

**OFFICIAL MINUTES
STATE BAR OF TEXAS
BOARD OF DIRECTORS MEETING
Grand Hyatt
San Antonio, TX
Wednesday, June 17, 2015**

The Board of Directors of the State Bar of Texas met in a regular session on June 17, 2014 at the Grand Hyatt San Antonio. Chair of the Board Roger Key called the meeting to order at 9:00 a.m., and Executive Director Michelle Hunter called the roll. A quorum of voting Board members was present. Denise Scofield delivered the invocation. Larry Boyd led the pledges to the U.S. and Texas flags.

Present:

Board Members: David Alders, Robert Aldrich, President Trey Apffel, Jaime Balli, Ben Barlow, Barbara Bass, Brent Benoit, TYLA Immediate Past President Kristy Blanchard, Larry Boyd, TYLA President Rebekah Brooker, Amy Bryan, Frank Carroll, David Chamberlain, Curry Cooksey, Diane DeVasto, President-elect Allan DuBois, Sara Dysart, Richard Elliott, Joe Escobedo, Sylvia Firth, Laura Gibson, Robert Guest, Rice Horkey, Joe Indelicato, Louis Iselin, John Jansonius, Andy Kerr, Chair of the Board Roger Key, Larry McDougal, Mary Martin, Brian Miller, Susan Nelson, Gail Plummer, Tino Ramirez, Tom Riney, Ruben Robles, Anna Sankaran, Ford Sasser, Denise Scofield, Lance Sharp, Immediate Past President Lisa Tatum, TYLA President-elect Barrett Thomas, Immediate Past Chair of the Board Cindy Tisdale*, Travis Torrence, Andrew Wallace

Liaisons*: Judge David Evans, Judge Michael Keasler, Hap Weitzel

Section Representatives*: Alison Colvin, Tina Green, Pat Maher, Gary Nickelson, Scott Rothenberg

Excused Absences: Leon Carter, Justice Phil Johnson*, Judge Ed Kinkeade*, Grant Scheiner*, Dr. David Teuscher

(* = nonvoting)

I. CONSENT AGENDA ITEMS

Upon motion properly made by Frank Carroll and seconded by Barbara Bass, the following actions were taken regarding the Consent Agenda items:

A. Approval of minutes of Board meetings conducted on *April 10, 2015*

B. **ITEMS FROM THE 2014-15 PRESIDENT:**

Approval of appointments to the following entity:

1. **Law Focused Education, Inc.**, for a two year term effective June 1, 2015 through May 31, 2017:

Helen Pickle (Temple)

2. **Out of State Liaison to the State Bar Board of Directors**, for a three year term effective Annual Meeting 2015 through Annual Meeting 2018:

Timothy Mountz (Arlington, VA)

3. **Texas Center for Legal Ethics**, for a three year unexpired term effective June 1, 2015 through May 31, 2018:

David Alders (Nacogdoches)

4. **Texas Legal**, for a three year unexpired term effective June 1, 2015 through May 31, 2018:

Teri Danish (Houston)

Patricia Hayes (Pflugerville)

5. Approval of ratification of actions of the Ad-Hoc Emergency Legislative Response Committee taken pursuant to Policy Manual Section 8.01.07(C):
 - a) Authorizing the Business Law Section to take a position in support of HB 1603 in the name of the section [**Exhibit A**]¹
 - b) Authorizing the Judicial Section to take a position in opposition of HB 1603 in the name of the section [**Exhibit B**]

C. **ITEMS FROM THE 2015-2016 PRESIDENT:**

Approval of appointments to the following entities:

1. **Section Representative to the Board Committee**, for three year terms effective Annual Meeting 2015 through Annual Meeting 2018:

Philip Mack Furlow (Large-Sized Section, Denton)

Audrey F. Moorehead (Small-Sized Section, Dallas)

For one year terms effective Annual Meeting 2015 through Annual Meeting 2016:

Alison Colvin (Brownsville), Chair

Grant Scheiner (Houston), Vice Chair

2. **State Bar of Texas Insurance Trust**, for a term effective July 1, 2015 through June 30, 2017:

Jose “Joe” Escobedo, Jr. (McAllen)

for a term effective July 1, 2015 through June 30, 2018:

M. Carter Crow (Houston)

3. **State Bar Sunset Review Committee**

Trey Apffel (League City), Chair

4. **Texas Bar College**, for three year terms effective June 1, 2015 through May 31, 2018:

Erin Fonte (Austin)

Patsy Yung Micale (Dallas)

