

AGENDA ITEM

MARCH 10-2
(Open Minutes)
January 10, 2009, Board Meeting

THE STATE BAR OF CALIFORNIA
MINUTES
BOARD OF GOVERNORS MEETING
LA QUINTA, CALIFORNIA
SATURDAY, JANUARY 10, 2009

The Board of Governors of The State Bar of California convened in open session in the Frank Capra A Room of La Quinta Resort & Club, 49-499 Eisenhower Drive, La Quinta, California, 92253, upon the conclusion of the meeting of the Board Committee on Operations, on Saturday, January 10, 2009, Holly J. Fujie presiding.

The following members of the Board of Governors were present: James H. Aguirre, Joseph L. Chairez, Angela J. Davis, Bonnie M. Dumanis, William H. Gailey, William N. Hebert, Rex Heinke, Paul A. Kramer, Jr., Micha S. Liberty, Michael D. Marcus, Howard B. Miller, Jon Streeter, and Michael A. Tenenbaum.

The following members of staff were present: Scott Drexel, Robert A. Hawley, Judy Johnson, Colin Wong, and Larry Yee.

Also present: Rules Revision Commission represented by: Harry Sondheim, Chair; Mark Tuft, Co-Vice Chair; Kevin Mohr, Consultant; and Randall Difuntorum, Staff Counsel.

- 1 President Fujie announced that the Report of the Rules Revision Commission, special set for 12:45 p.m., would be the first order of business on the Board's agenda.

The Rules Revision Commission, represented by Harry Sondheim (Chair), Mark Tuft (Co-Vice Chair), Kevin Mohr (Consultant) and Randall Difuntorum (Staff Counsel), presented a special report on selected rule comparisons with the ABA Model Rules. The representatives answered Board member questions about the Commission's proposed rules and specific deviations from comparable ABA Model Rules. The Board also discussed the Commission's charge and the guidance afforded on issue of conformance to the ABA Model Rules. Following discussion, the State Bar President assigned a new Board Subcommittee to review the Commission's charge and to report back with any recommendations for clarifications or changes. The new Subcommittee members were: James Aguirre; William Hebert; Rex Heinke; Michael Marcus; and Jon Streeter. The State Bar President thanked the Commission for its presentation and ongoing work.

Following the presentation of the Rules Revision Commission, Mr. Sondheim, Mr. Tuft, Mr. Mohr, and Mr. Difuntorum left the meeting.

- 30 Ms. Fujie, President, did not make a report at this meeting.

41/42 Ms. Johnson, Executive Director/Secretary, did not make a report at this meeting.

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.

54-111 The consent agenda was presented to the Board, and no objection being raised thereto, the following items on the consent agenda were deemed unanimously adopted.

RESOLVED, following publication for comment and no comments having been received, and upon recommendation of the Board Committee on Operations, that the Board of Governors hereby approves the revisions to The State Bar of California's Conflict of Interest Code for Designated Employees, in the form attached to these minutes and made a part hereof.

55 Steve Mazer, Director, Operations, replaced a former employee as signatory to the Bar's bank account, and the following consent resolution reflects such amendment.

RESOLVED that authority heretofore granted to persons to sign transfer orders and checks upon the various State Bar accounts and to have access to the State Bar safe deposit box is hereby revoked; and it is

FURTHER RESOLVED that each bank in which the State Bar maintains an account or safe deposit box shall be furnished a copy of this resolution and be notified that the names of the members of the Board, the Executive Director, Deputy Executive Director, Chief Financial Officer, and Finance Managers, who are now so authorized to sign withdrawal orders, transfer orders and checks and authorize transfer of funds from one State Bar account to another State Bar account are as follows:

Holly J. Fujie	President and Board Member
Richard A. Frankel	Vice President and Board Member
Robert A. Hawley	Deputy Executive Director
William N. Hebert	Board Member
Judy Johnson	Executive Director/Secretary
Howard B. Miller	Vice President and Treasurer
Richard A. Rubin	Board Member
Peggy M. Van Horn	Chief Financial Officer
Ray Farrish	Finance Manager
Christine Wong	Finance Manager

Signatures required for various transactions are:

For checks drawn on a commercial account:

(a) any single check of \$75,000.00 or more requires the manual signatures of any two of the positions listed above.

(b) any single check less than \$75,000.00 may be processed through a check signing machine utilizing a signature plate engraved with the name of the Executive Director.

Authority is hereby granted to any two of the above persons to open cash accounts for the State Bar of California at securities brokerage firms and to place orders in such accounts to purchase and sell securities.

Transfer of funds from one State Bar account to another State Bar account, whether requested by telephone, internet, fax, orally or in writing requires the signature of any of the persons listed above.

In addition, for checks drawn on the Los Angeles commercial account:

(a) Any single check less than \$3,000.00 requires the signature of one of the following:

Steve Mazer	Director of Operations
Gilda Munoz	Human Resources Manager, Los Angeles
John R. Rodriguez	Operations and Management Director, Los Angeles

(b) Any single check of \$3,000.00 or over requires the signature of any two of the above listed persons.

112 This item regarding Interest on Lawyers Trust Accounts (IOLTA), Proposed Rule of Court and/or Legislative Amendment to the IOLTA statute was deferred to the March 6, 2009 Board meeting.

113 Mr. Hawley, Deputy Executive Director, addressed the Board regarding the MOU negotiations, which issue was discussed at length, and he responded to all questions raised by Board members. He told the Board that he would report further on the status of the negotiations at the March meeting.

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

RESOLVED, upon recommendation of the Board Committee on Operations, that the Board hereby amends the Rules and Regulations Pertaining to the Employment of Confidential Employees, in the form attached to these minutes and made a part hereof, effective January 1, 2009.

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

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

The Board resumed open session at the conclusion of its closed session.

The Board adjourned its meeting at the conclusion of its business and 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 offices, 180 Howard Street, San Francisco, CA 94105, at 12:00 noon on Friday, March 6, 2009.