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 February 2013 Board of Governors Meeting

DATE: February 14, 2013

Attached is the Summary of Action of the January 24, 2013, meeting of the Board of Governors, held by conference call, and the February 7-8, 2013, meeting of the Board of Governors held at the Hilton Anatole in Dallas, Texas. This Summary does not constitute official Minutes of the meeting. Minutes for the February 7-8, 2013, meeting will be presented to the Board for approval at the next meeting, in June 2013.

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

CC: Board of Governors

Attachment
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 November 10, 2012 meeting in Puerto Vallarta, Jalisco, Mexico; and January 24, 2013 meeting (by conference call) were approved as presented. The minutes of the Executive Committee's meetings of November 19, 2012*; and January 9* and January 24, 2013 by conference call were received.

2. **MATTERS FOR DIRECT BOARD ACTION**

2.1 **House Reports**

The Board discussed, but did not vote, on the following four Resolutions with Reports submitted to the House of Delegates for the 2013 Midyear Meeting:

a) **Resolution 107A**: (Primary Sponsor: Commission on Ethics 20/20) Amends Rule 5.5(d) of the *ABA Model Rules of Professional Conduct (Unauthorized Practice of Law; Multijurisdictional Practice of Law)* to permit foreign lawyers to serve as in-house counsel in the U.S., but with the added requirement that foreign lawyers not advise on U.S. law except in consultation with a U.S.-licensed lawyer.

b) **Resolution 107B**: (Primary Sponsor: Commission on Ethics 20/20) Amends the *ABA Model Rule for Registration of In-House Counsel* to permit foreign lawyers to serve as in-house counsel in the U.S. but with added requirements.

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1 *Items considered by the Board of Governors during its January 24, 2013, meeting by conference call are noted with an asterisk (*).
c) **Resolution 107C:** (Primary Sponsor: Commission on Ethics 20/20)
Amends the *ABA Model Rule on Pro Hac Vice Admission* to provide judges with guidance about whether to grant limited and temporary practice authority to foreign lawyers to appear in U.S. courts.

d) **Resolution 107D:** (Primary Sponsor: Commission on Ethics 20/20)
Amends Model Rule 8.5 of the *ABA Model Rules of Professional Conduct* to address an increasingly common choice of law problem arising in the context of conflicts of interest.

2.2a. **Request to Approve ABA Legislative and Governmental Priorities**

The Board approved the following ABA Legislative and Governmental Priorities for 2013, as recommended by the Standing Committee on Governmental Affairs and the Governmental Affairs Office:

- Access to Legal Services
- Campaign Finance and Election Law Reform
- Criminal Justice System Improvements and Gun Violence Prevention
- Elimination of Discrimination
- Immigration Reform
- Independence of the Judiciary
- Independence of the Legal Profession
- International Rule of Law
- National Security and Civil Liberties

2.2b. **Presentation Regarding Political Action Committee**

Mark A. Tuohey III, Chair of the Standing Committee on Governmental Affairs, Stephen M. Ryan, a member of the Standing Committee on Governmental Affairs and an expert regarding political action committees (PACs), and Thomas M. Susman, Director of the Governmental Affairs Office, presented to the Board an informational report regarding the proposal to form an American Bar Association PAC. The report included a discussion of the definition of a PAC, the goals of a PAC, contribution strategies, and the pros and cons of forming a PAC. The agenda materials provided to the Board also included sample bylaws for an ABA PAC as well as frequently asked questions and answers.

2.3 **Membership Update**

Thomas R. Curtin, Chair of the Board’s Membership Subcommittee of the Operations and Communications Committee, and Sandra R. McCandless, a Membership Subcommittee member, led the Board’s discussion regarding membership. To provide context, it was noted that the challenges facing the Association’s membership are not new. The challenges are due, in part, to the economy and differences among generations. The Association does not have clearly defined membership goals and the Standing Committee on Membership and the ABA Membership and Marketing Department need direction from ABA leadership. Furthermore, ABA membership has
declined. Therefore, a decision must be made: Does the ABA stay the course? Does the ABA need assistance regarding membership? If the Association determines that assistance is needed, who will provide the assistance?

