OFFICIAL MINUTES
STATE BAR OF TEXAS
BOARD OF DIRECTORS MEETING
The Tremont House
Galveston Island, Texas
September 28, 2007

The Board of Directors of the State Bar of Texas met in a regular session on September 28, 2007 at the Tremont House Hotel in Galveston Island, Texas. Chair Travis Vanderpool called the meeting to order at 9:00am, and Deputy Executive Director Michelle Hunter called the roll. A quorum of voting Board members was present. President-elect Harper Estes delivered the invocation.

Present:
Board Members: Judge Ernest Aliseda, Glenn A. Ballard, Jr., Immediate Past Chair Robert A. Black, Deborah Bullion, Bill Burch, Sylvia Cardona, Theresa W. Chang, Michelle M. Cheng, Guy Choate, Immediate Past President Martha S. Dickie, John D. Ellis, Jr., President-elect Harper Estes, Edward Fernandes, David Fisher, Rodolfo Garcia, Lloyd M. Garland, M.D., David O. Gonzalez, Bill Kroger, Robert D. Miller, J. Goodwille Pierre, Rocky Robinson, Elizabeth Rogers, Joe Shannon, Jr., N. Henry Simpson III, Michael C. Smith, Randy O. Sorrels, Sandra L. Stewart, G. Allan Van Fleet, Chair Travis Vanderpool, President Gib Walton, Barbara Young

Liaisons*: Judge Sam Sparks

Section Representatives*: Pat E. Allison, Chad Baruch, Steve Bolden, Warren Cole, James N. Higdon, Carolyn Moore

Ex Officio*: Deputy Executive Director Michelle Hunter, John A. Neal, General Counsel Elizabeth Rogers

Excused Absences: Cynthia J. Barela, Janna Clarke, Karin R. Crump, Van Galen Hilley, Randy R. Howry, Rhonda F. Hunter, Lamont A. Jefferson, Michael D. Marin, William W. Miller, Jr., Timothy W. Mountz, Judge Lawrence E. Meyers*, Judge Brian Quinn*, Mark K. Sales, John D. Sloan, Jr., Lisa M. Tatum, R. E. Thompson, G. Thomas Vick, Jr., Justice Dale Wainwright*

(= nonvoting)*

I. CONSENT AGENDA ITEMS:

Upon motion properly made by Michael Smith and seconded by Michelle Cheng, the following items on the Consent Agenda were approved:

A. Approval of minutes of Board meetings conducted on *June 20-21, 2007*

B. Ratification of actions taken at the following Executive Committee meetings:

August 30, 2007*:* Approved minutes of the June 1, 2007 Executive Committee meeting

C. Approval of **appointments** by **President Gib Walton** to the following entities:

1. **2007-08 Special Committee to Nominate ABA Delegates:**

Martha Dickie, (Austin) Chair

Antonio Alvarado (Austin)	Gibson Gayle, Jr. (Houston)
Kim Askew (Dallas)	Richard Pena (Austin
Carol Dinkins (Houston)	Lee Ann Reno (Amarillo)
Kelly Frels (Houston)	Melody Wilkinson (Fort Worth)

2. **Delegates and Alternates to the 2008 Fifth Circuit Judicial Conference:**

Delegates:	Alternates:	Others:
Martha Dickie	Eduardo Rodriguez	Gib Walton
Bob Black	Tom Godbold	Harper Estes
Bill Miller	Sylvia Cardona	John Edwards

3. **Texas Legal Services Center,** for a three-year term effective January 1, 2008 through December 31, 2010:

   Antonio Alvarado (Austin)

4. **Texas RioGrande Legal Aid,** for a two year term effective January 1, 2008 through December 31, 2009:

   Ricardo Lara (Brownsville)
   Ronald B. Walker (Victoria)

D. State Bar **Section** Items**:**

1. Approval of request by the State Bar Antitrust and Business Litigation Section to amend its bylaws. **[Exhibit A]**

2. Approval of request by the State Bar American Indian Law Section to amend its bylaws. **[Exhibit B]**

3. Approval of request by the State Bar International Law Section to amend its bylaws. **[Exhibit C]**

4. Approval of request by the State Bar Labor and Employment Law Section to amend its bylaws. **[Exhibit D]**

E. Approval of appointment of delegate to the American Bar Association House of Delegates for unexpired two-year term beginning September 28, 2007 and expiring at the conclusion of the 2009 ABA Annual Meeting:

J.A. (Tony) Patterson, Jr. (Dallas)

F. Approval of **resolutions** honoring:

Marie Trefethern (Galveston) **[Exhibit E]**

II. REPORTS:

A. Report from the Chair of the Board:

Chair Vanderpool thanked Martha Walton and staff for setting up the meeting; and congratulated Theresa Chang on becoming District Clerk for Harris County.

Chair Vanderpool solicited candidates for the 2008-09 Chair of the Board. Per Board policy, second-year directors interested in running for chair shall notify the current Chair of the Board in writing before the January Board meeting of his or her intention to seek that position for the following Bar year. Directors should also submit a one- or two-page statement of position before the January 25, 2008 Board meeting.

