MEMORANDUM

TO: Section and Committee Chairs
    Presidents and Executive Directors of State and Local Bar Associations
    State and Section Delegates in the House of Delegates
    ABA Directors and Department Heads

FROM: Marina B. Jacks

SUBJECT: Summary of Action of the August 2012 Board of Governors Meeting

DATE: August 9, 2012

Attached is the Summary of Action of the August 2-3, and August 7, 2012, meeting of the Board of Governors held at the Hyatt Regency Chicago in Chicago, Illinois. This Summary does not constitute official Minutes of the meeting. Minutes will be presented to the Board for approval at the next meeting, in November 2012.

If you have any questions with respect to the action taken, please let me know.

CC: Board of Governors

Attachment
SUMMARY OF ACTION
AMERICAN BAR ASSOCIATION
BOARD OF GOVERNORS

Hyatt Regency Chicago
Chicago, Illinois
August 2-3, and August 7, 2012

1. REPORTS OF OFFICERS AND THE EXECUTIVE DIRECTOR

The Board received the reports of the President, President-elect, Chair of the House of Delegates, Immediate Past President, Secretary, Treasurer and Executive Director. The minutes of the Board's June 1-2, 2012, meeting in White Sulphur Springs, West Virginia, and in Chicago, Illinois, on August 2-3, 2012. The minutes of the Executive Committee's meetings of February 28, March 19, May 23, June 21 and July 13, 2012 (by conference call), and March 20 and April 23, 2012, meetings (by E-mail Ballot) were received.

2. MATTERS FOR DIRECT BOARD ACTION

2.1 House Reports

The Board considered and voted on the following Resolutions with Reports submitted to the House of Delegates for the 2012 Annual Meeting:

a) Resolution 10A (Primary Co-sponsors: Illinois State Bar Association, Senior Lawyers Division; and Maryland State Bar Association): Reaffirms policy adopted July 2000 that the sharing of legal fees with non-lawyers and the ownership or control of the practice of law by non-lawyers are inconsistent with the core values of the legal profession and the law governing lawyers that prohibits lawyers from sharing legal fees with non-lawyers and from directly or indirectly transferring to non-lawyers ownership or control over entities practicing law should not be revised.

The Board voted to transmit Resolution 10A without a recommendation to the House of Delegates for the 2012 Annual Meeting.

b) Resolution 11-3: (Primary Sponsor: Laura V. Farber of California): Amends §6.2(a)(5), §6.7(g) and §10.1(a) of the Constitution, to change the name of the General Practice, Solo and Small Firm Division to the Solo, Small Firm and General Practice Division.

The Board voted to transmit Resolution 11-3 to the House of Delegates with the recommendation that Resolution 11-3 be approved at the 2012 Annual Meeting.
c) **Resolution 103:** (Sponsor: Section of Legal Education and Admissions to the Bar): Concurs in the action of the Council of the Section of Legal Education and Admissions to the Bar in making amendments dated August 2012, to Standard 509 and Rule 16 of the *ABA Standards and Rules of Procedure for Approval of Law Schools*, regarding the reporting of consumer information.

The Board voted to transmit Resolution 103 to the House of Delegates with the recommendation that Resolution 103 be approved at the 2012 Annual Meeting.

d) **Resolution 116:** (Co-sponsors: Section of Individual Rights and Responsibilities; Criminal Justice Section; and Commission on Women in the Profession): Amends the 2008 policy regarding racial and ethnic profiling to include religious profiling and characteristics indicative of religious affiliation.

The Board voted to transmit Resolution 116 to the House of Delegates with the recommendation that Resolution 116 be approved at the 2012 Annual Meeting.

### 2.2 Report of Board Procedures and Operations Committee Regarding Evaluation of Current Board Procedures and Operations

In executive session, the Board received a report from Alan C. Goolsby, Chair of the Committee on Board Procedures and Operations, regarding the Committee's evaluation of the current procedures and operations of the Board.

### 2.3 Continuation of Board Entities

The Board approved the continuation of entities created by the Board whose assignments were ongoing, and discontinued those that had completed their tasks.