The Board then heard a presentation from Steve Adelstein, CEO of Trillium Solutions Group (Trillium). The retention of Trillium was authorized by the Board in November 2012 to evaluate and make recommendations regarding the ABA Membership and Marketing Department’s existing priorities, policies and structure. Trillium will issue a final report of its findings at the end of February 2013.

After further discussion, the Board authorized the Executive Director to develop and present business plans that will include specific action items to improve ABA membership, marketing, and non-dues revenue efforts. A business plan to enhance the ABA’s non-dues revenues will be made available for review by the Executive Committee and the Finance Committee not later than the time of the Finance Committee meeting on April 18, 2013. A business plan for Membership and Marketing is due at the June 2013 Board meeting. To develop the business plans, the Board authorized the Executive Director to identify any necessary resources outside the ABA, including consultants, and to obtain bids for any needed work.

2.4 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) a) heard a presentation from Palmer Gene Vance II, Chair of the Council of the FJE, regarding the report prepared by Campbell & Company on the FJE Resource Development Initiative, a project to develop a fully functional ABA Resource Development Office in order to increase revenue to meet the needs of the ABA’s public service programs.

In addition, the ABA/FJE Board b) approved the minutes of the November 10, 2012, meeting of the ABA/FJE Board as presented* and c) accepted the ABA/FJE restricted grants and contributions received or awarded through December 31, 2012, and not previously reported, as requested by the Association’s Financial Services Division.*

2.5 Request for Adoption of Memorial Resolutions*

The Board passed memorial resolutions recognizing the accomplishments, standards and achievements of former ABA President William Reece Smith, Jr. who passed away January 11, 2013; and b) former ABA Board member Gary A. Munneke, who passed away November 22, 2012.

2.6 Tort Trial and Insurance Practice Section Request for Adoption of Resolution to Commemorate the Section’s 80th Anniversary*

The Board adopted a resolution to commemorate the 80th anniversary of the Tort Trial and Insurance Practice Section.
2.7 Interim Report from the Committee on Board Procedures and Operations

Allen C. Goolsby, Chair of the Committee on Board Procedures and Operations (Procedures Committee), presented the interim report of the Procedures Committee. Mr. Goolsby advised that several of the recommendations of the Procedures Committee have been implemented (e.g., Sections are invited to give in-depth presentations to the Board at Board meetings). A draft of the Procedures Committee’s final report will be submitted at the June 2013 Board meeting and it is anticipated the final report will be submitted to the Board for consideration in August 2013.

Follow up: Sections/Section Officers Conference

Honorable Mary Ellen Coster Williams, a member of the Procedures Committee, presented a follow up report regarding ABA Sections and the Section Officers Conference. At the November 2012 Board meeting, over 20 ideas were suggested to enhance the relationship between Sections and ABA leadership. Several of the ideas have been implemented, including a) inviting Sections leaders to present in depth reports at Board meetings, b) advising Sections to contact Executive Director Rives with any questions or concerns they have, c) permitting Sections to inform the ABA President-elect of their Board liaison preferences, and d) encouraging Sections to communicate to the Board regarding information or recommendations that they have.

2.8 Report Regarding Strategic Planning

Cheryl I. Niro, Chair of the Board’s Program, Evaluation and Planning Committee, discussed a draft template of an organizational strategic plan for the American Bar Association. The draft template, which was distributed to the Board, included four unique deliverables of the ABA: a) be a national/international voice of the legal profession; b) protect, preserve and prepare the profession for the future; c) enhance the expertise, professionalism, diversity and quality of practice life of our members and the legal/judicial community at large; and d) be guardians of the constitutional system, access to justice and the practice of law. In addition, the draft template included management steps to ensure sustainability in a fluid and challenging market place. Ms. Niro encouraged the Board to review the draft strategic plan and comment on it.