B. Report from the President:

President Walton wanted to publicly thank Jim and Nancy Weir and his law firm for hosting the reception at Open Gates.

President Walton introduced public member designee Rob Kyker from Abilene, who will be taking over Mickey Redwine's appointment and who was appointed by the Governor's office. President Walton noted that the other new public member designee, Curtis Flowers from Houston, was appointed by the Supreme Court and will attend the Board meeting in January.

President Walton noted that 2.5 million people have been able to hear the radio spots for "Let's Do Justice for Texas", and we are working on getting 6 more radio spots for more people to hear.

President Walton reported that Martha Dickie and Judge Ken Wise are co-chairing the 48-member Court Administration Task Force, which was formed to look at the complex litigation issues and concerns raised by SB 1204. The first meeting of the task force is October 1, and the task force will be split into three separate research groups to study different parts of the bill.

President Walton noted that the Court asked the State Bar to look at recommendations on the model rule of disclosure to clients, and he is in the process of appointing a Task Force to study malpractice insurance disclosure rules to review and report back to the Board at its January meeting. **[Exhibit F]**

President Walton explained the history of the disaster hotline, noting that it was activated in the 1990's after a disaster declaration by FEMA, and that several years ago a "smart phone" line was set up to forward calls to the appropriate Texas LSC program. As a result of FEMA refusing to allow LSC staff members to answer the hotline, TRLA filed a Motion for Emergency Injunction against FEMA on August 13, and the parties are discussing a settlement at this point.

President Walton noted that the resolution pertaining to granting waivers of Member dues and MCLE requirements to military lawyers serving in combat zones has been pulled at this time in order to get further feedback from the Military Law Section. Jim Higdon is working on it, and it will be presented for approval to the Board at the January Board meeting.

DCAAP Committee chair Bob Miller moved for approval of the Grievance Oversight Committee Report and Comments of Commission for Lawyer Discipline and the Board of Directors; no second needed. Motion carried. [Exhibit G]

C. Commission for Lawyer Discipline/Chief Disciplinary Counsel:

Commission Chair Betty Blackwell discussed various aspects of their report on attorney discipline. **[Exhibit H]** Commission for Lawyer Discipline Vice-Chair Orrin Harrison reported on the Grievance Symposium and referred to the Grievance Oversight Committee report expressing concern over the discontinuation of investigatory hearings.

President Walton moved for approval to nominate Tom Alan Cunningham (Houston) to the State Commission on Judicial Conduct, for a six year term effective November 19, 2007 through November 20, 2013; Immediate President Martha Dickie seconded. Motion carried.

D. Report from the President-elect:

President-elect Harper Estes noted that the Budget Committee held their first meeting the day before, and discussed the timeline of the 2008-09 proposed SBOT budget, which will be ready for presentation to the Supreme Court in May.

E. Update on Bar Related Entities Task Force:

Immediate Past President Martha Dickie reported that the Bar-related Entities Task Force is looking at the State Bar's relationship with BODA, and will be meeting with the new chair of BODA, Paul Cloate, to examine the statute and the rules. The Task Force has also been working with the trustees of the Historical Foundation and hope to amend the bylaws and make the Foundation Board smaller by the end of the year.

F. Administration Committee:

Rocky Robinson reported that the Employment/Salary/Evaluation subcommittee is considering a modification to the nepotism policy, as well as looking at the staff compensation structure and pay grades based on other state agencies and private sectors. Robinson highlighted various projects of the Facilities & Equipment Subcommittee including the lobby restructure, Stewart Morris Board room, second floor staging area, elevators, and the replacement of air handling units.

On behalf of the Administration Committee, Robinson moved for approval of the following:

(1) Revision of the Policy Manual Section 9.01.02(B) regarding Executive Director's authority to compromise claims. After much discussion**,** a **motion to amend** was made by Lloyd Garland to change language of "upon" to "after considering". **Robinson moved for approval of the amended motion**, **which states that the Executive Director, after considering the advice of the General Counsel, has authority to compromise claims by or against the State Bar up to the amount of $50,000; no second needed. Motion carried. [Exhibit I]**

(2) Delegation of authority to the Executive Committee for approval of window replacement project; no seconded needed. Motion carried. [Exhibit J]

G. Audit and Finance Committee:

Audit & Finance Committee Chair Bill Kroger reported on the financials through July 31, 2007, noting that the General Fund had a net excess of revenues over expenditures of $1,771,828 compared to a budgeted net excess of $1,198,903. Kroger also noted that the CPA firm Sprouse and Anderson has been hired to develop a new internal control audit plan, and Randy Rau has been hired as the new department head of Accounting. Susan Anderson from PFM Group made remarks on the investment overview.

On behalf of the Finance Committee, Kroger moved for approval of the following:

(1) Acceptance of the quarterly investment report; no second needed. Motion carried.