### 2.4 Continuation of Special Committees and Commissions

The Board made recommendations to the House of Delegates regarding the continuation and discontinuation of special committees and commissions. The recommendations are set forth in the Board's Transmittal Report to the House, #177A. Copies of Report #177A are available from the Division for Policy Administration.

### 2.5 Request to Elect Directors of the James O. Broadhead Corporation

The Board re-elected Laurel G. Bellows, Lucian T. Pera, and the Honorable Cara Lee T. Neville; and elected James R. Silkenat to the Board of Directors of the James O. Broadhead Corporation (Corporation). The Corporation previously held title to the ABA’s building in Washington, DC. and presently holds a portion of the sale proceeds pursuant to the ABA’s contract with the Buyer. Pursuant to the Corporation’s Bylaws, the ABA Board of Governors elects the Directors of the Corporation. The Directors of the Corporation then convene to elect the Officers of the Corporation.
2.6 Presentations to the Board of Governors

a. Legal Services Corporation

Robert Stein, Chair of the Standing Committee on Legal Aid and Indigent Defendants (SCLAID), introduced John G. Levi, Chairman of the Board of Directors of the Legal Services Corporation (LSC), who presented to the Board remarks regarding the work of the LSC. He acknowledged the strong support given to the LSC by the American Bar Association, SCLAID, and the Standing Committee on Pro Bono and Public Service. He advised the Board that LSC formed its own Pro Bono Task Force with nearly 60 leaders of the profession, including ABA leaders, to look for ways to measurably increase pro bono. The Task Force presented its draft recommendations to the LSC Board two weeks ago. The general theme of the Task Force’s recommendations is to reshape pro bono into a reliable, organized system, in pertinent part, through increased training, the use of paraprofessionals, and the offering of CLE credit for pro bono work. Mr. Levi emphasized that the crisis in the provision of civil legal aid for low income Americans is severe and that cracks in the system have become a chasm. However, through continued partnerships with organizations such as the ABA, the promise of equal justice for all will be realized.

b. Justice at Stake

Bert Brandenberg, Executive Director of Justice at Stake, presented to the Board a report on the work of Justice at Stake, the only national organization that focuses exclusively on keeping courts fair and impartial. Justice at Stake leads a nonpartisan national partnership of more than 50 organizations, protecting the justice system through public education, litigation and reform. Mr. Brandenberg stated that Justice at Stake is proud to work with President Robinson, Immediate Past President Zack, and David Boies and Theodore Olsen, Co-Chairs of the Task Force on the Preservation of the Justice System, on the important issue of court underfunding. He also referenced the work of Justice at Stake with the National Center for State Courts to develop positive communications and messages regarding the crisis of court underfunding.

c. Commission on Disability Rights

This scheduled presentation was not given.

2.7 Consent Calendar: Report of Board Committee Chairs

The Board adopted the Consent Calendar as presented by the Secretary. Action on all items contained on the Consent Calendar is set forth in items 3 through 5 of this Summary of Action relating to the reports of the Board Committees.
2.8 **Fund for Justice and Education**

The Board, sitting as the members of the Board of the American Bar Association Fund for Justice and Education (ABA/FJE) approved the minutes of the June 2, 2012, meeting of the ABA/FJE Board as presented and accepted the ABA/FJE restricted grants and contributions received or awarded through June 30, 2012, and not previously reported, as requested by the Association's Financial Services Division.

2.11 **National Judicial College**

The Board, sitting as the Members of the National Judicial College (NJC), heard a presentation from the Honorable Sophia Hall, Chair of the Board of Trustees of the NJC. Judge Hall expressed her sincere appreciation to the ABA for its continued partnership with and support of the NJC. She informed the Board that in celebration of the NJC’s 50th anniversary in 2013, the NJC will conduct symposia at various locations across the country on topics such as "Court Culture/Civility-Impact of Public Trust and Confidence," In addition, she stated that the NJC continually works to reduce the learning curve for teaching judges to be judges and teaching judges how to manage a court room. Judge Hall congratulated President-elect Bellows on becoming President of the ABA and also congratulated the Honorable Bernice B. Donald for assuming the presidency of the American Bar Foundation.

In addition, the Honorable William F. Dressel, President of the NJC, expressed his appreciation to the ABA for its continued support of the NJC.