2.9 Section Presentation: Business Law Section

Martin E. Lybecker, Chair of the Business Law Section, and Dixie L. Johnson, Business Law Section Chair-elect, presented to the Board a report regarding the work of the Business Law Section. The report included an overview of the structure of the Section (55,000 members, 72 committees of which eight have over 2,000 members), as well as its programming (170 programs/year) and its five-year business plan. President Bellows commended the Business Law Section for its outstanding work as well as for its initiative in working closely with other ABA Sections (e.g., Section of Litigation) and sharing content.
2.10  **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.

2.11  **Legal Education Update**

Kent D. Syverud, Chair of the Section of Legal Education and Admissions to the Bar, Honorable Solomon Oliver, Jr., Section Chair-elect, Barry A. Currier, Interim Consultant on Legal Education, and Honorable Randall Shepard, Chair of the Task Force on the Future of Legal Education, presented a legal education update to the Board. The update, which was distributed to the Board, included an overview of the structure of the Section, section staffing, core concepts of the ABA Standards for Approval of Law Schools, the number and types of legal education programs, the “separate and independent” requirement, financing of the Accreditation Project, law school growth over the years, application and enrollment trends, and the cost of legal education. The report also included ideas for reform and discussion.

2.12  **Report from the Magna Carta 2015 Committee**

Stephen N. Zack, Chair of the Magna Carta 2015 Committee, presented a brief report to the Board regarding the Committee’s activities. (See Exhibits 3.8 and 4.1b.)

2.13  **Report from the Task Force on Insurance Opportunities**

James Dimos, Chair of the Task Force on Insurance Opportunities and Chair of the Finance Committee, presented a brief report on the discussions the Task Force has had with the American Bar Endowment regarding insurance products for the ABA. Currently, the discussions have reached an impasse. It is hoped that discussions will move forward in the very near future.

2.14  **Report from the Commission on Disability Rights**

Katherine H. O’Neil, Chair of the Commission on Disability Rights, discussed with the Board the Commission’s toolkit, which is intended to assist ABA entities in planning meetings and events that are accessible to the entire ABA community, including persons with disabilities. The toolkit provides recommendations and checklists for all phases of a meeting or an event, from choosing the venue to promotion, registration, presentations, materials, social events and meals, and staff and volunteer training. Ms. O’Neil also discussed the use of technology to ensure that ABA publications are in accessible format. Kathleen J. Hopkins, Chair of the Standing Committee on Publishing Oversight, advised that there are presently 170 ABA books in accessible format. By the end of 2013, it is anticipated that 230 books will be accessible.
2.15  **Report Regarding Pro Bono Activities**

Larry A. McDevitt, Chair of the Standing Committee on Pro Bono and Public Service, and Steven B. Scudder, Committee Counsel, presented to the Board a report regarding ABA pro bono activities. The presentation included a report on the 2012 Celebration of Pro Bono initiative, which brings national focus to the important role lawyers play in their communities. In 2012, over 800 Celebration of Pro Bono events were held throughout the country.

Mr. McDevitt also referenced the executive summary of “Supporting Justice III: A Report on the Pro Bono Work of America’s Lawyers” (Report), which was distributed to the Board. The Report is the third empirical study to measure pro bono activity on a national basis. The objectives of the study analyzed in the Report were to quantify the amount of pro bono work done by attorneys, to identify the characteristics of pro bono service that can be used to guide development of new pro bono initiatives and communication surrounding the initiatives, to obtain demographics and work environment data, and to identify those factors that encourage or discourage pro bono service. The full report will be posted on the ABA Website in March 2013.

2.16  **Report Regarding 2013 ABA Day in Washington**

Linda A. Klein, Chair of the ABA Day in Washington Planning Committee, presented a report regarding 2013 ABA Day in Washington, to be held April 16-18, 2013. The headquarters hotel for 2013 ABA Day will be the Madison Hotel and the professional awards dinner will be held at the Library of Congress. Registration is now open and can be completed by visiting the home page on the ABA Website.

2.25  **INFORMATIONAL REPORTS**

The Board received written informational reports from the ABA *Journal* and the Commission on Women in the Profession.

