

AGENDA ITEM

MARCH 10

**THE STATE BAR OF CALIFORNIA
MINUTES
BOARD OF GOVERNORS MEETING
LA QUINTA
JANUARY 12, 2008**

The Board of Governors of the State Bar of California convened in open session in the Frank Capra Room, La Quinta Resort & Club, 49-449 Eisenhower Drive, La Quinta, California, 92253, at 10:25 a.m. on Saturday, January 12, 2008, Jeffrey L. Bleich presiding.

The following members of the Board of Governors were present: Matthew B. Butler, George O. Davis, John J. Dutton, Jeannine English, Richard A. Frankel, Holly J. Fujie, William H. Gailey, William N. Hebert, Rex Heinke, James B. Hussey, Paul A. Kramer, Jr., Michael D. Marcus, John P. McNicholas, Howard B. Miller, Danni R. Murphy, John E. Peterson, M. Carmen Ramirez, Richard A. Rubin, and Patricia P. White.

The following members of staff were present: Starr Babcock, Scott Drexel, Mary Lavery Flynn; Francisco Gomez, Robert A. Hawley, Judy Johnson, Marie Moffat, Gayle Murphy, Cathy Torney, Peggy Van Horn, Anthony Williams, and Colin Wong.

- 30 Mr. Bleich welcomed newly appointed public member, James Hussey, to the Board and announced that he had appointed Mr. Hussey to the below identified Board Committees, and as liaison to the identified State Bar committees, and requested to Board to ratify such appointments; the Board subsequently took the below recorded action.

The roll-call vote was taken, and upon motion made, seconded and unanimously adopted, it was

RESOLVED that the roll-call vote will be substituted for the vote unless otherwise noted.

- 30-1 Upon motion made, seconded and unanimously adopted, it was

RESOLVED that the Board hereby approves the appointment of James B. Hussey to the following Board Committees:

Board Regulation, Admissions and Discipline Oversight Committee
Board Committee on Member Oversight; and it is

FURTHER RESOLVED that the Board hereby approves the appointment of James B. Hussey as liaison to the following State Bar committee:

Committee of Bar Examiners.

All members present and recorded on the roll-call slip voted yes on the above matter.

30 The President reported on the following:

- A. His outreach efforts to the managing partners of large law firms re their support of AB 2301 as it relates to the Justice Gap Fund, and he urged Board members to share with their constituents information about the profession's need to help address the unmet need for legal services in California;
- B. His meetings with editorial boards of *California Lawyer*, *the Recorder*, *Daily Journal*, etc., regarding his priorities for this Board year; and
- C. His several outreach meetings with bar associations, and encouraged other Board members to meet with the bar associations in their districts;
- D. The terrific work being done by the California Bar Foundation on its funding scholarships for law students, and the fundraising efforts made by the Foundation.
- E. Mr. Bleich appointed a Special Taskforce to study and make recommendations regarding the Bar's Annual Meeting; the Board Committee on Stakeholder Relations will have oversight of this taskforce.

Chair: John Peterson

Members: William N. Hebert, James B. Hussey, and Patricia P. White.

41/42 Ms. Johnson, Executive Director / Secretary, reported on the following:

- 1. Nominating petitions for the Board election will be available on February 1, 2008;
- 2. The Board's Resource Book is now live on the Bar's Web site; and
- 3. The report in response to issues raised in the State Audit had been transmitted to the legislature by the due date of January 10, 2008.
- 4. Following a discussion by the Board of the location of future Board Planning Sessions, the Board quickly reached a consensus that the following two meetings should be held in La Quinta Resort & Club, La Quinta:

Thursday – Saturday, January 8 – 10, 2009, and

Thursday – Saturday, January 7 – 9, 2010.

50 The consent agenda was presented to the Board, and no objection being raised thereto, all below consent matters were deemed unanimously adopted.

