

WASHINGTON STATE BAR ASSOCIATION

BOARD OF GOVERNORS MEETING

Public Session Minutes

Olympia, WA

March 8, 2018

The Public Session of the Board of Governors of the Washington State Bar Association (WSBA) was called to order by President Brad Furlong on Thursday, March 8, 2018, at 1:15 p.m., at Hotel RL, Olympia, Washington. Governors in attendance were:

Dan W. Bridges
Daniel D. Clark
James K. Doane (phone)
Angela M. Hayes
Kim E. Hunter
Jean Y. Kang
Rajeev D. Majumdar
Christina A. Meserve
Athan P. Papailiou
G. Kim Risenmay
Kyle D. Sciuchetti
Alec Stephens
Paul Swegle
Judge Brian Tollefson (ret.)

Also in attendance were President-elect Bill Pickett, Immediate Past-President Bill Hyslop, Executive Director Paula Littlewood, General Counsel Sean Davis, Chief Regulatory Counsel Jean McElroy, Chief Disciplinary Counsel Doug Ende, Director of Human Resources Frances Dujon-Reynolds, Chief Operations Officer Ann Holmes, Director of Advancement/Chief Development Officer Terra Nevitt, Chief Communications and Outreach Officer Sara Niegowski, and Executive Assistant Margaret Shane.

COMMITTEE ON PROFESSIONAL ETHICS (CPE) RECOMMENDATION RE AMENDMENTS TO THE LAWYER ADVERTISING RULES (RPC TITLE 7)

Governor Bridges moved to approve the CPE recommended amendments to Lawyer Advertising Rules (RPC Title 7) as contained in the meeting materials for submission to the Washington

Supreme Court as suggested amendments. Motion passed unanimously. Governors Doane and Tollefson were not present for the vote.

PROPOSED WSBA BYLAW CHANGES TO CONFORM WITH RECENT COORDINATED SYSTEMS ADMISSION AND PRACTICE RULES (APR) AMENDMENTS

Governor Bridges moved to approve the suggested amendments to the WSBA Bylaws as contained in the meeting materials that are intended to align the Bylaws with the recently amended APRs. Motion passed unanimously. Governors Doane and Tollefson were not present for the vote.

CONSENT CALENDAR

- a. January 18-19, 2018, Public Session Minutes
- b. February 15, 2018, Special Meeting Public Session Minutes

MEMBER AND PUBLIC COMMENTS

James MacPherson urged the Board to survey the WSBA members to ascertain whether there is interest in group health insurance for lawyers. He suggested forming a small committee to formulate questions and to collect and report on feedback.

Jean Cotton emphasized that health insurance is important for lawyers and also urged the Board to form a small committee in order to complete the survey quickly. Executive Director Littlewood advised that staff is currently exploring the marketplace. President Furlong asked for a structure to be in place by the May 17-18, 2018, Board meeting and for those willing to participate to let Executive Director Littlewood know.

WSBA EXPENSE REIMBURSEMENT POLICY AMENDMENT – Governor Kim Risenmay, Treasurer, and Ann Holmes, Chief Operations Officer

Treasurer Risenmay reviewed the background of the proposed amendment to eliminate the three-hour meeting and 50-mile one-way requirements for expense reimbursement of non-chair WSBA volunteers as set forth in the WSBA Fiscal Policies and Procedures. After considering the proposed amendment, as well as input from sections and other board and committee members, the Committee recommends that the Board approve the proposed

amendment to the WSBA volunteer expense reimbursement policy. Treasurer Risenmay stated that it is not possible to predict with certainty what the fiscal impact of the amendment will be; however, costs are running below budget this year and this change should not be a problem. The board agreed that the proposed amendment is a good change. Governor Hunter moved to approve the proposed amendment that eliminates the time and geographic parameters for reimbursement of all non-chair WSBA volunteers. Motion passed unanimously. Governors Doane and Tollefson were not present for the vote.

PROPOSED FY2018 BUDGET AMENDMENT – Governor Kim Risenmay, Treasurer, and Ann Holmes, Chief Operations Officer

Treasurer Risenmay provided background and an overview of the proposed amendment to increase the FY2018 salary line by \$138,085, as recommended by the Budget and Audit Committee, in order to address market compensation issues identified in the market compensation study. The amendment represents a very small adjustment to the FY2018 budget and will not have an adverse impact on reserves. WSBA’s compensation philosophy is to compensate staff at the midpoint of the Seattle market for comparable positions in comparable organizations. The study identified that some positions are under market – some significantly so. Discussion ensued about the meaning of “comparable organization” examined in the study, the size of the amendment vis à vis the WSBA budget (less than 1%), the percent increase to compensation for affected positions, and the suggestion that market compensation would be lower if WSBA offices were not in Seattle. Governor Papailiou moved to approve the FY2018 budget amendment as recommended by the Budget and Audit Committee. Motion passed 13-0-1. Governor Doane abstained.

