Called to order at 10:00 am

Present: President Yvonne McGhee, President-Elect Dave Blaner, Vice President George Brown, Secretary Karen Hutchins, Treasurer Sam Clinch, and Directors Leah Johnson, Carol Madeja, Duane Stanley, Bob Craghead, Nancy Roberson, Bradley Carr, DBS Staff Pamela Robinson and Roseanne Lucianek.

1. Welcome and Call to Order
President McGhee called the meeting to order and welcomed the members.

2. Approval of Minutes
November 9 – 10, 2012 Meeting
November 26, 2012 Teleconference
December 10, 2012 Teleconference
January 7, 2013 Teleconference

Sam Clinch moved to approve each set of minutes. Leah Johnson noted some corrections were needed. Nancy Roberson seconded the motion to approve the minutes with Leah’s corrections. The corrections were not articulated.

**Vote:** The motion passed unanimously.

**Action:** Minutes were approved as corrected by Leah Johnson. Leah Johnson agreed to provide the Secretary with the corrections by email.

3. Administrative Reports:

A. President Yvonne McGhee’s Report
- President McGhee asked the Board for ratification of the actions resulting from the November 26th, 2012, the December 10th, 2012, and January 7th, 2013 teleconferences. The board unanimously ratified the actions.
- The May Board Meeting will be held May 17th, 2013 in downtown Portland, Oregon, near the bar association. Information will be mailed to the Board members so they can make their reservations.
- President McGhee advised the Board that she would meet with the representatives from Yourmembership regarding them honoring the Affiniscape contract with NABE following their merger. The NABE website template was also to be discussed.
- NABE proudly introduced its first meeting app at the Mid-Year meeting. The app was created by ABI.
- A special moment recognizing the passing of Donnie Long, Martha Hildenbrand Perin and NABE Past President Carrie Witt will be at the end of the business luncheon on Thursday, February 7, 2013.
President McGhee reviewed her goal for the NABE Board to implement the ABCDs of membership.
  o A - Accessibility – NABE created an app for meeting and membership.
  o B - Benefits – NABE created webinars for its members.
  o C – Communications – NABE is tweeting and providing more news.
  o D - Diversity – NABE is reviewing adding a diversity initiative as part of its mission.

She shared her appreciation and excitement for all of the work and accomplishments that have been taking place at NABE this year.

B. President-Elect Dave Blaner’s Report
President-Elect Blaner had no whistle blower reports. He also confirmed he was changing the spring 2014 board meeting location to Charleston or Tampa and suggested the dates may be either May 8-10, 2014 or May 22-24, 2014, the latter of which is Memorial Day weekend. He also reported that the Board meeting during the 2013 Annual Meeting may possibly take place only on Tuesday with the Past President and term limited members of the board invited to attend. He is also considering holding an orientation for new board members in July.

Program Committee Report
Chris Manos, Program Committee Chair, reported that sixteen programs were planned for the Mid Year meeting. The Program Committee also submitted a written report to the Board. The Mid-Year programs took into consideration the sixty plus evaluations from the 2012 Annual Meeting. Mr. Manos asked that the Board assist in reminding attendees to submit evaluations. Mr. Manos stated that the Program Committee was considering changes in the format. He asked that the Board consider purchasing BaseCamp subscriptions to assist in committee communications. Mr. Manos asked for the Webinar Committee and NABE ACE Committee to communicate their plans and goals to the Program Committee. Disaster planning was also suggested as a future programming idea.

C. Vice President Mr. George Brown’s Report
Mr. George Brown reported that he had participated in the work of the Diversity Committee, the report of which would be discussed later on the agenda.

D. Treasurer SamClinch’s Report
Treasurer Clinch reviewed the Statement of Financial Position. He noted that $100,000 is being moved from the Chase checking account to the money market account at Citibank. He reminded the Board that FDIC bank deposit limit is currently $250,000.
The Treasurer provided a Summary of Activities –
  • Membership is up by 5 members from this time last year.
  • Credit card merchant service charges are up as a result of more online registrations.
  • IT section funds spent on webinar creation costs totaled over $19,000.
• New Fiscal Year starts July 1, 2013 with a 1 month bridge to the newly designated fiscal year running June 1-30, 2013.

Discussion
Board members discussed how advertising could be incorporated more into NABE News and the NABE website as a way to generate income.

Action: Set up subcommittee to set up advertising opportunities on the website.

Other financial reports reflect a boost because we now accept credit card payments of sponsors beginning with Midyear in Dallas.

Small Bar Conference had low attendance than expected; hotel attrition on sleeping rooms required increased spending on food and beverage to make up for lost hotel revenue on rooms.

Annual Meeting attendance was higher because the meeting was held in a nice place in the summer. Review of expenses revealed we were over budget on Wednesday Night Party. Overall, the Annual Meeting still made a good profit.