51 **RESOLVED**, upon recommendation of the Board Committee on Operations, that the Board hereby receives the financial statement for the quarter ended September 30, 2007, as certified by the Chief Financial Officer, and on file in the San Francisco office of the State Bar.

52 **RESOLVED**, upon recommendation of the Board Committee on Operations, that the Board hereby receives the investment report for the quarter ended September 30, 2007, as certified by the Chief Financial Officer, and on file in the San Francisco office of the State Bar.

53 **RESOLVED**, upon recommendation of the Board Committee on Operations, that the Board hereby receives the Client Security Fund report for the quarter ended September 30, 2007, as certified by the Chief Financial Officer, and on file in the San Francisco office of the State Bar.

54-111 **WHEREAS**, representatives of the State Bar of California ("State Bar") and Service Employees International Union (SEIU), Local 535 ("Union") met and conferred pursuant to California Government Code sections 3505 and 3505.1 and the State Bar's Rules & Regulations for the Administration of Employer-Employee Relations, with a view to reaching agreement on the Memoranda of Understanding for the General and Attorney Bargaining Units to be effective in 2008; and

WHEREAS, on December 7, 2007, the State Bar and Union bargaining teams reached tentative agreement on proposed amendments to the Memoranda of Understanding for the General and Attorney Bargaining Units to be effective January 1, 2008 through the end of 2008; and

WHEREAS, the Union will be recommending that the Union membership vote to ratify the proposed amendments at a ratification vote to be scheduled; and

WHEREAS, the State Bar's Rules and Regulations for the Administration of Employer-Employee Relations provides at Sections 6.8 and 6.9 that the proposed Memoranda of Understanding be submitted to the Board of Governors for ratification and adoption; and

WHEREAS, the Board Operations Committee is charged with Board oversight responsibility for the MOU negotiations and is authorized to act on behalf of the Board in-between meetings; now therefore, it is

RESOLVED that the Board Operations Committee, acting on behalf of the Board in-between meetings ratifies and adopts the proposed Memoranda of Understanding amendments for the General and Attorney Bargaining Units in the form discussed this date to be effective January 1, 2008; and it is

FURTHER RESOLVED that the Office of General Counsel and the Office of the Executive Director are authorized to take the appropriate steps to effectuate these amendments.

[Report of action taken by the Board Committee on Operations on December 13, 2007, acting on behalf of the Board between regularly scheduled Board meetings.]

54-112 **RESOLVED**, that the Board Committee on Operations, acting on behalf of the Board of Governors between meetings, approves in principle the contracts with Bank of America for Affinity Products and Programs and authorizes the Executive Director, or her designee, to enter into the contract in a form approved by the General Counsel.

[Report of action taken by the Board Committee on Operations on December 13, 2007, acting on behalf of the Board between regularly scheduled Board meetings.]

54-113 **RESOLVED**, following publication for comment and no comment having been received, and upon recommendation of the Board Committee on Operations, s that the Board of Governors hereby amends The State Bar of California's Conflict of Interest Code for Designated Employee Positions, in the form attached to these minutes and made a part hereof.

55 **RESOLVED**, upon recommendation of the Board Committee on Operations, that the Board hereby ratifies the appointment of James Hsu, Los Angeles member, to the California ALL Board, effective November 29, 2007, and expiring December 31, 2008, or until further order of the Board, whichever occurs earlier; and it is

FUTHER RESOLVED that the Board hereby ratifies the appointment of Douglas Scrivner, San Jose member, to the California ALL Board, effective November 29, 2007, and expiring December 31, 2009, or until further order of the Board, whichever occurs earlier; and it is

FURTHER RESOLVED that due to the need to make appointments before the Board Committee on Volunteer Involvement would next meet, the Board hereby suspends the consideration of these appointments by the Committee on Volunteer Involvement.