2.13 **American Bar Association, an Illinois Not-for-Profit Corporation – Election of Directors**

The Board, as members of the American Bar Association, an Illinois Not-for Profit Corporation, re-elected Laurel G. Bellows and the Honorable Cara Lee Neville and elected James R. Silkenat to serve as directors on the Board of Directors of the American Bar Association, an Illinois Not-For-Profit Corporation. The Directors of the Corporation then convene to elect the Officers of the Corporation.

### OPERATIONS AND COMMUNICATIONS COMMITTEE

A. **MATTERS FOR REVIEW BY THE BOARD**

3.1 **Requests for Bylaw Amendments**

a. **General Practice, Solo and Small Firm Division**

The Board approved the request of the General Practice, Solo and Small Firm Division to amend its bylaws to i) reflect the pending Division name change to the Solo, Small Firm and General Practice Division at the 2012 Annual Meeting and ii) to include the student associate membership category. The Division Council approved the proposed
amendments on May 19, 2012. Approval by the Board is subject to approval of the House of Delegates and the Division Membership at the 2012 Annual Meeting.

b. **Judicial Division Appellate Judges Education Institute**

The Board approved the request of the Appellate Judges Education Institute (AJEI) to amend its bylaws to hold the annual AJEI Board meeting during the ABA annual meeting. The AJEI Board approved the proposed amendments on August 7, 2011.

The AJEI is a Texas non-profit corporation. Pursuant to an Agreement dated August 25, 2003, between the ABA and the Judicial Division’s Appellate Judges Conference (AJC), the AJEI serves as the education arm of the AJC. Under the terms of the Agreement, any amendments to the corporate governance documents of the AJEI must be approved by the ABA Board of Governors.

c. **Section of Labor and Employment Law**

The Board approved the request of the Section of Labor and Employment Law to amend its bylaws in pertinent part to i) clarify the role of the Section Delegates in the ABA House of Delegates, ii) provide that in 2013 and each succeeding third year, the Section may designate a third Delegate to the House of Delegates, who shall be nominated by consensus of the management and union and employee caucuses, and iii) provide that Delegates may not speak in the House as the Delegate or in their individual capacity as to an issue relating to the substantive practice of labor and employment law unless the Section Officers have reached consensus on the issue. The proposed amendments were approved by the Section Council on July 12, 2012.

### 3.2. Nominations

a. **A-E-F-C Pension Plan Administration Committee**

The Board elected a) John A. Krsul, Jr. of Michigan to a third-one year term as Chair of the A-E-F-C Pension Plan Administration Committee (Pension Committee), to begin at the conclusion of the 2012 Annual Meeting and end at the conclusion of the 2013 Annual Meeting; and b) elected Richard Lipton of Illinois and Priscilla Ryan of Illinois to three-year terms on the Pension Committee, said terms to begin at the conclusion of the 2012 ABA Annual Meeting and conclude at the end of the 2015 Annual Meeting, as recommended by President-elect Bellows.

b. **Board of Elections**

The Board a) elected Honorable Anne M. Burke, Justice of the Supreme Court of Illinois, as Chair of the Board of Elections; and b) re-elected of Louise Michaux Gonzales of Maryland and Harry Hathaway of California as members of the Board of Elections, all to serve one-year terms to begin at the conclusion of the 2012 ABA Annual Meeting and conclude at the end of the 2013 Annual Meeting, as recommended by President-elect Bellows.

---

*Summary of Action*

*August 2-3 and August 7, 2012 Board of Governors Meeting*

*Page 5*
c. **International Bar Association (IBA)**

The Board elected **Carolyn B. Lamm** as the ABA representative to the International Bar Association (IBA), for a three-year term to begin at the conclusion of the IBA Annual Congress in fall 2012 and end at the conclusion of the IBA Annual Congress in fall 2015.