Mr. Clinch directed the Board to the A/V line item and cautioned the Board about how expensive this could be. A lot of this expense is related to the venue where the meetings are held and is not something that NABE Board members can influence. The expense of A/V equipment for the webinars is coming from the remaining funds of the now defunct IT Section. IT Section still has $5,000 in reserve. These funds should be spent by May 31st or the board must vote to designate these funds for specific use in the next fiscal year.

Additionally, the Communications Section meeting made a profit, but that amount is not reflected in the financials. The section was commended for the excellent job they did on their workshop.

Treasurer Clinch reported on the audit and noted that it was a clean audit. He again thanked DBS staff for their contribution to the audit. Next he reported on the management letter.

Note #1 that addresses “Cash and Concentration of Risk” indicated that we did have some accounts that exceeded FDIC limits. We need to be sure the banks we use are solid. There was considerable amount of discussion about how to remedy the situation. This is not an uncommon problem, but at this point given the ebb and flow on cash this was not a big concern.

Action:
Sam Clinch and Pamela Robinson will monitor current account levels and investigate any need for additional accounts.
Note #7 addressed Related Party Transactions and reflected the increase in the cost of services from DBS,

**Action:** Pamela Robinson will verify this information and Sam Clinch will respond to the auditor.

Note #9 needs the addition of the new fiscal year.

**Action:** Sam Clinch will add the new fiscal year.

Mr. Clinch reviewed the Management Letter with the Board and noted there were three recommendations made in the letter. The first was the year end designation of funds. It was recommended that revenue should be allocated directly when it is incurred rather than summary allocation. The Board then reviewed the general journal and audit trail. In trying to reduce the possibility of fraud, the auditor recommended that the treasurer review the audit trial monthly.

**Action:** Treasurer will review Audit trail report monthly.

**Action:** In future years DBS will create response to the management letter and give to the Audit Committee prior to reviewing the audit.

Treasurer Clinch recommended that the audit be conducted by Sept. 16th next year.

**Action:** Ms. Robinson and Mr. Clinch will to get next year’s audit to the Audit Committee two weeks prior to Board meeting and then to the Board one week prior to their meeting so that they will have time to review it.

Our Auditor’s 3 year contract is up in 2013.

**Action:** The Audit Committee should make their recommendation on an auditor to the Board and then the Board will make a decision at that time.

**Motion to Approve Audit by Mr. Clinch with a Second by Mr. Blaner:**
The audit is approved subject to the addition of the new fiscal year to Note #9 and Mr. Clinch’s satisfaction of Ms. Robinson’s response to the figures in Note #7.

**Vote:** The motion passed unanimously.

**Action:** Mr. Clinch will create a best practices guideline for dissemination of the audit to the Audit Committee and the Board, and to put in the Leadership Manual.

**E. Report from Secretary**
Karen Hutchins reported that the by-laws were published for a vote at the Midyear Membership meeting which is scheduled for February 7, 2013. If the bylaw change is
approved then, the bylaws and Leadership Manual will be updated accordingly. The Bylaws Committee is continuing to review the bylaws for updates as directed by President McGhee. A report is expected from the committee at the May meeting.

F. Staff Report
Roseanne Lucianek provided Jack Rives’ January 2013 report he provided to the American Bar Association (ABA) Board of Governors. She suggested that NABE explore providing links from its website to the GP Solo website.

Ms. Lucianek explained that the ABA is considering a dues increase. The ABA may also consider reducing its reserves and creating an ABA Political Action Committee. The ABA Annual Meeting Task Force has recommended a change in programming, so NABE/NCBP/NCBF will need to coordinate their programming options if the recommendations are adopted.

Molly Kilmer Flood returned to work following maternity leave.

Pamela Robinson reported on new or augmented NABE activities since the annual meeting which required additional staff attention, including coordination of the Associate Executive Director group. Coordination included creating policies for its listserv and drafting an AED survey and summarizing its results. Ms. Robinson also noted the institution of monthly board meetings and the attendant agenda preparation and review of board minutes.

She noted that additional activity requiring staffing included creation of the Midyear meeting app and the NABE News Extra sent in December as a year-end wrap up.

Ms. Robinson announced that Leticia Spencer was not able to attend the Midyear meeting and suggested the board pitch in as needed to cover some of Ms. Spencer’s duties.

G. ABA House of Delegates Report
A written report was submitted by William Weisenberg. A new NABE ABA Delegate will be selected in 2013.

4. Reports from Sections, Committees, Forums and Liaisons

Motion by Mr. Brown to approve all reports. The motion was second by Mr. Blaner.

Vote: The motion was approved unanimously.

A. Sections

Administration & Finance Section (A&F) – The section spent $11,000 on the A&F workshop presented at Midyear in Dallas 2013, incurring a loss primarily because the section chose to charge only a $75 registration fee. The loss lowered the section’s reserves so there is no longer a need to extend the time to spend down the reserves.
B. Committees

**Diversity Development Committee** – This committee proposed a Diversity Plan which is a multiyear plan focusing on surveying members. The Board discussed the Diversity Plan and encouraged the committee to add diversity programming to the Diversity Plan. The Board focused on the remainder of the committee’s request to approve the proposed Diversity Policy.