CONTINUED DISCUSSION OF REFERENDUM PROCESS WORK GROUP RECOMMENDATIONS – Governor Kim Risenmay, Chair, and Sean Davis, General Counsel

Chair Risenmay reported that the Work Group attempted to achieve three goals: (1) include all viewpoints; (2) provide total transparency; and (3) solicit and provide time for members to respond to any proposals before Board action. He noted that the Work Group members held thorough discussions and lively debates regarding the current referendum process, and votes on all recommendations were close. He then reviewed each of the recommendations and explained that decisions were not reached on requirements for the number referendum

petition signatures or on the percentage of members required to bring a referendum or to vote in a referendum. Discussion ensued regarding the importance of members having the opportunity to give their feedback to the Washington Supreme Court before the Court makes a decision on the reasonableness of license fees; and the deadline for filing a referendum be counted from the day the membership is advised of the Board's action rather than the actual date the Board took the action.

President-elect Pickett reminded the Board and those in attendance that the Court ruled that not only was the fee reasonable, but that the alternate proposed fee was unreasonable. He noted that the amount of time that was spent on discussing and developing the recommendations was staggering and that the right of members to give their input is at the beginning of the process and while the process is ongoing, not at the end once the decision has been made, otherwise the result is chaos, poor process, and poor governance. He emphasized that no rights are being taken away, rather the issues are where and at what time the members exercise their rights. Immediate Past-President Hyslop stated that members are encouraged to participate and it is their choice whether to participate and when. He noted that it is too damaging to an organization of this size for a small group of members to have the power to gut the budget. President Furlong encouraged the Work Group to consider a process that formalizes the notice and comment provisions with respect to the actions of the Board, especially the budget. He reminded the Board that it would be untenable for the organization to be crippled with budget cuts to the point where it cannot support the programs the Court has stated the organization must run. He concluded by stating that this conversation would be continued at a later meeting.

PROPOSED RESPONSE FROM LAW CLERK BOARD RE SUGGESTED AMENDMENTS TO Admission and Practice Rules (APR 6)

Governor Majumdar moved to approve the Law Clerk Board submission to the Court in response to proposed suggested amendments to APR 6. Motion passed 12-0-1. Governor Doane was not present for the vote.

INVITATION FROM ACCESS TO JUSTICE (ATJ) BOARD TO JOIN THE RACE AND EQUITY JUSTICE INITIATIVE – Hon. Laura Bradley, ATJ Board Member, and Diana Singleton, ATJ Board Manager

Judge Bradley reviewed the background of the initiative and noted that WSBA staff have been supportive in a number of ways. Manager Singleton referred the Board to the information contained in the meeting materials and explained that the Board is being asked to sign on and be a partner, which seems consistent with the current work of the Board. In answer to an inquiry, she replied that there would be no monetary commitment. Governor Majumdar moved to approve the request that the Board and WSBA join the Washington Race and Equity Justice Initiative and sign onto the Acknowledgements and Commitments. Motion passed unanimously. Governor Doane was not present for the vote.

PROPOSED WSBA BYLAW AMENDMENT RE WSBA PRESIDENT ROTATION

President Furlong introduced this item and requested the Governors share their thoughts regarding the proposed Bylaw amendment. Discussion ensued regarding other areas of Washington state besides Eastern Washington feeling underrepresented as far as having a President elected from their area; assembling a work group to review the proposed amendments more thoroughly; reinstating the Eastern Washington/Western Washington excluding King County/King County rotation that was used prior to 1993; notifying members of the proposed amendments so they can weigh in; considering the whole issue of underrepresentation, not just geographic underrepresentation; and the recent anomaly regarding the last three out of four Presidents being elected from Eastern Washington. Governor Stephens suggested setting up a work group to consider the rotation issue for future years and whether a second-year Governor, any sitting Governor, or a non-Board member should be elected as President.

Governor Hayes responded to a statement that it was unfair that she and Governor Clark sent an email to Districts 4 and 5 requesting feedback on the matter of the President Rotation by stating that in no way was it unfair for them to communicate with their Districts as that is what Governors are responsible for doing and that no other Governor was stopped from communicating with their respective Districts. As she stated at the Board meeting in

Bellingham, no staff came to either her or Governor Clark offering to draft the email and send it on their behalf. She noted that even after she explained the occurrence of events at the Board meeting in Bellingham, someone still made an incorrect comment on the evaluation. She apologized that her wording on the email that was sent to their two Districts was not the best. At the end of the meeting, Governor Hunter made a formal apology to Governor Hayes and noted that she meant that she did not think it was fair that the email did not go to all WSBA members.

