

President Cranmer called the meeting to order at 9:30 a.m. on Friday, July 28, 2006, at the State Bar of Michigan, Michael Franck Building, Lansing, Michigan.

Commissioners present:

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

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

Commissioners John J. Conway, Michael S. Hohausser, Angelique Strong Marks, and Rodger Young 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
Diane Ebersole, Program Advisor, PMRC
Amy Emmons, Legal Secretary
Dawn Evans, Director of Professional Standards
Kathleen Fox, Director of Programs and Services
Cliff Flood, Deputy General Counsel
Mary Froom, Human Resources Manager
Laura Graham, Program Manager, Equal Access Initiative
James Horsch, Director of Finance and Administration
Will Kramer, Manager, Information Technology Services
Victoria Kremski, Deputy Director of Professional Standards
Craig Laurie, Intern, General Counsel Division Intern
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
Anne Smith, Administrative Assistant
Lesa Smith, Program Administrator, Access to Justice Campaign
Naseem Stecker, Media and Public Relations Manager
Anne Vrooman, Director of Research and Development
Janet K. Welch, General Counsel

Guests Present: Sharon Wilson and Sally Purcell from the Michigan Lawyer's Auxiliary

CONSENT AGENDA

Minutes

The Board received the minutes of the June 9, 2006 Board of Commissioners meeting.

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

June 5, 2006 Executive Committee Meeting

June 19, 2006 Executive Committee Meeting

July 10, 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 May 31, 2006 and the year-end financial forecast.

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

President Cranmer recognized the President and President-Elect of the Lawyers Auxiliary, Sharon Wilson and Sally Purcell.

LEADERSHIP REPORTS

President's Report - Thomas W. Cranmer, President

Meetings with the Chief Justice Taylor/Jury Proposals: President Cranmer reported that he, along with Ms. Cahill, Mr. Berry, and Janet Welch met with Chief Justice Taylor on a regular basis. At the last meeting, Chief Justice Taylor discussed the proposed jury reforms that the Supreme Court has proposed. He indicated that the Court is very interested in receiving feedback from the members of the State Bar of Michigan (SBM) about these proposals. President Cranmer suggested that all Board of Commissioners (BOC) members review the proposals and be prepared to offer comments about them.

Sarbanes Oxley Applicability: President Cranmer asked Kurt Schnelz, Chair of the President's Advisory Council, to review with the council the applicability of Sarbanes Oxley to the SBM and provide the Board with a report at the September 13 meeting.

Young Lawyers Section/Alternative Career Program: President Cranmer recognized the work of the Young Lawyers Section. President Cranmer took part in an Alternative Career Program that the Young Lawyers Section held and was impressed by the information provided to the members. He expressed his appreciation for how much the section provides for its membership.

Judicial Outreach: President Cranmer stressed the importance of judicial outreach. He met with many members of the judiciary during his tenure as President and reports that this is a way for the SBM to strengthen its relationship with the bench.

Practice Management Resource Center (PMRC): President Cranmer continues to receive very positive reaction to the PMRC from SBM members who express the value that they see in this program. He has written an article regarding the PMRC and has asked the sections to publish this article in their newsletters.

President Cranmer informed the Board that John Berry has accepted a position with the State Bar of Florida and will leave the employment of the SBM in late October. He offered congratulations to John, acknowledging that the SBM has made measurable strides under his leadership and that the membership owes him a debt of gratitude for his leadership during the past five years.

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

Internal Revenue Service (IRS) Request: Mr. Berry reported to the Board that a representative of the IRS has requested an electronic list of all active members licensed in Michigan for the purpose of tax compliance and enforcement of federal tax statutes. The State Bar does not provide Social Security numbers in its possession, and the representative has been so advised, along with information about what the availability of names and addresses. The General Counsel's office will be handling any further communications.

State Bar of Michigan Standing and Special Committees 2006-07: Mr. Berry provided the Board with an update and resolution regarding the Standing and Special Committees of the SBM. He reported that a Custodial Interrogation Recording Task Force was appointed pursuant to a resolution of the Representative Assembly; that the Electronic Filing Task Force's jurisdiction has been amended; and, that a resolution addressing the number of members appointed for each committee will be presented to the Board for its consideration at today's meeting. Other than those items, the committee structure remains the same. A motion to approve the resolution regarding the committee's structure as described was offered, supported, and carried.

Proposed Bylaw revisions concerning Committee Appointments/Term Limits: Ms. Welch reported to the Commissioners that there is a proposed bylaw revision concerning committee appointments for their consideration in the materials (VIX-D). Current bylaws prohibit the reappointment of any standing committee member who has served three terms, but does not include a provision to override the term limitation. At its May 15 meeting, the Executive Committee authorized the posting of a proposed amendment that would preserve term limits as the norm, but allows exceptions to be made by a three-quarters override vote of the Board. A motion was offered to adopt the amendment to the bylaw, supported, and carried.

