. Horsch indicated that the Finance committee is reviewing the policy regarding the SBM using Michigan firms in the bidding policy.

Investment Policy

Mr. Horsch reported to the commissioners that the implications of 1943 PA 20 for SBM investment policy are still being reviewed by the Finance Committee.

He also reported that Janet Welch has sent a letter regarding this issue to the Michigan Supreme Court.

Update on Retiree Healthcare Liability

Mr. Horsch reported that the actuarial study will be done in October to determine the cost of these benefits over a thirty-year period.

Senior Lawyers Section

Mr. Horsch reported that the Senior Lawyers section would end the year with a small negative balance in their budget, and the section leadership has been so advised.

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

Mr. Toy provided the commissioners with a Practice Management Resource Center (PMRC) update.

Mr. Toy presented the SBM nomination for the Institute for Continuing Legal Education (ICLE) Executive Committee. A motion was offered, supported, and adopted to re appoint Michael R. Shpiece.

Mr. Toy presented the SBM nominations for Michigan Indian Legal Services Board of Directors. A motion was offered, supported, and adopted to appoint John J. Lemire and Elizabeth A. Kronk to serve three-year terms and Allie Greenleaf Maldonado to fill the term that expires in 2009.

The appointments were conditionally approved, subject to a favorable result of a disciplinary background check.

Programs and Services – Edward H. Pappas, Chairperson

Mr. Pappas asked Ms. Brown to provided the commissioners with an Annual Meeting update. Ms. Brown reported that 993 members were pre-registered for the Annual Meeting, 350 individuals registered for the Awards banquet, 450 individuals for the Inaugural luncheon, and 150 individuals for the Legal Milestone lunch.

Mr. Pappas reported that the SBM is researching the possibility of conducting a full membership survey. This type of survey has not been done in 10 years and staff is looking for ways to increase the number of members who participate in the survey.

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

There were no court rules to discuss.

Legislation

SB 141. No action taken.

HB 4422. Limitation on Recovery Amount Allowed in Small Claim Suits

Motion offered and supported to support in principle a modest increase based on inflation calculated prospectively from the date the legislation takes effect and provide for an annual inflationary increase to be rounded and published once a year. Motion passed.

HB 4453. No action taken.

HB 4708. Taken off the report

HB 4708. Taken off the report

Ms. Lyon provided the commissioners with an update on the budget.

Justice Initiative Report

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

LEADERSHIP REPORTS

President's Report - Kimberly M. Cahill, President

President Cahill reported that she was misquoted in Lawyers Weekly and that a correction will be printed in an October issue that changes the word "Governor" to "government".

President Cahill offered congratulations to Francine Cullari on receiving her MBA from the University of Michigan with high distinction and indicated that Francine was inducted into the International Business Honor Society, Beta Gamma Sigma. Francine has also been accepted into the LL. M. Program in International Law at the University of London (England).

President Cahill led a discussion about the need to be prepared for a possible SBM response to potential changes concerning lawyer speech and the Rules of Professional Conduct in the wake of a recent federal ruling in the Eastern District of Michigan. In preparation for a report to the Board at its January meeting, staff was directed to review existing SBM positions and to seek guidance from relevant agencies and a variety of constitutional and ethics scholars. Commissioner Ulrich moved to ask the Ethics Committee for a review of existing law and their views on the issue. The motion passed.

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

Amicus Brief, Smith v Khouri

Ms. Welch reported that a meeting is scheduled for tomorrow morning to discuss the request for an amicus brief from the Michigan Supreme Court in the Smith v Khouri case. The group, chaired by Ed Pappas, includes Eric Pelton, Jon Muth, Brian Einhorn, and Dawn Evans.

Staff Changes

Ms. Welch provided the commissioners with an update on staff changes. Effective October 1, Will Kramer will become Director of Information Services, Martha Burkett will become Program Administrator of the Lawyers and Judges Assistance Program, two new receptionists Mary Gray and Linda Miers have been hired, Carrie Sharlow is the new Administrative Assistant in Governmental Relations, Heather Anderson is the new Sections and Committees Administrator, and that Laura Graham resigned to take position in the Washtenaw County Defenders office, but will continue her involvement with the State Bar as a member of the Equal Access and Criminal Justice Initiatives. Ms. Welch also reported that Mary Frook (HR Director) and her husband Dave are the proud parents of a baby girl, Amelia Rose Frook, and that John Garcia, the electrician injured last Thanksgiving while working in the SBM parking lot, and his wife Brenda recently had a baby boy, John Paul Harvey Garcia.

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

Mr. Haroutunian provided the Board with an update of the agenda of the RA meeting scheduled for September 27 and extended his thanks to SBM staff for their assistance during his year as Chair of the RA.

OTHER REPORTS

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

No report was provided.

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

Mr. Conway provided the Board with an update on the Young Lawyers section and thanked the BOC for approving the increase in the Young Lawyers budget for FY 2008.

Resolutions for Outgoing Board of Commissioners

Edward L. Haroutunian prepared and presented for adoption by Robert C. Gardella
Jeffrey E. Kirkey prepared and presented for adoption by John J. Conway
Craig H. Lubben prepared and presented for adoption by Charles R. Toy
Scott H. Strattard prepared and presented for adoption by Richard Cunningham

Board adopted the resolutions to the outgoing members as presented.

Recognition of President Kimberly M. Cahill

President-Elect Ron Keefe presented President Kimberly M. Cahill with a scrapbook and plaque honoring her year as President.

FOR THE GOOD OF THE PUBLIC AND THE PROFESSION

Comments or questions from Commissioners

There was none.

Comments or questions from the public

There was none.

The Board entered in to an Executive Session at 3:45 p.m.

Adjournment

The Board went into open session at 4:00 p.m. and the meeting was adjourned.