114 Upon motion made, seconded and unanimously adopted, it was

RESOLVED, on publication for public comment and consideration of comments received, and upon recommendation of the Committee on Board Operations, acting on behalf of the Board Committee on Stakeholder Relations, that the Board of Governors hereby approves the addition of Rules 2,100-2.118, 2.130 and 2.131, as amended, and repeals existing Rule 1-1.5 of *The State Bar Rules Regulating Interest-Bearing Trust Fund Accounts for the Provision of Legal Services to Indigent Persons*, in the form attached to these minutes and made a part hereof.

On the recommendation of the Board Committee on Operations, the Board approves that the additions include two minor technical clarifying changes that are not substantive under State Bar Rules Title 1, Division 2, Rule 1.10 (B)(2); and it is

FURTHER RESOLVED, upon recommendation of the Committee on Board Operations acting on behalf of the Board Committee on Stakeholder Relations, that the Board of Governors hereby approves submission of the Proposed Rule of Court to the Supreme Court to Implement AB 1723, in the form attached to these minutes and made a part hereof.

All members present and recorded on the roll-call slip voted yes on the above matter.

115 Upon motion made, seconded and unanimously adopted, it was

RESOLVED, upon recommendation of the Board Committee on Operations, acting on behalf of the Board Committee on Planning, Program Development, and Budget, that the Board hereby establishes Fund 31 "Information Technology Special Assessment Fund" and amends the State Bar's 2008 Budget to authorize expenditure of \$1.6 million in the newly created Information Technology Special Assessment Fund.

All members present and recorded on the roll-call slip voted yes on the above matter.

116 Upon motion made, seconded and unanimously adopted, it was

RESOLVED, that upon recommendation of the Board Committee on Operations, the Board of Governors hereby amends Board Book tab 5, art. 1, section 3 (a) [date of special meeting], and (k) [election speeches or other forum] regarding the procedures for the election of State Bar officers, in the form attached to these minutes and made a part hereof.

All members present and recorded on the roll-call slip voted yes on the above matter.

122 Upon motion made, seconded and unanimously adopted, it was

RESOLVED, upon the recommendation of the Board Regulation, Admissions and Discipline Oversight Committee, that the Board of Governors of the State Bar of California hereby approves the Report of the State Bar of California to the Supreme Court of California Regarding Nonprofit Entity Legal Practice in Response to the Supreme Court's Referral to the State Bar in *Frye v. Tenderloin Housing Clinic, Inc* (2006) 38 Cal. 4th 23, in the form attached to these minutes and made a part hereof, for filing with the Supreme Court."

All members present and recorded on the roll-call slip voted yes on the above matter.

161 Mr. Williams from the Bar's Office of Government Affairs gave a brief report on pending legislation.

162 No immediate action items were presented to the Board at this meeting.

The Board went into closed session at 10:55 a.m., and those persons present, except the senior executive staff, left the meeting.

The Board resumed open session at 11:00 a.m.

The Board adjourned its meeting at 11:05 a.m., Saturday, January 12, 2008, in memory of Steven J. "Steve" Jimenez, who passed away suddenly on December 30, 2007. Steve was a long-time State Bar volunteer – he served as a member, vice-chair and chair of the Bar's Workers' Compensation Law Section Executive Committee; he was co-chair of the Council on State Bar Sections and represented the Council on the Bar's Board of Governors Task Force on Sections. As a name partner of Adelson, Testan, Brundo & Jimenez, he was also Managing Partner of its Oakland office.

Although deeply involved in the legal profession, Steve found time to volunteer in several community organizations too numerous to mention, but which included the California Hispanic Chamber of Commerce, and on the Board of its branch in Alameda County, he was a member of the City of Oakland Civil Service Review Board, and also served as a member of Breaking Barriers, a nonprofit agency that assists people living with HIV and breast cancer.

The Board of Governors hereby expresses its deepest condolences to Steve's family, relatives, friends and colleagues.

The Board may meet again at the call of the President at any time prior to the next regularly scheduled meeting of the Board, or, if no such meeting be called, at the State Bar Office, 180 Howard Street, San Francisco, CA 94105, on Friday, March 7, 2007.