3.  **OPERATIONS AND COMMUNICATIONS COMMITTEE**

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

3.1  **Requests for Bylaw Amendments**

a.  **Law Practice Management Section**

The Board approved the request of the Law Practice Management Section to amend its bylaws to a) change its name to the “Law Practice Division of the American Bar Association”, b) revise its mission statement, c) provide that any proposed changes to Section entities or to the Section’s organizational structure must be approved by the
Section Council prior to implementation, and d) ensure that each of the Section’s entities, as approved by Council annually in the event of revisions, sun-setting, restructuring or replacement, are properly filled by Section members in sufficient numbers to properly perform its functions. The proposed amendments were approved by the Section Council on May 4, 2012, and by the Section membership on August 3, 2012. Approval by the Board of the proposed bylaw amendment to change the Section’s name and status is subject to approval of the Section’s name change and status by the House of Delegates at the 2013 Annual Meeting.

b. Section of Antitrust Law

The Board approved the request of the Section of Antitrust Law to amend its bylaws to increase the term of its Secretary and Communications Officer position from one year to two years. The proposed amendment was approved by the Section Council on November 7, 2012.

3.2. Nominations

a. ABA Journal Board of Editors

The Board i) re-elected John R. Tarpley of Tennessee and Kathleen J. Hopkins of Washington State, and ii) elected Justice Patricia Timmons-Goodson of North Carolina to the ABA Journal Board of Editors, each for three-year terms to begin in August 2013 and conclude in August 2016, as recommended by the Journal Board. In addition, Mr. Tarpley was elected to chair the Journal Board.

b. Appellate Judges Education Institute (Judicial Division Appellate Judges Conference):

The Board approved, the request of the Judicial Division Appellate Judges Conference to elect Justice Frank Sullivan, Jr. of Indiana to fill the unexpired term of one of the two ABA representatives on the Board of Directors of the Appellate Judges Education Institute, effective immediately through the 2014 ABA Annual Meeting.


The Board elected Susan Barbieri Montgomery of Massachusetts as an ABA representative on the Board of Trustees of the American Intellectual Property Law Educational Foundation, to serve a three-year term commencing on July 1, 2013 and concluding on June 30, 2016, as requested by the Section of Intellectual Property Law.

d. The Law Association for Asia and the Pacific (LAWASIA) (Section of International Law)

The Board re-elected Michael E. Burke of Washington, DC to a three-year term as the ABA’s “Country Councillor” on the Law Association for Asia and the Pacific (LAWASIA)
Council, to begin in June 2013 and conclude in June 2016, as requested by the Section of International Law.

3.3 Task Force on Gender Equity Request to Approve One-Time Video and Essay Contest as Part of a Virtual Symposium on Equity in the Legal Profession*

The Board approved the request of the Task Force on Gender Equity for a one-time video and essay contest in 2013 as part of a virtual symposium on the legal profession. Videos and essays will be posted on the Task Force website to permit all symposium participants and the public to view the submissions and to cast their votes. A subcommittee of the Task Force’s Young Lawyers and Social Media Working Group will select five videos and five essays which will be sent to President Bellows and the Chair of the Task Force, who will select the winning entry in each category. The winning essay and winning video will be publicized via social media and a press release. In approving the request, the Board understood that no additional ABA general revenue is requested or required.

3.4 Commission on Disability Rights Request that the American Bar Association Sign Pledge for Change: Disability Diversity in the Legal Profession

The Board approved the request of the Commission on Disability Rights that the American Bar Association sign the Commission’s Pledge for Change: Disability Diversity in the Legal Profession. The Pledge, which was originally approved by the Board in 2009, currently has 146 signatories, including ABA Sections, Divisions, and Forums; law firms; large corporations; state and local bar associations; and law schools.