3.3 **Requests to Establish Awards**

a. **Section of Environment, Energy, and Resources (Two Requests)**

i. The Board approved the request to establish the Section of Environment, Energy, and Resources to establish the annual *Distinguished Environmental Advocates: The Next Generation Award*, to be presented to individual lawyers that have made significant accomplishments or demonstrated recognized leadership in the environment, energy, and/or natural resources fields. Award recipients must have been admitted to practice law within the last 12 years, as the purpose of the award is to honor younger lawyers. The actual awards will be glass paperweights inscribed with award details. The monetary value will be no more than $200 per award. All costs associated with the award will be paid with Section funds, and no ABA general revenue is requested or required.

ii. The Board approved the request of the Section of Environment, Energy, and Resources to establish a total of **11 annual Committee Awards** recognizing committees in each of the Section’s three practice areas: environment; energy and resources; and cross-practice. In each of these three groups, committees would be recognized for Best Publications, Best Programs, and Best Committee. A special recognition, the “Phoenix Award”, will be given to the committee chair that has made an outstanding effort to improve his committee’s performance. A Best Overall Committee will also be selected. The actual awards will be certificates. If the Committee is chaired by more than one individual, each Co-Chair will receive his or her own certificate. All costs associated with the awards will be paid with Section funds, and no ABA general revenue is requested or required.

b. **Section of Public Contract Law (One-Time Award)**

The Board approved the request of the Section of Public Contract Law to award a *Lifetime Achievement Award* to **Allan J. Joseph** in recognition of over five decades of exceptional service to the legal profession, the American Bar Association and the Section of Public Contract Law. The award will have a maximum value of $750 and will be presented at the 2012 ABA Annual Meeting during the Annual Section Business Meeting. All costs associated with the award will be paid with Section funds, and no ABA general revenue is requested or required.
3.4 Forum on the Entertainment and Sports Industries Request to Continue Co-sponsorship of Annual Entertainment Law Initiative (ELI) National Law School Legal Writing Contest and GRAMMY Week Awards Luncheon in Honor of Contest Winners

The Board approved the request of the Forum on the Entertainment and Sports Industries to co-sponsor The GRAMMY Foundation 2013, 2014, and 2015 Legal Writing Contest and an annual luncheon to honor the contest winners. The annual writing contest awards scholarships and an all-expense paid trip for the scholarship winners to attend the GRAMMY week events in February. The winners’ essays are also published in professional law journals. The annual ELI luncheon recognizes the writing competition finalists and provides a forum for interaction with prominent attorneys. The GRAMMY Foundation is responsible for payment of scholarships and travel expenses of the winners. Forum funds will be used only to pay the expenses of the Forum leadership to attend the luncheon. No ABA general revenue is requested or required.

3.5 Request for Adoption of Officers’ Spousal Travel Reimbursement Policy

The Board adopted a travel reimbursement policy under which the ABA will treat officer reimbursement for spouse travel as taxable income to the officer. The proposed policy provides that each officer requesting reimbursement of spouse expenses must indicate and substantiate those expenses, separately from her or his personal expenses, and must be provided a 1099 or other appropriate IRS form from the ABA reflecting the amount of any spousal reimbursement they have received. In addition, the proposed policy specifies that any officer who believes that his/her spouse’s travel constitutes a “bona fide business purpose” as defined by the IRS, and is therefore non-taxable, must submit additional documentation supporting that claim which will be reviewed by the General Counsel’s Office to ascertain whether it comports with IRS regulations.

3.6 Request to Amend Jurisdictional Statement of Task Force on Gender Equality

The Board amended the jurisdictional statement of the Task Force on Gender Equality to change the name of the Task Force to the Task Force on Gender Equity to better reflect the goals of the task force, as requested by President-elect Bellows.

3.7 Section of Administrative Law and Regulatory Practice Request to Increase Joint Dues Rate with Government and Public Sector Lawyers Division, Effective FY2014

The Board approved the request of the Section of Administrative Law and Regulatory Practice to increase the Section’s Joint Dues Rate with the Government and Public Sector Lawyers Division (GPSLD) from $59 to $69, effective FY2014. In approving the request, the Board understood that the GPSLD was in agreement with the proposed increase in the Joint Dues Rate.
3.8 Commission on Hispanic Legal Rights and Responsibilities Request to Become a Special Committee and for Funding

The Board created a Special Committee on Hispanic Legal Rights and Responsibilities (Special Committee) comprised of a chair and ten members appointed by the President, and up to three special advisors when necessary, with the understanding the Special Committee will be part of the Center for Racial and Ethnic Diversity (Diversity Center) and the staff support for the Special Committee will be provided by existing staff from the Diversity Center. In addition the Board approved General Operations funding for the Special Committee for FY2013.