Natalie Cobb Koehler (Meridian) Hon. James Moseley (Dallas)

Caren Lock (Dallas)

5. **Texas Access to Justice Commission**, for three year terms effective June 1, 2015 through May 31, 2018:

Lourdes Flores (Austin)
Scott Stolley (Dallas)
Lisa Tatum (San Antonio)

6. **Texas Access to Justice Foundation**, for three year terms effective September 1, 2015 through August 31, 2018:

Tim Kelly (Austin)
Denise Scofield (Houston)

7. **Texas Board of Legal Specialization**, for three year terms effective July 1, 2015 through June 30, 2018:

Pat Allison (Houston)
David Dickson (Waco)
William D. Elliott (Dallas)
Susan Fisher (Sherman)

8. Approval of appointments to the following standing committees (per State Bar Rules, Art. VIII, Section 1B):

for three year terms effective on the adjournment of Annual Meeting 2015 through the adjournment of Annual Meeting 2018:

Administration of Rules of Evidence
Joshua Sandoval - Advisory Member (San Antonio)

Child Abuse and Neglect
Juliet McBride - Advisory Member (Houston)

Court Rules
Concepcion Jimenez-Flores - Advisory Member (El Paso)

Crime Victims
Richard Thompson - Advisory Member (Colorado City)

Diversity in the Profession
Monika Singh Sanford – Advisory Member (Dallas)

Law Focused Education
Shinique Williams - Advisory Member (Live Oak)

Law Practice Management
Debra Bruce – Member (Houston)
Mark Unger - Member (San Antonio)
Anuj Shah – Advisory Member (Houston)

Laws Relating to Immigration and Nationality
Rhonda Harkey - Member (Beaumont)
Issac Faz – Advisory Member (Dallas)

Lawyers Assistance Program

Tiffany Kamuche – Advisory Member (Dallas)

Legal Services to the Poor in Civil Matters

Mario Ramirez – Member (Edinburg)

Legal Services to the Poor in Criminal Matters

Randall Stout - Advisory Member (San Angelo)

Local Bar Services

Jaime Balli – Member (Edinburg)

Pattern Jury Charges-Business, Consumer and Employment

William Stanton – Member (Addison)

Amy Stewart – Member (Dallas)

Pattern Jury Charges - Criminal

Craig Moore – Advisory Member (Austin)

Pattern Jury Charges - Family and Probate

Jessica Hall Janicek – Advisory Member (Southlake)

Pattern Jury Charges – Malpractice, Premises, Products

Amanda McKinzie – Advisory Member (Dallas)

Jessica Palvino – Member (Austin)

Professionalism

Joshua Snider – Advisory Member (El Paso)

Public Affairs

Ashley White – Advisory Member (San Antonio)

Real Estate Forms

MarJuana Williams – Member (Beaumont)

Texas Disciplinary Rules of Professional Conduct

Terrance Gammon – Advisory Member (Tyler)

Texas Bar Journal Board of Editors

Gary Nickelson (Fort Worth)

Women in the Profession

Tina Torres – Member (San Antonio)

Amy Blake – Advisory Member (Cooper)

for one year terms effective on the adjournment of Annual Meeting 2015 through the adjournment of Annual Meeting 2016:

Council of Chairs

Melissa Dorman (Dallas), Chair

Fred Bowers (Lubbock), Vice-Chair

Texas Bar Journal Board of Editors

Sam Houston - TYLA Repr. (San Antonio)

D. **OTHER ITEMS:**

1. Approval of recipient of the Nancy Garms Award:

Eduardo Roberto Rodriguez (Brownsville)

2. Approval of recipient of the Hon. Leon Jaworski Award:

Dr. Patricia Sanchez (San Antonio)

3. Approval of the recipient of the Warren Burnett Award: **[Exhibit C]**

Deborah Summers (Houston)

4. Approval of the recipient of the Michael K. Moore Award for Excellence in Research or Writing in the Area of Indigent Criminal Defense:

Public Policy Research Institute (Texas A&M University)

II. REPORTS

A. Report from the Chair of the Board: Chair of the Board Roger Key expressed appreciation for the communication efforts done by the Board with their local and specialty bar presentations this year, and gave extra praise to Robert Guest, Tina Green, and Susan Nelson for giving multiple presentations. Chair Key presented Larry McDougal with the Outstanding Third Year Director Award.