3.5 Requests to Enter into Memoranda of Understanding (MOU) with Outside Organizations

a. Judicial Division National Conference of the Administrative Law Judiciary (with Council of Canadian Administrative Tribunals)

The Board approved the request of the Judicial Division National Conference of the Administrative Law Judiciary (NCALJ) to enter into an MOU with the Council of Canadian Administrative Tribunals (CCAT). The MOU, which has been approved by the Office of the General Counsel, grants reciprocal privileges to attend conferences and other events, hosted solely by either entity, where membership discounts apply. The MOU would remain in effect until August 1, 2013. In addition the Board authorized co-sponsorship of programs and events between NCALJ and CCAT that take place within the time frame of the MOU, with the understanding that requests for co-sponsorship of such programs will be submitted to the Board’s Operations and Communications Committee or to the Standing Committee on Continuing Legal Education for approval, as appropriate.
b. **American Bar Association (with Union Internationale des Avocats)**

The Board approved, subject to review and approval by the Office of the General Counsel, President Bellows’ request for a Memorandum of Mutual Cooperation (MOU) between the ABA and the Union International des Avocats (International Association of Lawyers), effective March 8, 2013, until either party requests its termination in writing to the other. Under the terms of the MOU, the parties agree, in pertinent part, to:

i) establish and maintain a long-term and collegial relationship to foster greater cooperation between the legal professions of member countries; ii) welcome and host delegations from respective member countries and associations; iii) identify opportunities to conduct joint dialogue and exchange activities, including but not limited to, study tours, training programs, seminars and joint research projects; iv) engage in dialogue and exchange information on programs to advance human rights and the rule of law; v) cooperate in the advancement of legal ethics, pro bono and support for legal aid programs; vi) engage in dialogue regarding transnational legal practice; vii) cooperate in exploring opportunities for mutual assistance in membership development; viii) continue with the representative program between the ABA and the UIA; and ix) promote gender equality in both associations.

c. **American Bar Association (with Inter-American Bar Association)**

The Board approved, subject to review and approval by the Office of the General Counsel, President Bellows’ request for a Memorandum of Mutual Cooperation (MOU) between the ABA and the Inter-American Bar Association for the purposes of working together on issues of human trafficking, globalization of the legal profession in the Americas, appropriate funding for the Judiciary of the Americas, and upholding the rule of law in the Americas, and sponsoring conferences and seminars on these issues. The MOU is effective upon signature of the parties and remains in effect until one party notifies the other of its withdrawal from the MOU. Either party may unilaterally withdraw from the MOU at any time and for any reason by giving a 30-day advance notice to the other party, stating its decision to withdraw and the effective date of termination.

3.6 **Request to Amend Corporate Support Guidelines and Procedures**

The Board adopted the following amendments to the current Corporate Support Guidelines and Procedures (Policy), approved by the Board in 2002, as recommended by the Subcommittee on Corporate Sponsorship (Subcommittee) of the Operations and Communications Committee:  

a) The amendment to section 2.8 clarifies that, in accordance with existing ABA policy, all licensing arrangements must be included in the sponsorship contract.  
b) The amendment to section 2.10 permits entities to engage in focus groups and product development testing, and permits members to write product reviews as part of the sponsorship arrangements with appropriate parameters and the understanding that there will not be endorsement of products.  
c) An addendum has been added to the Policy which provides information regarding unrelated business income and its tax implications as discussed in section 2.14.
The Subcommittee also recommended that efforts be made to fund a Corporate Sponsorship staff position which would be valuable in increasing non-dues revenue for entities during a time of fiscal constraints on general revenue funding.

3.7 Section of Real Property, Trust and Estate Law Request for Dues Increase

The Board approved the request of the Section of Real Property, Trust and Estate Law to increase its annual lawyer and associate member dues from $55 to $70, effective with the 2013-2014 Association year. The Section Council voted to approve the dues increase on November 11, 2012.

3.8 Magna Carta 2015 Committee Request to Approve Partnership to Publish Special ABA Edition of Book to Commemorate the 800th Anniversary of the Magna Carta

The Board approved the request of the Magna Carta 2015 Committee for a partnership with Third Millennium Information (TMI), a British based publisher, to produce a special ABA edition of a commemorative book in honor of the 800th anniversary of the sealing of the Magna Carta. The Board’s approval was with the understanding that the final agreement between the ABA and TMI will a) specifically provide that the Association shall incur no financial liability if an insufficient number of ABA members are recruited to share in the underwriting, and b) will be subject to review and approval by the Office of the General Counsel.