Governor Bridges moved to adopt version three of the proposed Bylaw amendments as contained in the meeting materials. Governor Meserve moved to amend the motion to add language that specifies that a current member of the Board would not be eligible to run for President-elect. Discussion ensued regarding forming a work group; not rushing into a decision about this important Bylaw change; the importance of looking at the Bylaws holistically rather than piecemeal; electing another President-elect from Eastern Washington this year not getting to the purpose of this particular Bylaw since the intent was to create geographic diversity and the last three Presidents have been from Eastern Washington; eliminating the appearance of any self-dealing; and the discomfort of running for the office of President-elect while still on the Board. Governor Meserve's motion to amend failed 11-3. Governor Bridges' motion passed 8-7. The original vote was 7-7; the tie was broken by President Furlong. Later in the meeting, General Counsel Davis requested clarification since version three adds a year to the rotation, resulting in the President-elect coming from Eastern Washington every fifth year rather than every fourth year. Governor Bridges moved to make version three consistent with the current rotation time period, so that the result would be that the President-elect would come from Eastern Washington every fourth year. Motion passed unanimously.

Governor Bridges moved to approve the work group proposed by Governor Stephens. Governor Hayes moved to amend the motion so that confirmation of the work group members appointed by President Furlong will be on the agenda and action will be taken at the next Board meeting. Motion passed 13-0-1. Governor Doane abstained.

FY2018 PERSONAL GOALS FOR THE EXECUTIVE DIRECTOR

It was decided in Executive Session to vote on the FY2018 Personal Goals for the Executive Director in Public Session. Governor Papailiou moved to ratify the FY2018 Goals for the Executive Director as contained in the Executive Session materials. Motion passed unanimously.

APEX AWARDS DINNER FORMAT – Sara Niegowski, Chief Communications and Outreach Officer; Jennifer Olegario, Communications Strategies Manager; and Sanjay Walvekar, Outreach and Legislative Affairs Manager

Chief Communications and Outreach Officer Niegowski provided an overview of WSBA's annual awards event, the APEX dinner, which honors Washington legal luminaries in multiple categories. Referring to information contained in the meeting materials, she explained that the general vision for the APEX Awards encompasses looking at the profession from a statewide perspective, upholding the WSBA Mission, and showing what integrity looks like in action. Discussion ensued regarding this year's event, the purpose, and the financial details. Officer Niegowski advised that the event is a balancing act with three parts: the awards; the swearing-in of the new President and Governors; and raising money for the Washington State Bar Foundation. She noted that the WSBA team attempts to accomplish each part as meaningfully as possible in the time allotted. As for the financials this year, she reported that the goal is to make the dinner itself as cost-neutral as possible while raising between \$50,000 and \$75,000 for the Foundation. Various Governors recommended making the event as appealing and as festive as possible for the WSBA membership and continuing to include the three main parts of the program while keeping the event as short as possible. Chief Niegowski concluded by encouraging Governors to nominate members for awards and to bring their own associates and friends/family to the event.

Further discussion ensued regarding how to attract more people to the Dinner in a financially sustainable fashion; how to use the event to generate more funds for the Foundation; decreasing the number of people comp'd at the Dinner; increasing the number of paying attendees; removing the swearing-in ceremony from the event; not making the Dinner a profit-making event; focus on the amount of expense for the event rather than how much the Dinner loses each year; the additional expenses of attending the Dinner other than the cost of the

tickets; and obtaining more sponsors. Executive Director Littlewood explained that in the wake of the referendum, the Board made the deliberate decision to continue subsidizing the event.

Chief Communications and Outreach Officer Niegowski reminded the Board that it had asked staff to put all sponsorships into the Foundation and that Chief Development Officer Nevitt had provided a possible fundraising goal of \$50,000-\$75,000. She asked the Board for direction regarding the shape and feel they want for the Dinner and noted that it could be in a different space and could look different, but it will lose some of the elements. She reminded the Board that nominations are open and urged the Board to start nominating people, and to start seeing themselves as the host of the event as well as a participant in the event.

ADJOURNMENT

There being no further business, the Public Session portion of the meeting was adjourned at 5:20 p.m. on Thursday, March 8, 2018.

Respectfully submitted,

Paula C. Littlewood

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WSBA Executive Director & Secretary