B. Report from the President: President Trey Apffel introduced Hugh Akin and David Drumm, Executive Director and Chairman, respectively, of the Hatton W. Sumners Foundation. Akin and Drumm recognized Jan Miller and presented her with a commendation and with the Hatton W. Sumners Distinguished Public Service Award. President Apffel reported that since April, he has attended ABA Days in Washington, Law Day and the New Lawyers Induction in Austin, the Houston Bar Association's Annual Dinner, the Asian American Bar Association of Houston Presidents' luncheon, and the recent bill signing of SB 534. He reported that the State Bar's response to the recent flood disaster was immediate, in setting up a hotline and launching a webpage to share resources. The new State Bar website will go launch soon and will have a cleaner, fresher look and be more user-friendly. Annual Meeting marks the official debut of the new members-only social network, Texas Bar Connect. President Apffel presented Rebekah Brooker, Joe Escobedo, Larry McDougal, Grant Scheiner, and Cindy Tisdale with presidential citations, as well as staff member Al Cumming.

1) Closed Session: At 2:12 p.m., Chair Key announced that the Board of Directors would meet in closed session as authorized by Texas Government Code, Section 551.074 for the purpose of discussing the evaluation, duties and compensation of the Executive Director.

2) Open Session: Upon return to open session at 2:30 p.m., Chair Key announced that only matters relating to the evaluation, duties and compensation of the Executive Director were discussed. No action was taken in closed session.

In open session, on behalf of the Evaluation Subcommittee, President Trey Apffel moved for approval of the recommendation discussed in closed session for a 5% salary increase to \$278,250 annually for Executive Director Michelle Hunter; Laura Gibson seconded. Motion carried.

C. Report from the President-elect: President-elect Allan DuBois reported that his initiatives for the year will focus on the Texas Lawyers' Assistance Program, the Sheeran-Crowley Memorial Trust, and better engaging our senior members through mentoring and other opportunities. The Texas Center for Legal Ethics has contributed

\$30,000 to the Sheeran Trust, and Texas Lawyers Concerned for Lawyers volunteers recently added more than \$12,000 to it also. President-elect DuBois reminded the Board to save the date for the Bar Leaders Conference on July 24-25 at the Westin Galleria in Houston.

President-elect DuBois reported that the State Bar's budget was presented to the Supreme Court on May 11, and the Court has signed the order approving the budget.

D. Report from the Immediate Past President: Immediate Past President Lisa Tatum reported that she made over 300 appearances during her tenure. She thanked the Board for working hard to keep the standards so high in service to State Bar members.

E. Nominations & Elections Subcommittee: Immediate Past Chair Cindy Tisdale reported that this year was a big city year for the President-elect election, and Frank Stevenson of Dallas was elected President-elect after defeating Randy Howry of Austin. 24,347 people voted, which is a return rate of 25.07%, so voter turnout improved this year. Of the people who voted, 69% voted online and 31% voted via paper ballot. Tisdale reported that there are 10 new district directors that were elected by the membership, and she asked the Board to welcome the new directors. **[Exhibit D]**

F. Commission for Lawyer Discipline/Chief Disciplinary Counsel Update: Guy Harrison reported on grievances received, disciplinary sanctions, complaints resolved, and the grievance referral program. Harrison also noted that if any Board member is asked to comment on an active grievance case, to refer the person to the Chief Disciplinary Counsel's office. **[Exhibit E]**

G. Texas Young Lawyers Association: TYLA President Rebekah Brooker reported on TYLA's public service projects over the past year, ranging from bullying, distracted driving, family law and immigration, to work/life balance challenges. She also reported on the recently finished eBook, "*If I Knew Then...Life Lessons from Legendary Texas Lawyers*".

H. Administration Committee: Laura Gibson reported that the Employment/Salary/Evaluation Subcommittee reviews affiliated entities periodically as require by the Policy Manual, and this year the subcommittee reviewed Texas Legal (formerly TLPP). The subcommittee determined that there was a continued decline in its pre-paid legal market share (based on a review from 2012 that also found a decline), and the cause was that competitors were offering significantly lower rates. Also, Texas Legal's goal from their last strategic plan was to increase membership by 6-9%, and instead, the number of in-force policies has declined. The subcommittee recommends giving Texas Legal until December 31, 2015 to increase the number of its in-force policies by 6%. If such an increase is not met, their recommendation is that the State Bar end its affiliation with Texas Legal. A report will be made in January 2016 on whether or not Texas Legal has met that goal. Gibson noted that Texas Legal could continue to exist without the State Bar's affiliation.

