

The meeting was called to order by President Cranmer at 9:30 a.m. on Friday, April 7, 2006, at the State Bar of Michigan, Lansing, Michigan. Commissioners present were:

Lori A. Buiteweg, Assembly Chairperson	Allyn D. Kantor
Kimberly M. Cahill, President-Elect	Ronald D. Keefe, Vice-President
John J. Conway	Jeffrey E. Kirkey
Margaret A. Costello	Richard D. McLellan
Bruce A. Courtade	Lambro Niforos
Thomas W. Cranmer, President	Edward H. Pappas, Secretary
Francine Cullari	Kurt E. Schnelz
Richard L. Cunningham	Angelique Strong Marks
Brian D. Einhorn	Charles R. Toy, Treasurer
Elias J. Escobedo, Jr.	Laurin' C. Roberts Thomas
Julie I. Fershtman	Gregory L. Ulrich
Robert C. Gardella	Debra A. Walling
Michael S. Hohaus	Rodger D. Young

Commissioners Kiffi Y. Ford, Edward L. Haroutunian, W. Anthony Jenkins, Craig H. Lubben, Hon. William B. Murphy, and Scott C. Strattard were absent and excused.

State Bar Staff Present:

John T. Berry, Executive Director
Marge Bossenbery, Executive Coordinator
Kari Brandel, Events Manager
Nancy Brown, Director of Communications
Gregory Conyers, Program Administrator Pro Bono Initiative
Candace Crowley, Development & External Affairs Manager
Dawn Evans, Director of Professional Standards
Cliff Flood, Deputy General Counsel
Kathleen Fox, Director of Programs and Services
JoAnn Hathaway, Program Administrator, PMRC
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 Standards Counsel
Jerome Reide, Director of Justice Initiatives
Linda Rexer, Executive Director, Michigan State Bar Foundation
Chad Sluss, Member Services Manager
Lesa Smith, Program Administrator, ATJ Campaign
Anne Smith, Administrative Assistant
Naseem Stecker, Media and Public Relations Manager
Anne Vrooman, Director of Research and Development
Janet K. Welch, General Counsel
Jennifer Ylonen, Administrative Assistant

CONSENT AGENDA

Minutes

The Board received the minutes of the January 20, 2006 Board of Commissioners meeting.

The Board received the minutes of the following Executive Committee meetings:

- January 30, 2006 Executive Committee meeting
- February 13, 2006 Executive Committee meeting
- February 27, 2006 Executive Committee meeting
- March 7, 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 litigation status report.

Finance and Human Resources – Charles R. Toy, Chairperson

The Board received the financial reports through January 31, 2006 and the year-end financial forecast.

Professional Standards Committee – Edward H. Pappas, Chairperson

The Board received the UPL Litigation, client protection fund claims, special circumstances claim, request to exceed maximum aggregate and the ABA House of Delegates reports.

A motion was made, seconded, and carried to approve the items on the Consent Agenda.

Section/Committee Reports

President Cranmer recognized M. Jean Ligon, Chair of the Animal Law Section and Bea Friedlander for a section report as well as Sharon Wilson, President of the Michigan Lawyers' Auxiliary for a report.

LEADERSHIP REPORTS

President's Report – Thomas W. Cranmer, President

President Cranmer reported to the Board that he and two former State Bar of Michigan (SBM) Presidents, Jon Muth and Tom Kienbaum, along with Dean Googasian, testified before the House Committee on Tort Reform. The State Bar was asked to provide background on tort law, the statutory history in Michigan, and a balanced perspective on the issues before the committee.

President Cranmer also testified before the Senate Judiciary Committee in support of SCR 39 regarding the Indigent Defense System. Sen. Cropsey sponsored a resolution that called for the gathering of information around the state about how indigent criminal defense is being funded. President Cranmer indicated that he hoped that there would be future opportunities to assist the Legislature with issues that affect the legal community.

President Cranmer reported that he has received several requests for Board resolutions to honor individuals. The most recent was from Sue Marx, who requested a resolution to honor her aunt who is an attorney and is celebrating her 100th birthday. President Cranmer indicated that when the SBM receives these requests, it is a good policy to provide this service to our members.

President Cranmer reported that he continues to receive input on the issue of holding SBM events at the Grand Hotel. The Board will continue to review this issue.

President Cranmer is promoting the PMRC at all events he attends and urges all Commissioners to do the same. All of the comments to date have been positive.