Report on the National Conference of Commissioners on Uniform State Laws conference (NCCUSL): Janet Welch reported on the NCCUSL conference that she and Lori Buiteweg attended.

Election Results for Commissioner Districts D, E, H, and I: Mr. Berry offered congratulations to the candidates who prevailed in the contested Commissioner elections. Tom Rombach from District D, Charles Toy from District E, W. Anthony Jenkins from District H, and Julie Fershtman and Donald McGinnis from District I, are the newly elected Commissioners.

Introduction of New SBM Staff: Dawn Evans, Director of Professional Standards introduced Amy Emmons as Legal Secretary, and Jerome Reide, Director of Justice Initiatives introduced Laura Graham as Program Manager for the Equal Access Initiative. Mr. Berry introduced Mary Frook as the Human Resources Manager.

FY 2006-07 Budget Presentation: Mr. Berry presented the FY 2006-07 budget assumptions and budget. He gave an overview of the budget process, noting that the Finance, Budget, and Executive committees have reviewed these materials twice. A motion was offered, supported, and carried to adopt the FY 2006-07 budget as submitted.

Representative Assembly Report - Lori A. Buiteweg, Chairperson

Ms. Buiteweg provided an update on the plans for the September 14, 2006 Representative Assembly meeting.

Officer Elections

W. Anthony Jenkins and Gregory Ulrich submitted their names as candidates for the Office of Treasurer of the SBM for the 2006-07 term. Mr. Jenkins was elected Treasurer. Charles Toy was nominated and elected Secretary, and Edward Pappas was nominated and elected Vice-President. Current Vice-President, Ron Keefe automatically moves to the chair of President-Elect, and current President-Elect, Kim Cahill moves to the chair of President.

COMMISSIONER COMMITTEES

Finance - Charles R. Toy, Chairperson

Financial Update: Jim Horsch provided a financial update through May 2006.

Bank Lockbox Proposal: Jim Horsch presented a Bank Lockbox Proposal to the Board, explaining that the SBM is considering entering into a contract with LaSalle bank to provide lockbox service. This service would allow members to mail their dues to a bank instead of the SBM. The bank would process the payment on the same day it is received and send all envelopes, forms, and copies of the check to the SBM dues processing staff. The dues processing staff would process the dues forms, but not handle the checks. The advantages are that the money would be in the bank each business day, there would be less temporary contractors needed, there would be better internal control and during the busy dues season, members would receive their bar cards quicker. Unless there are objections, the SBM plans to implement this process effective with the September mailing of the dues statement.

Professional Standards - Edward H. Pappas, Chairperson

Practice Management Resource Center (PMRC): Dawn Evans provided an update on the PMRC. She directed the Commissioners to the statistical summary located in the Board book (XIII A). She informed the Commissioners that there were over 51,000 pages viewed and 18,671 articles downloaded from the website since February 1, 2006. Staff has responded to over 100 helpline calls and on average presented three seminars a month. She also indicated to the Commissioners that the lending library would be launched September 1.

Ms. Evans provided information concerning two new programs that will be offered to SBM members. The "First Tuesdays Series" is a joint effort of the PMRC and the Law Practice Management Section. Seminars are being held on the First Tuesday of every month and will address issues that pertain to law practice management. "A second program, "Explorations with Ebersole": will be held on the third Tuesday of the month beginning in October and will offer seminars that will assist members in everyday office management issues. More sessions will be scheduled if the demand requires it. Another idea in the works is the "Office in the Box" concept developed by Diane Ebersole.

Mr. Ulrich mentioned that he had heard a comment from a member regarding the PMRC's not being password protected on the website. The member was concerned that the SBM is giving away the information to the public. Dawn Evans responded that research of other states' practice management programs indicated that most websites are not password-protected and she noted that the documents available on the PMRC website are generally not of a type that would be of interest to the public – such as attorney-client contracts. Victoria indicated that she contacted the member about this issue and that the member seemed satisfied with her response.

Lawyer Referral Update: Catherine O'Connell provided the Commissioners with an update regarding Lawyer Referral Services.

Programs and Services - Ronald D. Keefe, Chairperson

Upper Michigan Legal Institute – 2007 location: Mr. Keefe announced that the committee is recommending that the 2007 UMLI take place at the Grand Hotel during the second week in June. A motion was offered, supported, and carried.

SunTrust – New Member Program: Student Loan Consolidation: Mr. Keefe provided for the Board's consideration a new member service agreement to market consolidation loans. A motion offered to adopt this agreement was supported, and carried.