On behalf of the Administration Committee, Laura Gibson moved that the State Bar end its affiliation with Texas Legal as of December 31, 2015 if it is unable to increase its in-force policies by 6% from the 14,015 in-force policies reported as of December 31, 2014; no second needed. Motion carried.

I. Audit and Finance Committee: Tom Riney reported that as of April 30, the general fund actual net revenues over expenditures and transfers totaled approximately \$1.8 million. At the end of April, the general fund had a positive budget to actual net variance of approximately \$701,000, which represents a 62% positive variance of budget to actual. The financial audit will be conducted by Padgett, Stratemann & Co., LLP and is scheduled to begin in early August. The internal control audit will be conducted by Maxwell Locke & Ritter and is scheduled to begin in September. **[Exhibit F]**

J. Client Security Fund Subcommittee: Denise Scofield reported that the Client Security Fund subcommittee at its last meeting reviewed 41 applications, and approved payments totaling \$105,521. This year, 142 applications were considered and the subcommittee paid out a total of \$457,487.

K. Member Services and Education Committee: Hap Weitzel reported that orientation for new directors was completed that morning, and thanked the subcommittee and staff for their work on it. Gary Nickelson thanked the PDP Subcommittee and TexasBarCLE, and encouraged the Board to volunteer to speak at CLE's or to join a CLE planning committee.

David Chamberlain reported that major medical enrollments increased by 57% and total individuals enrolled in one or more insurance products increased by 46% through the Texas Bar Private Insurance Exchange. The ABA Retirement Plan will be rebranded as the SBOT Retirement Member Benefit. The change will brand this as a Texas program with the goal of attracting more members. Chamberlain noted that the trustees of the SBOT Insurance Trust have approved revisions to the agreement and Declaration of Trust between the Trust and the Bar. The significant revision to this document is to allow the Trust to establish programs promoting health and wellness. Other revisions were made to remove outdated provisions from prior versions of the Trust agreement. In the coming months, the trustees will consider potential revisions to the structure of the Trust.

On behalf of the Insurance/Member Benefits Subcommittee, David Chamberlain moved for approval of the amendments to the agreement and Declaration of Trust as proposed by the SBOT Insurance Trust; no second needed. Motion carried. [Exhibit G]

Louis Iselin reported that the capital replacement of computers and servers approved by the Technology Oversight Subcommittee is proceeding according to plan, and the first round of equipment has been received. The procurement for the replacement of the MCLE software system is also proceeding, and final vendor selection is expected before the end of June.

L. Public Services and Education: Susan Nelson noted that after the April Board meeting, the *Best Practices for Lawyers Representing Survivors of Domestic Violence, Sexual Assault, Stalking and Trafficking in Texas* publication was sent back to the Legal Services to the Poor in Criminal Matters Committee as well as the Family Law Task Force with suggestions and concerns.

M. Section Representatives to the Board Committee: Scott Rothenberg reported that the Sections have been incredibly active this year, as is shown in the end-of-year Section reports included in the Board packet.

N. Supreme Court Liaison: Nina Hess Hsu, on behalf of Justice Phil Johnson, reported on various Court items such as the legislative session, budget, and e-filing fees.

O. Court of Criminal Appeals Liaison: Judge Michael Keasler reported that the Court did well with the legislature this year, and they are active with cases this month as the term comes to an end.

P. Judicial Section Liaison: Judge David Evans reported that the Judicial Section appreciates all the support from the State Bar, and reported on areas of concern with the legislature and judicial compensation.

Q. Out-of-State-Liaison: Hap Weitzel reported that he hadn't heard of any concerns or complaints from out of state lawyers, and thanked the Board for the opportunity to serve.

R. Executive Director: Michelle Hunter commended Lowell Brown for his leadership in the State Bar's response after the recent flooding. She reported on staff awards for cost savings and customer service special projects this year. Hunter noted that 28% of the Board has contributed to Access to Justice funding, and encouraged all members of the Board to contribute to either ATJ funding or to the Sheeran-Crowley Trust this year. She presented Kristina McGuire from Governmental Relations with the Employee of the Quarter award.

Chair Key noted what an incredible privilege it has been to serve as Chair of the Board this year and expressed thanks and appreciation to the members of the Board and to the staff for all they do. There being no further business, the meeting was adjourned at 4:02 p.m. **[Exhibit H]**²

¹ **Exhibits A through H** are available at www.texasbar.com/bodcentral under Meeting Agendas and Minutes.

² **Exhibit H** is the State Bar Committee and Section End of Year Reports and is for information only.