3.9 Tort Trial and Insurance Practice Section Request to Enter Into Memorandum of Understanding with International Association of Insurance Receivers

The Board approved the request of the Tort Trial and Insurance Practice Section (TIPS) for a Memorandum of Understanding (MOU) between TIPS and the International Association of Insurance Receivers (IAIR). Under the auspices of the proposed MOU, TIPS intends to coordinate efforts and activities with IAIR to increase member awareness and promote professional cooperation. These activities include meeting attendance and participation, program development at meetings and exchange of editorial content. The MOU specifies that programs to be co-sponsored pursuant to the MOU will be submitted to appropriate ABA entities for approval.

3.10 Request for Adoption of Board of Governors Liaison Policy

The Board adopted, with amendments, Guidelines Regarding Board of Governors Liaisons, dated July 16, 2012, as requested by the Committee on Board Procedures and Operations. The amendments make clear that "(i)n person attendance at entity meetings and other entity events may make sense if the cost would be inconsequential or, in situations when the liaison and entity leadership conclude that the liaison’s on-site participation in considering one or more agenda items would be particularly helpful. In the end, the liaison must exercise his or her good judgment after weighing the cost-benefit of in-person attendance for the ABA, as a whole, including budget considerations."

3.11 Request for Approval of ABA Board of Governors Operational Procedures and Controls

With the exception of one provision, the Board adopted ABA Board of Governors Operational Procedures and Controls (Procedures) dated July 18, 2012, as requested by the Committee on Board Procedures and Operations. The Board deferred the approval of Section 5 of the Procedures to the November 2012 meeting of the Board to permit further review of Section 5 by the Finance Committee and the Chief Financial Officer.
3.12 Request for Appointment of Members to Employee Thrift Plan Administrative Committee

Pursuant to Section 9.3 of The Thrift Plan for Employees of the American Bar Association and Affiliates, (Thrift Plan), the Board appointed the following individuals to serve as members of the Thrift Plan Committee, each to serve until he or she resigns or is replaced by the Board or the Thrift Plan Committee pursuant to provisions of the Thrift Plan: a) Mary Price, CFO, National Judicial College; b) Renee Leskiw, Executive Director, American Bar Endowment; c) Lawrence Gill, Deputy Executive Director and CFO; d) Marina Jacks, Associate Executive Director, Policy and Governance; e) Jarisse Sanborn, Principal Deputy General Counsel; f) Kathryn Wiley, Human Resources Director and Plan Administrator; and g) Lucian Pera, ABA Treasurer

3.13 Request to Amend Jurisdictional Statement of Program, Evaluation and Planning Committee

The Board amended the jurisdictional statement of the Program, Evaluation and Planning Committee to allow for two special advisors, as requested by President-elect Bellows. The Board’s approval was with the understanding that the two special advisors will be appointed only for the 2012-2013 Association Year. The special advisors will be selected from among the members of the Strategic Planning and Action Committee (SPAC), which has been recommended for sunsetting at the end of FY2012, and will allow the work of SPAC to continue within the Program, Evaluation and Planning Committee.

3.14 Request to Amend Jurisdictional Statement of Center for Human Rights Advisory Committee to Provide for a Chair of the Advisory Committee

The Board amended the jurisdictional statement of the Center for Human Rights Advisory Committee to create a chair position for the Advisory Committee, as requested by President-elect Bellows.

3.16 Request to Amend Jurisdictional Statement of the Task Force on the Future of Legal Education

As requested by President-elect Bellows, the Board amended the jurisdictional statement of the Task Force on the Future of Legal Education to increase the membership from 17 to 19 to provide young lawyer representation on the Task Force.