Guidelines - Recognition of Local and Special Purpose Bar Associations: Mr. Keefe presented a proposed revision to the local and special purpose bar recognition report. These amendments would allow more organizations to become local or specialty bars. A motion offered to adopt the proposed revision, was supported and carried.

Request for Recognition - Centennial American Inn of Court: Mr. Keefe indicated that the SBM received a request from the Genesee County based Centennial American Inns of Court to be recognized as a special purpose bar association. A motion was offered, supported, and carried to approve this request.

Annual Meeting update: Commissioners were provided with a brochure from the Ypsilanti Marriott at Eagle Crest, the location of the 2006 Annual Meeting. Information was sent to Board members prior to the meeting regarding overnight accommodations and Commissioners were asked to provide Marge Bossenbery with hotel accommodations requests. The 2005-06 Board will meet on Wednesday, September 13th at 9:30 a.m. and the 2006-07 Board will meet on Friday, September 15, 2006 at 9:30 a.m.

Public Policy, Image, and Identity -Kimberly M. Cahill, Chairperson
Ms. Cahill provided the Commissioners with the revised agenda of the Public Policy, Image, and Identity committee.

Ms. Cahill reported that the committee is referring the proposed amendments to Court Rules 3.972 and 3.929 to the Executive Committee for consideration.

Legislation: The following legislation was discussed and action taken:
HB 5633 English as Official State Language
Motion was offered to support in principle, supported and carried.

Proposal from Judge Whitbeck
Increasing the entry fee by 7% from \$375 to \$400, to account for the cumulative effect of inflation since the last fee increase in October 2003; Increasing the motion fees by 7%, from \$100 to \$107 and from \$200 to \$214, to account for the same cumulative increase in inflation; Increasing copy fees by \$1.00, from 50 cents per page to \$1.50 per page; and, Creating a new fee of \$25 to be paid upon the filing with the Supreme Court of an application for leave to appeal from a decision of the Court of Appeals.
Motion was offered to actively support, supported and carried.

Active Opposition for: Creating a new fee of \$200 to be charged upon the filing in a civil matter of a signed stipulation to extend time within which a party's brief must be filed.
Motion offered to actively support, supported and carried. Judge William Murphy abstained

Asbestos and Silicosis HB 5851 & SB 1123
Motion was offered to actively oppose, supported and carried.

HB 5680 Bar Exam Eligibility
Motion was offered to oppose in principle, supported and carried.

SB 947 Proof of Deed
Motion was offered to actively oppose, supported and carried.

SB 1019 Parole Decisions: Removed from agenda due to Keller restrictions

SB 1149 & SB 1150 Affidavits of Merit (Technical Corrections and Apsey)
Motion offered to support in principle, supported and carried.

SB 1203 Foreclosure: Redemption Period
Motion to support in principle, provided that the bill includes notification by certified mail to junior interests and that it be restricted in scope to improved real estate, was supported and carried.

OTHER REPORTS

President's Advisory Council - Kurt Schnelz, Chair
Kurt Schnelz reported that the Ms. Costello has been appointed chair of the Professional Standing Committee's Subcommittee on Mass Disaster Planning, replacing Mr. Hohausner.

American Bar Association Report (ABA) - W. Anthony Jenkins

Mr. Jenkins provided a summary of events and topics that will be discussed at the ABA conference in Hawaii. Mr. Jenkins indicated that he would provide the Board with a report on the outcomes of certain issues facing the House of Delegates when he returns.

Justice Initiatives Report - Richard D. McLellan, Co-Chair

Mr. McLellan reported that the SBM is taking an active role in the National Bar Association (NBA) conference that is being held in Detroit next month. The SBM is sponsoring a judicial reception and co-sponsoring a panel discussion on alternative dispute resolution.

Young Lawyers Section Report - Jeffrey E. Kirkey, Chairperson

Mr. Kirkey provided an update on the Young Lawyers Section activities. He indicated that nominations for the Regeana Myrick Outstanding Young Lawyer Award, given in recognition of a young-lawyer's civic-minded commitment to public service, are now being accepted.

FOR THE GOOD OF THE PUBLIC AND THE PROFESSION

Comments or questions from Commissioners

- Ms. Cahill informed the Commissioners that Kay Fitzpatrick's mother and Angelique Strong Marks's brother-in-law passed away.
- Mr. Courtade reported on positive comments from two Supreme Court Justices about current relations with the State Bar.
- Commissioners asked to be sent information about the NBA reception on August 9 at 5:30.
- Mr. Ulrich congratulated Mr. Jenkins on his election as Treasurer and Mr. Jenkins thanked the Commissioners for their support.

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.