Executive Director's Report – John T. Berry, Executive Director

The following new staff members were introduced to the commissioners: Diane Ebersole, Program Advisor for the PMRC; Anne Vrooman, Director of Research and Development; Mary Cassel (Frook), Human Resources Manager; and Jennifer Ylonen, Administrative Assistant in the Justice Initiatives Division. Janie Cripe and Candace Crowley have accepted new positions within the SBM.

The Commissioners were provided a copy of the ABA Survey on Law School Professionalism Programs. This document is a result of the work that Mr. Berry did with the ABA Professionalism Committee. He provided the Legal Education Committee with a copy via co-chair Francine Cullari, and also plans to discuss the report at a meeting with the Law School Deans and SBM leaders on May 22nd.

Mr. Berry indicated that he received great feedback on the Ethics School that was held last month and that he would like to look into the possibility of offering the school to the membership as a whole as a continuing legal education service.

The FY 2006-07 budget process is similar to past years, except that the budget approval is scheduled for July. Commissioners will receive a draft of the proposed budget at the June Board of Commissioners (BOC) meeting for comment, and a final proposal at the July meeting for approval. The Finance Committee and the Budget Committee will review all of the assumptions and projections before the budget is provided to the entire Board.

Nancy Brown provided an update on a recent e-Journal readership survey. There have been over 1,500 responses to the survey and she will compile and provide the entire report to the Commissioners in June.

There are three components to the Disaster Response Plan that the SBM is developing. The first deals with what would happen if the State Bar itself was affected by a disaster. Jim Horsch will be working with staff on this area. The other two areas address the response of the profession to disasters: 1) how to assist lawyers with disasters affecting their practices, and 2) what the response should be when there is a public disaster and how we can assist the public with their interaction with lawyers to prevent improper activities by our members. Dawn Evans will be leading these efforts in conjunction with the Professional Standards Committee.

Mr. Berry indicated to the Board members that Newline is a way for the SBM to keep them informed of our activities. He asked for feedback on ways that Newline can be more helpful to them.

A draft of a Succession Plan will be circulated among the Executive Committee and presented to the entire Board at a future meeting.

Representative Assembly Chairperson's Report – Lori A. Buiteweg, Chairperson

Ms. Buiteweg discussed the agenda and the materials that were sent out to the members for the April 29th meeting. There are four substantive proposals that are on the agenda. There will be educational opportunities available during lunch, and President Cranmer will provide the group with an overview of SBM structure. President Cranmer strongly urged the Executive Committee members to attend the meeting because it is critical that we continue to have a strong relationship between this Board and the Representative Assembly.

COMMISSIONER COMMITTEES

Finance and Human Resources – Charles R. Toy, Chairperson

Mr. Toy referred the Commissioners to the financial update and financial forecast. The financial forecast shows that the budgeted FY 2005-06 deficit has been eliminated, due in part to staff vacancies that were not filled, resulting in savings of salaries and benefits.

Mr. Toy discussed compensation to sections (Rule 9 of SCRC SBM). A memo from the Finance Committee was transmitted to each Commissioner last week describing the recommendations to resolve this issue. There were four recommendations from the Committee. Mr. Toy moved to adopt the recommendations. There was support for the motion and the motion passed.

Mr. Toy provided an update on the retirement health care liability and future GASB 45 reporting. These new reporting measures require the SBM to account for health care liabilities that must be reported in the future. Next year's budget will include an actuarial study to determine what the SBM should set aside each year in a separate account. The Finance Committee voted to continue the additional annual designation of \$225 k in net assets for the current fiscal year as an estimate for the liability.

Mr. Toy discussed a proposal to reduce the SBM's short-term investment risk at the suggestion of Plante & Moran in an Auditor's Management Letter. This is an informational item to reflect the action taken by the Finance Committee. The Finance Committee approved limiting short-term investments with any one financial institution to \$3 million. Currently the SBM holds all its short-term investments in one financial institution.

The Finance Committee is working with Mr. Berry and Mr. Horsch on the formulation of a contingency plan to mitigate a future dues increase. This item will be discussed at future Board meetings.

Professional Standards – Edward H. Pappas, Chairperson

Mr. Pappas discussed two informational items. The Professional Standards Committee will be working on two components of the Disaster Response Plan, and he has appointed a committee that is chaired by Mike Hohausser to oversee the project. It is a very important project that will be extremely valuable to lawyers across the state.

Dawn Evans provided the Commissioners with an update on the activity on the PMRC website. There is a PMRC seminar planned for May that will take place in Marquette.

