

President Pappas called the meeting to order at 9:30 a.m. on Friday, November 14, 2008 at the Michael Franck Building in Lansing.

Commissioners present:

Danielle Mason Anderson
Lori A. Buiteweg
Beverly Hall Burns
Laura A. Chappelle
B. D. "Chris" Christenson
Margaret A. Costello
Bruce A. Courtade, Treasurer
Richard L. Cunningham
Brian D. Einhorn
James N. Erhart
Elias J. Escobedo, Jr.
Robert K. Fergan
Julie I. Fershtman, Secretary
Elizabeth Moehle Johnson
Katherine Kakish

David R. Brake
David A. Kallman
Donald E. McGinnis, Jr.
Hon. William B. Murphy
Lambro Niforos
Edward H. Pappas, President
Eric J. Pelton
Victoria Radke
Michael Riordan
Thomas C. Rombach
Richard J. Siriani
Kurt E. Schnelz
Charles R. Toy, President-Elect
Gregory L. Ulrich

Commissioners Jenkins, Rockwell, and Sullivan 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
Mary Frook, Director, Human Resources
James Horsch, Director, Finance and Administration
Nkrumah Johnson-Wynn, Service Counsel
William Kramer, Director, Information Services
Naseem Stecker, Manager, Media and Public Relations
Kari Thrush, Manager, Member ship Services and Events
Anne Vrooman, Director, Research and Development

Guests

Linda Rexer, Executive Director, Michigan State Bar Foundation
William Bachmann, Son of Milton Bachmann

Consent Agenda

Minutes

The Board received the September 17, 2008 Board of Commissioners meetings (both)

President's Report, Edward H. Pappas, 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, Bruce A. Courtade, Chairperson

The Board received the preliminary financial reports through September 30, 2008 and the financial safety margin calculation.

Professional Standards, Julie I. Fershtman, Chairperson

The Board received the Client Protection Fund Claims.

Proposed Section Bylaw Amendments

The Board received proposed bylaw amendments from the Family Law and the Health Care Law sections.

Bachmann Resolution

The Board received a resolution that will be presented to the family of Milton Bachmann.

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

COMMISSIONER COMMITTEES

Finance, Bruce A. Courtade, Chairperson

Mr. Courtade provided the commissioners with a financial, investment and retiree health care liability update.

Mr. Horsch presented a slideshow that discussed the financial status of the State Bar of Michigan.

Audit, Bruce A. Courtade, Chairperson

Mr. Courtade reported that President Pappas appointed Commissioners Burns, McGinnis, and Sullivan as well as Ms. Roshunda Price to the Audit Committee. Mr. Courtade will serve as chair and Mr. Horsch will be the SBM liaison.

Mr. Courtade provided the board with a status of the SBM audit. The audit committee is responsible for reviewing and responding to the audit that was prepared by Plante Moran.

Professional Standards, Julie I. Fershtman, Chairperson

Ms. Fershtman reviewed with the board the candidates recommended for the District Character and Fitness Committee Appointments. A motion was offered and supported to adopt the recommendations of the Professional Standards Committee. Motion was adopted. Commissioner Schnelz abstained from this vote.

Ms. Johnson-Wynn discussed the Customized Training and Consulting Program that the Professional Standards Division will be launching soon.

Programs and Services, W. Anthony Jenkins, Chairperson

Mr. Escobedo chaired the Programs and Services committee meeting in Mr. Jenkins' absence and discussed with the board the deliberations of the committee regarding the report from the Senior Lawyer Committee Planning group. The committee recommends that the report be returned to the Senior Lawyers Planning group to address the concerns of the committee. The committee felt that the concept has merit and once the group reviews the report it will be returned to the committee and the board at the next meeting.

The board received a summary on the 2008 SBM Annual Meeting.

Public Policy, Image and Identity, Charles R. Toy, Chairperson
Justice Initiatives Report

The Board received a report from the co-chair of the Justice Initiatives, Hon. Cynthia Diane Stephens.