NEW BUSINESS: Election of Member to Standing Committee on Audit

The Board elected Board member Michelle A. Behnke of Wisconsin to complete the unexpired term of Board member James Dimos on the Standing Committee on Audit, effective from the conclusion of the 2012 ABA Annual Meeting through the conclusion of the 2013 ABA Annual Meeting. Mr. Dimos will Chair the Board Finance Committee and serve as Liaison to the Audit Committee in FY2012-2013.
B. MATTERS OF INDEPENDENT JURISDICTION

3.15 Requests for Co-Sponsorships

The Operations and Communications Committee approved co-sponsorship requests from the following entities. No additional ABA general revenue is requested or required for the co-sponsorships.

a. Center for Racial and Ethnic Diversity and Standing Committee on Bar Activities and Services: to co-sponsor development and implementation of the Collaborative Bar Leadership Academy (CBLA working title) with the four National Bars of Color.

b. Commission on Disability Rights: for the ABA to participate in National Disability Employment Awareness Month, October 2012, which is overseen by the U.S. Department of Labor’s Office of Disability Employment Policy. The official theme for October 2012 is: “A Strong Workforce is an Inclusive Workforce: What Can You Do?”

c. Commission on Women in the Profession: to co-sponsor a program and reception, tentatively titled “Women’s Leadership in the Law” with the Chicago Bar Association Alliance for Women and the National Association of Women Lawyers. The program will take place from 4:30 p.m. – 7:00 p.m. at the Chicago offices of Seyfarth Shaw LLP, October 18, 2012.

d. Section of Antitrust Law (Four Requests)
   i. to provide funding for the International Competition Network’s Curriculum Project to produce a comprehensive set of training modules for government enforcement agency officials world wide.
   ii. to co-sponsor several membership outreach events with certain law firms (listed in request) during the 2012-2013 ABA fiscal year. Exact event dates have not yet been determined.
   iii. to co-sponsor “Why Antitrust?” programs with certain ABA-accredited and other international law schools as potential co-sponsors during the 2012-2013 Association year, and ongoing.
   iv. to co-sponsor Committee Programs (“Brown Bags”), with the entities listed in the request as potential co-sponsors, during the 2012-2013 Association Year.

e. Section of State and Local Government Law (Two Requests):
   i. to co-sponsor the American Planning Association’s meeting in Chicago, Illinois, April 15, 2013.

   ii. to co-sponsor the Georgian Election Law Program with the Georgian Municipal Law Association, International Municipal Lawyers Association, World Jurist Association...
(pending), Standing Committee on Election Law, Section of International Law, and Section of Administrative Law and Regulatory Practice, in T’bilisi, Georgia, September 24-28, 2012.

4. PROGRAM, EVALUATION AND PLANNING COMMITTEE

A. MATTERS FOR REVIEW BY THE BOARD

4.1 Request to Create the E. Lawrence Barcella Jr. Justice Fund

The Board approved the creation of the E. Lawrence Barcella, Jr. Justice Fund, to be overseen by the Criminal Justice Section, as requested by the Council of the ABA Fund for Justice and Education (FJE). Mr. Barcella, who passed away in November 2010, was a long-time federal prosecutor and white-collar criminal defense attorney with the law firm of Paul Hastings. In his memory, Paul Hastings contributed funds to the FJE to create the Justice Fund.

4.2 FY2012-2013 Enterprise Fund Proposals Funding Recommendation

The Board approved the following three new Enterprise Fund Projects, as recommended by the Program, Evaluation and Planning Committee:

a. *A Prescription for Healthy Communities: Pro Bono and Medical-Legal Partnership*
   Collaborating ABA entity partners:
   - Standing Committee on Pro Bono and Public Service
   - Commission on Domestic & Sexual Violence
   - Standing Committee on Legal Assistance for Military Personnel
   - AIDS Coordinating Committee
   - Center for Children and the Law

b. *Access to the Courts for Deaf and Hard of Hearing Individuals*
   Collaborating ABA entity partners:
   - Commission on Disability Rights
   - Section of Individual Rights and Responsibilities
   - Judicial Division
   - Section of Science and Technology Law
   - Standing Committee on Legal Aid and Indigent Defendants

c. *Achieving an Impartial Jury: Removing Bias in Voir Dire and Deliberations*
   Collaborating ABA entity partners:
   - Criminal Justice Section
   - Section of Litigation
   - Coalition on Racial and Ethnic Justice
   - Council for Racial and Ethnic Diversity in the Educational Pipeline
   - Center for Racial and Ethnic Diversity
B. MATTERS OF INDEPENDENT JURISDICTION

None for consideration.