Programs and Services – Ronald D. Keefe, Chairperson

Mr. Keefe reported that during the three-month period since the Board adopted the Staples office supply program, 276 firms have enrolled, and 51 firms have placed orders. This compares to 130 firms that placed orders over a two-year period using the previous vendor. This program is proving to be very successful and the SBM has received no complaints.

Materials about Boyne Mountain Resort were provided to the Commissioners. The BLF Committee recommended and the Programs and Services Committee concurred that the 2007 BLF be held at Boyne Mountain on May 4 -5, 2007. A motion was made, supported, voted on and passed.

Kari Brandel provided the Commissioners with all of the materials necessary to register for the 2006 BLF. She also provided an invitation to the 50-year Honoree Luncheon being held in May at the Dearborn Inn. Mr. Cranmer encouraged all Commissioners to attend this event.

There have been numerous discussions between the SBM and ICLE regarding the merger of the Annual Meeting and the Solo and Small Practice institute. This item may come before the Board at the June meeting.

Public Policy, Image and Identity – Kimberly M. Cahill, Chairperson
Ms. Cahill reported that there were no court rules to discuss.

The following legislation was discussed and action taken:

HB 4467: Legislation to extend the statute of limitations to bring civil litigation in criminal sexual conduct cases. Motion to oppose this in principle. Consistent with past policy of opposing the extension of the statute of limitations
Motion passed

HB 5337: Legislation allows members of the military to be exempt from administrative hearings while they are in active service. This is basically an extension of the Service Members' Relief Act.
Motion to support this in principle.
Motion passed

SB 535: Legislation to add an additional factor to consider in child custody cases, proven drug use history and convictions.
Motion to oppose in principle.
After discussion a roll call vote was taken. The results were: 22 Yes, 3 No, 6 absent, 1 left prior to the vote being taken. Motion passed.

Rep. Steve Bieda is considering legislation that would assist with a student loan repayment debt forgiveness program for attorneys planning on a career in public service professions. Anyone interested in working on that issue should contact Ms. Cahill or Janet Welch.

A motion was made to write a resolution to honor Rep. William Van Regenmorter at the end of his service to the State of Michigan and to present this to him at the upcoming SBM Public Policy Summit. The motion passed.

Ms. Cahill referenced the Justice Initiatives Report that can be found behind Tab XX. The CJI report indicates that the Criminal Issues Initiative would like to form a work group to review criminal issues and that this group be under the auspices of the Justice Initiatives Division. Ms. Cahill made a motion to adopt this recommendation. The motion was supported and passed.

The Public Policy, Image and Identity Committee is forming a subcommittee to review the Educational Initiative recommended by the President's Advisory Committee. Interested Commissioners should contact Ms. Cahill.

Court of Appeals Report – Hon. William Whitbeck, Chief Judge of Michigan Court of Appeals (COA)
Chief Judge William Whitbeck provided the commissioners with information concerning a proposal to raise revenue for Court of Appeals operational funding. He described the increase in the COA caseload in recent years and the Court's delay reduction program. Chief Judge Whitbeck asked for support in three ways. First, through SBM formal support; second, by directing the SBM lobbyist to discuss this matter with the bi-partisan legislative leaders ("active support"); and third, through individual testimony and letters of support to Board members' legislators. Chief Judge Whitbeck also indicated that a presentation was given to the Appellate Practice Section.

President's Advisory Council – Kurt Schnelz, Chairperson
The committee has no new action to bring in front of the Board. All recommendations in progress.

Officer Election Committee – Bruce A. Courtade, Chairperson
Mr. Courtade summarized the committee's report that was provided to the Board. The committee will meet again and present a more formal proposal to the Board at the June meeting.

Young Lawyers Section Report – Jeffrey E. Kirkey, Chairperson

Mr. Kirkey provided the Board with an update of both prior and upcoming programs that were sponsored by the Young Lawyers Section. He thanked the Board members for their willingness to support the Young Lawyers Section and reported that the section's newsletter will now be transmitted only electronically.

ABA Report – W. Anthony Jenkins

Mr. Jenkins was unable to attend the meeting, but indicated to President Cranmer that he had some informational items to share with the Board and will send them out via e-mail.

Justice Initiatives Committee – Richard McLellan, Co-Chairperson

Mr. McLellan stated that the Board already took action on the Criminal Issues Initiative and indicated that all relevant information is in the Board packet.

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.

Old Business

There was none.

New Business

There was none.

The Board of Commissioners moved into an Executive session at 12:23 p.m.