(2) PFM Group (Susan Anderson) and University of North Texas Center for Public Management as investment trainers for Public Funds Investment Act training; no second needed. Motion carried.

(3) Broker and primary dealer list for investments for 2007-08; no second needed. Motion carried.

(4) Revisions to Investment Policy; no second needed. Motion carried.

(5) Approval of internal audit plan; no second needed. Motion carried. [Exhibit K]

H. Nominations & Elections Subcommittee:

Co-chairs Immediate Past President Martha Dickie and Bob Black reported on the issue of the Bar paying a stipend to the President and President-elect, and there was discussion regarding whether or not a tax attorney should review the document, and on specific language changes to the policy.

On behalf of the N & E Subcommittee, Immediate Past President Dickie moved for approval of the proposed Policy Manual Section 3.07 regarding expense reimbursement for President and President-elect. After much discussion, a **motion to amend was made by Deborah Bullion to change the language from "shall" to "may" and "service" to "office"**. **A substitute of the motion was made by Joe Shannon to approve the amounts in the proposal, effective 2008-09, and assign language changes to the Policy Manual Subcommittee; Sandy Stewart seconded. Dickie moved for approval to add to the substitute motion that the Executive Committee be delegated authority to approve language changes to the policy; Joe Shannon seconded. Bob Black moved for approval of the original motion with amendments; no second needed. Motion carried. [Exhibit L]**

I. Member Services and Education:

Carolyn Moore discussed the PDP Subcommittee's minority recruitment initiative for improving the number of minority speakers for State Bar programs, and noted that staff is looking at the State Bar and Texas law schools offering a bar review course. Michael Smith reported that the New Director's Orientation will be May 30-31 at the Four Seasons Hotel in Austin. Rudy Garcia reported that the Appeals/Grant Review Subcommittee approved two requests for authorization to seek outside funding from the Bar Foundation, TYLA's "Justice 101: A Client's Guide to the Litigation Process" and "Let's Do Justice for Texas". Michael Smith reported on the activities of the Insurance/Member Benefits Subcommittee, noting that he will be monitoring performance measures and goals for the State Bar Insurance Trust, and compiling a list of possible new non-insurance vendors and looking at performance measures for all non-insurance benefit providers.

J. Public Services and Education:

Henry Simpson noted that the action item on the malpractice insurance requirement for Lawyer Referral service participants has been pulled and postponed so that the chair of the Lawyer Referral Committee, Bobby Lee Lindsay, can be present to report on the work of the committee.

K. Section Representatives to the Board Committee:

Pat Allison reported on the activities of various Sections, and described what a Section Representative is and what their role is as a facilitator between Sections and the Board of Directors.

L. Advisor Coordination Subcommittee:

Carolyn Moore reported that they are working on a form that directors can fill out when they have attended Section and Standing Committee meetings as advisors and alternate advisors. She also noted that they are working on developing a policy manual change that will allow Section Representatives to be appointed as advisors and alternate advisors to Sections and Standing Committees.

M. Supreme Court Liaison:

Justice Dale Wainwright was unable to attend, but a video presentation was shown highlighting various activities of the Court, including a hearing on the possible creation of a Judicial Commission for Children, Youth and Families, and noted that three appointments have been made to BODA, Tom Williams from Fort Worth, Deborah Race from Tyler, and Clarke Lea from Midland. The Court will have a luncheon to discuss the Texas Disciplinary Rules of Professional Conduct with members of the Watkins Committee and the State Bar TDRPC Committee to discuss rules changes that will need to be made based on the reports of both committees. The Court will also convene a meeting with members of the Grievance Oversight Committee and the Commission for Lawyer Discipline to discuss the recommendations made by the Court's Grievance Oversight Committee in their report.

O. Federal Judicial Liaison:

Judge Sam Sparks reported that the State Bar is helping the Federal Bar on issues involving defendant's rights and educating lawyers on administrative handling of grievances.

N. Texas Young Lawyers Association:

TYLA President-elect Sylvia Cardona highlighted various TYLA projects including a new video program called "My First Job" which focuses on high school kids and their first jobs, the Legal Guide for Cancer Patients, development of an elder law video, and 10-minute mentor segments which continue to be a success. The Corpus Christi TYLA received an award for outstanding public service project for the children's law library. The TYLA website has had many hits and more than 120,000 downloads in the first quarter alone. TYLA is also excited to move forward with their "Justice 101: A Client's Guide to the Litigation Process" video project now that the grant request has been approved.

P. Executive Director:

In John Edwards' absence, Deputy Executive Director Michelle Hunter reported on the SBOT Tuition Assistance Program, and introduced Tammi Sweet, who was presented with the Employee of the Quarter award.

Q. General Counsel:

General Counsel Elizabeth Rogers reported on the current status of the Public Information Act lawsuit, and noted that by the next Board meeting we will know if the Attorney General has filed an appeal, or if not, we will be working with the Supreme Court on how to address Rule 12 as it applies to all of our information.

There being no further business, the meeting was adjourned at 3:23pm.