Court Rules

There were no proposed court rules on the agenda for the committee to act on.

Legislation

Mr. Toy reported that Ms. Nell Kuhnmuensch, Director of Governmental Consultant Services, Inc., provided the committee with a legislative update.

Mr. Toy discussed ADM order 2003-7 regarding the Caseflow Management Guidelines and the 91 day rule. A letter was drafted regarding this issue and the committee recommends that the letter be sent to Carl Gromek, State Court Administrator, asking for the State Court Administrative Office to convene a work group to discuss these guidelines. A motion was offered, supported and adopted to send the letter.

LEADERSHIP REPORTS

President's Report, Edward H. Pappas, President

Mr. Pappas offered his congratulations to Ms. Welch on the Distinguished Alumni Award she received from Albion College.

Mr. Pappas informed the board that Mr. Toy and Ms. Welch will travel to Israel to represent the State Bar in support of Michigan's mission to develop investment and trade relations. A representative from the International Law Section, Margaret Dobrowsky is also attending. They will be meeting with representatives of the Israeli Bar Association, Supreme Court, and law school faculty.

Mr. Pappas reported to the board that the Michigan Bar Journal won the National Luminary Award at the National Association of Bar Executives Communications Section conference.

Mr. Pappas informed the board that a meeting with Michigan's Law School deans is scheduled in January and that the agenda is in the process of being developed.

Mr. Pappas mentioned that he is meeting with Ms. Linda Rexer, Executive Director of the Michigan State Bar Foundation, and Ms. Welch to discuss State Bar involvement in a civic education programs in Michigan. He will also meet with Ms. Amy Timmer, Associate Dean of Students and Professionalism at Thomas M. Cooley Law School and Mr. Toy regarding a program in Michigan's Law Schools regarding professionalism. Mr. Pappas indicated if any commissioner is interested in working on these issues, to let him know.

Mr. Pappas indicated that State Bar staff is conducting a feasibility study concerning the development of an online job bank for SBM members. He indicated that during this difficult economic time this may be one way that we can assist our members.

Mr. Pappas indicated that if any board member is interested in attending an activity where he is going to be present at that he encourages their attendance.

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

Ms. Welch provided the board with more specific details on the investment mission to Israel.

Section 115 Medical Trust

Mr. Flood discussed the change that was required to the Section 115 Medical Trust documents. A motion was offered by Mr. Toy and supported by Mr. Ulrich. Motion was approved.

Committee Membership by Non-State Bar Active Members

A motion was offered to change the resolution authorizing 2008-09 committees to allow non-state bar active members to be appointed as full members to State Bar Committees. Motion was supported and adopted.

IOLTA

Ms. Welch provided the board with an update on the temporary liquidity order issued by the President Bush regarding IOLTA accounts.

Smith v Khouri

Ms. Welch indicated to the board that a work group was being developed to discuss ways to obtain empirical evidence regarding lawyer's fees in response to the Khouri case. Mr. Pelton and Mr. Siriani have agreed to be on a subcommittee, along with Ms. Vrooman to work on this issue. If any other board member is interested in working on this, please contact Ms. Vrooman.

Representative Assembly Report, Katherine Kakish, Chairperson

Ms. Kakish provided the Board with an overview of the agenda for the April 18, 2009 meeting.

American Bar Association (ABA) Report, Reginald Turner, State Delegate

The written report was provided to the board.

Young Lawyers Section Report, Chris Christenson, Chairperson

Mr. Christenson provided the Board with a report on the Young Lawyers activities.

Comments or questions from Commissioners

Mr. McGinnis informed the board that the Cooper grievance was argued before the Supreme Court on November 13.

Comments or questions from the public

A motion was offered to enter into a closed session. Motion was supported and adopted. The Board entered in to a closed session at 11:00 a.m. to discuss litigation.

Adjournment

The Board went into open session at 11:30 a.m. and the meeting was adjourned.

The commissioners then participated in the Bachmann dedication in SBM Atrium