

President Cranmer called the meeting to order at 9: 30 a.m. on Wednesday, September 13, 2006, at the Ypsilanti Marriott Hotel and Conference Center, Ypsilanti, Michigan.

Commissioners present:

Lori A. Buiteweg, Assembly Chairperson
Kimberly M. Cahill, President-Elect
John J. Conway
Margaret A. Costello
Bruce A. Courtade
Thomas W. Cranmer, President
Francine Cullari
Richard L. Cunningham
Elias J. Escobedo, Jr.
Julie I. Fershtman
Kiffi Y. Ford
Robert C. Gardella
Edward L. Haroutunian
Michael S. Hohausen

Craig H. Lubben
Ronald D. Keefe, Vice-President
Jeffrey E. Kirkey
Hon. William B. Murphy
Lambro Niforos
Edward H. Pappas, Secretary
Kurt E. Schnelz
Scott C. Strattard
Angelique Strong Marks
Charles R. Toy, Treasurer
Laurin' C. Roberts Thomas
Gregory L. Ulrich
Debra A. Walling

Commissioners Brian D. Einhorn, W. Anthony Jenkins, Allyn D. Kantor, Richard D. McLellan, and Rodger D. Young were absent and excused.

State Bar Staff Present:

John T. Berry, Executive Director
Marge Bossenbery, Executive Coordinator
Nancy Brown, Director of Communications
Gregory Conyers, Program Administrator Pro Bono Initiative
Candace Crowley, Development & External Affairs Manager
Cliff Flood, Deputy General Counsel
Laura Graham, Program Manager, Equal Access Initiative
James Horsch, Director of Finance and Administration
Victoria Kremski, Deputy Director of Professional Standards
Elizabeth Lyon, Public Policy Program Analyst
Susan McMann, Sections and Committees Coordinator
Catherine O'Connell, Assistant Professional Standard Counsel
Jerome Reide, Director of Justice Initiatives
Anne Smith, Administrative Assistant
Naseem Stecker, Media and Public Relations Manager
Anne Vrooman, Director of Research and Development
Janet K. Welch, General Counsel

Guests Present:

Lynn Chard, Executive Director, Institute for Continuing Legal Education
Linda Rexer, Executive Director, Michigan State Bar Foundation

CONSENT AGENDA

Minutes

The Board received the minutes from the July 28, 2006 Board of Commissioners meeting.
The Board received the minutes of the following Executive Committee meetings:
July 24, 2006 Executive Committee meeting
August 7, 2006 Executive Committee meeting
August 21, 2006 Executive Committee meeting

President's Report – Thomas W. Cranmer, President
The Board received the written President's recent activities report.

Executive Director's Report – John T. Berry, Executive Director
The Board received the written Executive Director's activities report and the litigation status report.

Finance and Human Resources – Charles R. Toy, Chairperson
The Board received the financial reports through July and the Year-End Financial Forecast

Section Bylaw Proposed Amendments-- Janet K. Welch, General Counsel
The Board received a proposed bylaw change from the Real Property Law Section.

A motion was offered, supported, and carried to approve the items on the Consent Agenda.

LEADERSHIP REPORTS

President's Report - Thomas W. Cranmer, President
Interim Executive Director

The President announced that the Executive Committee unanimously recommends that Janet Welch, General Counsel for the State Bar of Michigan, serve as the Interim Executive Director. A motion was offered, supported, and carried to approve this appointment.

Jury Reform Proposals

The President urged the Board members to become familiar with the current Jury Reform Proposals. He reported that the Representative Assembly would discuss these items tomorrow. President Cranmer has been talking to judges about this issue in an effort to make them more knowledgeable about these issues. He asked that the Board members keep an open mind about the proposals and that they make an effort to inform their constituents. It is important that the opinions of the State Bar of Michigan (SBM) members be heard on these topics.

Executive Director's Report - John T. Berry, Executive Director
Draft Disaster Recovery Planning

John Berry asked Jim Horsch to provide the Board with an update on the SBM plan to respond to potential disasters that might occur at the SBM building. Jim defined where the SBM is at this time and discussed with the Board members the financial impact of a variety of available options. He indicated that the SBM was looking for input from the leadership and that this item will be brought before the board for approval at a later date.

Standing Committee Resolution

The Board was provided with a resolution defining the memberships of each of committees of the SBM for 2006-07. A motion was offered, supported, and carried to accept the resolution.

Representative Assembly Report - Lori A. Buiteweg, Chairperson

Lori Buiteweg provided the Board with a summary of items on the agenda for the September 14, 2006 Representative Assembly meeting.

COMMISSIONER COMMITTEES

Finance - Charles R. Toy, Chairperson

Mr. Toy highlighted the financial reports and the forecast variance document contained in the Board packet.

Review of Long Term Investment Portfolio

Two reviews were received, one from Pension Trend and one from J. P. Chase. Both of these firms suggested that there be a change to the SBM policy governing investments about the reallocation of cash and cash equivalents. This item will be discussed with the new Finance committee within the next few weeks.

Professional Standards - Edward H. Pappas, Chairperson

Practice Management Resource Center (PMRC) Update

Victoria Kremski provided the Board with an update on PMRC activities.

Nominations for Institute for Continuing Legal Education (ICLE) Executive Committee

The SBM nomination committee recommended that Sheila Robertson Deming be appointed to the ICLE Executive Committee. A motion was offered, supported, and carried.

Nominations for Michigan Indian Legal Services Board of Trustees

The nomination Committee recommended that Hon. Kandra Robbins be appointed to the Michigan Indian Legal Services Board of Trustees. A motion was offered, supported, and carried.