5. FINANCE COMMITTEE

A. MATTERS FOR REVIEW BY THE BOARD

5.1 Recommendation Regarding FY2013 Budget

The Board approved the Fiscal Year 2013 Consolidated ABA budget, including the Fiscal Year 2013 ABA General Operations budget, the Sections’ Operating budget, and the Gifts and Grants budget, subject to (1) such changes in the Sections’ Operating budget as may be properly approved by the Sections, such Section changes not to result in an aggregate increase or decrease in the Sections’ Operating budget of more than 10% of the aggregate budget as approved; (2) reallocating to the following entities funds previously allocated to the Office of the General Counsel for outside legal fees, each entity’s expense budget to be increased by the amount allocated: (a) the ABA Task Force on the Preservation of Justice, (b) the Commission on Hispanic Legal Rights and Responsibilities for FY2013, (c) Meetings and Travel Department, (d) Division for Bar Services, (e) Division for Public Education, (f) Planning, Policy and Governance Group, (g) Office of General Counsel; (3) increasing dues revenue; and (4) increasing the Membership and Marketing Division expense budget.

5.2 A-E-F-C Pension Plan (Plan) Administration Committee Recommendation Regarding Cash Contribution to Pension Plan

The Board approved and authorized the following contributions to the trust fund of the A-E-F-C Pension Plan (Plan): three separate contributions, each to be made by the contribution due dates of 7/15/12, 10/15/12 and 1/15/13 respectively for the 2012 Plan year provided that these payments may be lowered, in the discretion of the Chief Financial Officer and the Treasurer, to contribution amounts that are permissible based on applicable interest rates later issued by the Internal Revenue Service.

5.3 Standing Committee on Audit Request to Approve FY2013 Internal Audit Plan

The Board approved the FY2013 Internal Audit Plan, as requested by the Standing Committee on Audit. The Internal Audit Plan is designed to support the ABA’s overall strategic goals and objectives by providing sufficient audit coverage of the Association’s financial, operational, compliance, and other risks.
5.4 Request to Approve Grant Thornton Engagement Letter

The Board approved the engagement letter between Grant Thornton LLP and the ABA dated March 30, 2012 and authorized its execution by the Deputy Executive Director and Chief Financial Officer, such letter providing for the engagement of Grant Thornton LLP to audit the consolidated financial statements of the ABA as of August 31, 2012 and the related consolidated statements of activities and changes in net assets and cash flows for the year then ended and to conduct an audit of the ABA's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the ABA's federal programs for the year ended August 31, 2012.

5.5 Requests to Contribute Funds to Outside Organizations

a. Forum on the Construction Industry

The Board approved a donation by the Forum on the Construction Industry, from the Forum's reserves, to the ACE Mentor Program of America.

b. Forum on Affordable Housing and Community Development Law

The Board approved a donation by the Forum on Affordable Housing and Community Development Law to the Community Counseling Centers of Chicago, from funds that are not derived from member dues, in memory of Andrew Joseph Applegate, son of the Forum’s Chair-elect.

5.6 Request to Authorize Chief Financial Officer to Invest in Short Term Bonds

The Board a) approved and adopted a resolution authorizing certain securities transactions on behalf of the American Bar Association; b) approved an agreement and authorized its execution by the Deputy Executive Director and Chief Financial Officer, subject to such changes as may be deemed appropriate by the Deputy Executive Director and approved by the General Counsel of the American Bar Association; and c) authorized the Deputy Executive Director and Chief Financial Officer to take such further action as may be by him deemed appropriate to implement the agreement and resolution, it being understood that any transactions entered into pursuant to that resolution and agreement must be authorized by the Chief Financial Officer and the Treasurer, subject to such restrictions as are deemed appropriated from time to time by the Treasurer and the Chair of the Finance Committee.

5.7 Request to Fund the Task Force on the Preservation of the Justice System for FY2013

The Board funded the Task Force on the Preservation of the Justice System for FY2013 by reallocating a portion of the funds previously allocated to the Office of the General Counsel for outside legal fees.
B. MATTERS OF INDEPENDENT JURISDICTION

None for consideration.