**Motion to approve Diversity Policy by Mr. Brown with a second by Mr. Clinch.**

- **Vote:** The motion was approved unanimously.
- **Action:** Ms. Hutchins and Ms. Robinson will add Policy and plan to the Leadership Manual.

C. Forums:

Discussion of forums moved to “E. Isolation of Issues for Discussion” below.

D. Annual Meeting Task Force: Tab H - Dana Collier Smith.

Annual Meeting Task Force - Written report was provided by Dana Collier Smith. A final proposal will be submitted to the ABA Board in June. The Task Force recommended changes to the ABA schedule that would result in NABE/NCBP/NCBF programming ending by Friday afternoon. Schedule changes would take place at the Annual Meeting in Boston in 2014. The Task Force also recommended that NABE/NCBP/NCBF no longer be required to pay the Annual Meeting Registration Fee.

E. Isolation of Issues for Discussion: Mr. Carr brought up the issue of lack of Forum leadership. Potential solutions discussed were to re-create forums into committees or dissolve the forums. Mr. Clinch reminded the Board that the Policy manual should review forums every 2 years. This issue will be added to the May Board meeting agenda.

F. Consent to adopt remaining reports: This vote occurred earlier in the meeting as reported in these minutes.

5. Action Items

A. Website Committee: Directed by the board to move forward quickly to bring on someone to assist in maintaining and developing our website.

Recommendations from the committee: Approve proposed contract with Dan Kittay. The board discussed adding language on termination clause as well as populate the website with...
emerging trends in the future. Reporting requirement?

Motion by Mr. Craghead and second Ms. Johnson to approve the proposed contract with the addition of a termination clause and the addition of a reporting requirement.

Motion and second withdrawn.

Motion by Mr. Craghead that the Board approve the proposed contract in concept, with the instructions to the Website committee that it revise and clarify the termination clause as well as the clause addressing payment of monies, so we do not unintentionally commit to another year and submit the final agreement to the officers. Mr. Craghead will also run this by the Illinois State Bar Association’s in house counsel prior to submitting it to the Board. Second by Ms. Roberson.

Vote: Approved

B. Disaster Planning Task Force - A report will be presented at the May Board meeting.

C. ACE Program - Focus group - All attendees invited to the focus group accepted the invitation to attend on Wednesday. Time will be spent during the focus group on feedback. The ACE committee is considering conducting an Assistant Executive Director focus group following the one with Executive Directors. The committee discussed the need to put protocols in place. This will be a time consuming effort that must take place before launching the program. The ACE Committee will make efforts to be added to the Program Committee meeting agenda at BLI in Chicago on March 15th. Paula Littlewood will be Program Committee vice-chair next year.

D. Webinar Committee Report -

E. Reserve Policy – The reserve policy of the Board is that we will maintain 50% reserves. Mr. Blaner suggested lowering the percent of reserves to 40%. He suggested that the current policy is preventing the board from investing in new programs and that there is sufficient cash in reserves to make such investments. The policy on reserves must be amended to change the percentage. He proposed 40% (of total budget) as the reserve policy. He suggested creation of a capital reserve account where funds are adjusted annually with no requirement that the funds have to be expended. He noted that the account can be designated.

Motion by Mr. Clinch to amend the policy manual to change the percentage of reserves from 50 % down to 40 %. Second by Ms. Roberson.

Vote: Approved unanimously.

Action: Ms. Hutchins and Ms. Robinson make changes to policy manual.
Motion by Ms. Roberson to create a Development and Capital Reserve Fund used to incubate new projects and unfunded projects. Second by Ms. Madeja.

Vote: Approved unanimously.

Actions: Ms. Hutchins and Ms. Robinson update the policy manual. Mr. Clinch to notify Tondanisha Tomlinson to set up the Development and Capital Reserve Fund

F. Policy Manual update on Audit policy. Mr. Clinch reported he received no objections to updating the Audit policy as proposed from the Audit committee chair and Ms. Robinson.

Motion by Mr. Clinch to accept and update the proposed Audit policy in the policy manual. Motion was second by Mr. Stanley.

Mr. Brown moved to amend the motion to change 3rd word of the proposed Audit policy to “schedule” and delete the word conduct.

Mr. Blaner seconded the motion as amended.

Vote: Approved


6. Open discussion –

Strategic Planning Issues were discussed and it was decided that the Board will address this at the May Board meeting. The Board discussed bringing a Strategic Planning facilitator to the May Board meeting.

Issues of Management were not discussed.

Issues of Interest to the Legal Profession were not discussed.

7. Informational Reports –

Meeting attendance
Membership

The Board decided that Award nominations would be discussed on phone conference meetings.

President McGhee reminded the Board members to attend the first timer’s orientation meeting at 4:30, the Welcome Reception at 6:30, and the first timer’s dinner at 7:30.
The meeting adjourned.

Respectfully submitted,

Karen K. Hutchins
Secretary,
National Association of Bar Executives