Programs and Services - Ronald D. Keefe, Chairperson

Annual Meeting

Mr. Keefe reported that there were 760 members who pre-registered for the 2006 Annual Meeting and 250 registrants for the Awards Banquet.

Auto Rental – Hertz & Avis

Mr. Keefe reported that the Programs and Services committee recommended that the SBM discontinue the car rental program. Mr. Keefe asked that General Counsel review these contracts to determine when they expire and rather that discontinue this service in the middle of the contract, that the SBM not renew future contracts.

ABA Book Discounts

Mr. Keefe informed the Board that although they approved a forty-percent ABA Book discount program in June with an understanding that ten-percent of the discount would to the Access to Justice Fund (ATJ), the ten-percent donation to ATJ cannot be done. He indicated that the ten-percent would now revert to the SBM general fund.

Mr. Keefe told the Board that Anne Vrooman had provided the committee members with a copy of a membership data project that she is developing. Mr. Keefe asked that she provide the full Board with a copy of this report.

Mr. Keefe indicated that Susan McMann had informed the Committee that the State of the Law is available in CD form and that all Annual Meeting registrants will receive a copy at the registration table. Marge Bossenbery will see that each Board member receives a copy.

Public Policy, Image and Identity - Kimberly M. Cahill, Chairperson

Court Rules

2006-07 – Proposed Amendment to Rule 7.211 of Michigan Court Rules

Motion offered to support this amendment, supported, and carried.

2006-08 Proposed Amendment of Rule 7.211 of Michigan Court Rules

Motion to authorize the Justice Initiatives Committee to advocate its position, supported, and carried.

Legislation

Old Items:

The committee received a copy of a report on the progress of advocacy efforts concerning the Asbestos and Silicosis cases.

New Items:

SB 1266 Attorneys as Notaries Public

Motion offered to support in principle, supported, and carried.

HB 6120 Consolidation of 20th and 21st District Courts

Motion offered to take no position on this, supported, and carried.

SB1272 Guardian and Conservator Background Checks

Motion offered to oppose in principle, supported, and carried. A roll call vote was taken, 26 votes in support with Ms. Angelique Strong Marks abstaining.

Jury Reform Package

SB's 1316, 1317, 1318, 1319, 1320 and 1323

Motion offered to oppose in principle because the action is within the jurisdiction of the Supreme Court and is a breach of the separation of powers, supported, and carried

SB 1321

Motion offered to oppose in principle because it limits access to justice for those of limited means, supported, and carried

SB1322

Motion offered to take no position, supported, and carried.

Amendments to the Administrative Procedures Act

HB 5933

Motion offered to support in principle provided that changes offered by the Administrative Law Section are adopted, supported, and carried.

HB 5936

Motion offered to take no position, supported, and carried

HB 6304 Unfair Trade Attorney's Fee

Motion offered to actively support, supported, and carried

HB 6100 Court Fees

Motion offered to oppose in principle, supported, and carried.

SB 1348 Magistrate Arraignments
Motion offered to support in principle, supported, and carried.

SB 1336, 1337, and 1338 Prisoner Identification
This item was removed from the agenda due to Keller restrictions.

OTHER REPORTS

President's Advisory Council Report - Kurt Schnelz, Chairperson
Review of Sarbanes-Oxley Legislation

Mr. Schnelz provided the Board with a report about issues surrounding how the best practices in organizational governance from the Sarbanes-Oxley legislation might be applied at the State Bar of Michigan.

The Advisory Council reviewed the observations and recommendations of the report titled "The Sarbanes-Oxley Act and Implications for Nonprofit Organizations," published in 2003 by BoardSource (formerly the Independent Center for Nonprofit Boards) and Independent Sector. The Advisory Council determined that there are policy and/or practice changes that should be considered for implementation by the State Bar of Michigan not because the SBM is subject to the Sarbanes-Oxley Act, but because it is a prudent thing to do.

The Advisory Council provided its recommendations which include: establishing an Audit Committee; implementing a formalized document retention policy; creating a Whistleblowing policy and a conflict of interest policy that includes a provision for Board members to disclose potential conflicts; and creating a policy prohibiting loans to staff or Board members. A motion was offered to adopt the recommendations of the Advisory Council, supported, and carried.

American Bar Association Report (ABA) - W. Anthony Jenkins
In Mr. Jenkins's absence, Mr. Ulrich provided an update on the ABA conference.

Justice Initiatives Report - Richard D. McLellan, Co-Chair
In Mr. McLellan's absence, Jerome Reide gave the Justice Initiatives Report. He provided the Board members with a donor acknowledgement book, an article about the National Bar Association Conference, and the Bar Journal article containing an overview of the committee.

Young Lawyers Section Report - Jeffrey E. Kirkey, Chairperson
Mr. Kirkey provided the Board with an update on the Young Lawyers Section.

Special Presentations

Resolutions Honoring Retiring Board Members

Angelique Strong Marks	Prepared and presented for adoption by Jeffrey Kirkey
Michael Hohausser	Prepared and presented for adoption by Elias Escobedo
Debra Walling	Prepared and presented for adoption by Julie Fershtman

Recognition of President Thomas W. Cranmer
President-Elect Kimberly Cahill presented President Thomas Cranmer with a scrapbook and plaque honoring his year as President.

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.

Executive Session

The Board went into an Executive Session at 12:10 p.m.

Adjournment

The meeting was adjourned at 1:00 p.m.