3.9 Death Penalty Moratorium Implementation Project Request for Name Change

The Board deferred the request of the Death Penalty Moratorium Implementation Project to amend its jurisdictional statement, in pertinent part, to change its name to the “ABA Death Penalty Review and Education Project” and to reduce mischaracterization of ABA policy regarding the death penalty and mischaracterization of the project’s purpose. Deferral of the request will permit representatives of the Death Penalty Moratorium Implementation Project and the Death Penalty Representation Project to resolve concerns that the Death Penalty Representation Project has with the proposed name change. Once concerns are resolved, the Operations Committee shall meet expeditiously, at the call of the Operations Committee Chair, to vote upon the request, as it may have been revised.

3.10 Business Law Section Request to Submit Technical Comments to Five Banking Agencies and Notifications from the Sections of Administrative Law and Regulatory Practice and Real Property, Trust and Estate Law and International Law to Serve as Reviewing Entities for These Technical Comments

Pursuant to the Association’s Blanket Authority Procedure, the Board approved, as submitted, the request of the Business Law Section to submit technical comments to the a) Board of Governors of the Federal Reserve System, b) Federal Deposit Insurance Corporation, c) Financial Stability Oversight Council, d) Office of Financial Research in the Treasury Department, and e) Office of the Comptroller of the Currency. In addition,
in accordance with the Blanket Authority Procedure, the Board received notifications that the sections of Administrative Law and Regulatory Practice, Real Property, Trust and Estate Law, and International Law wished to serve as reviewing entities for these technical comments. The notifications were received for informational purposes. No action was required by the Board.

3.11 Standing Committee on Membership (SCOM) Requests

a. Request to Add Two New Dues Pilots and to Continue Four of Five Existing Dues Pilots

The Board approved the request of the Standing Committee on Membership to i) add a “25% Promotional Offer Pilot” and a “Free ABA Membership with Paid Section Membership Pilot;” ii) continue the a) Full Firm Membership Program (formerly called Flat Rate Firm Group Billing), b) Public Service Membership Program (formerly the Institutional Flat Rate Group Billing), c) 50% Promotional Offer, and d) JAG Waiver for First Five Years; and c) discontinue the Extended New Bar Admittee Period Pilot.

b. Request Regarding List Sales Allocation

The Board deferred to the June 2013 meeting of the Board the request of the Standing Committee on Membership to revise the 1982 policy regarding royalties paid to Sections resulting from rental of Section member address lists to third parties to replace the use of estimated costs with actual costs. Deferral will permit the chairs of the Operations and Communications Committee, Standing Committee on Membership, and Section Officers Conference to confer regarding the request.

c. Request for Member Benefit Program with Practice Solutions (A Bank of America Business Unit):

The Board approved the request of the Standing Committee on Membership to expand the Bank of America (B of A) member benefit program to include business loans through Practice Solutions, a business unit of B of A that provides business financing products to professional practices. The program will provide benefits for ABA members through 50% discounts on loan origination fees. In addition, and only for the ABA, Practice Solutions will offer business lines of credit for stand-alone agreements and when the line of credit is an accompaniment to another loan. The ABA will receive royalties of 0.25% on all loans except commercial real estate, and 0.10% on commercial real estate loans. Further, Practice Solutions will pay an annual marketing fee.
3.12 President-elect Silkenat’s Request for Approval of 2013-2014 Meeting Dates and Locations

The Board approved the following dates and locations for meetings of the Board for 2013-2014:

November 14-17, 2013
The Ritz-Carlton New York, Battery Park
New York, NY

February 5-7, 2014 (in conjunction with the ABA Midyear Meeting)
Hyatt Regency Chicago
Chicago, IL

June 3-6, 2014 (meeting shifted one day earlier, to a Wed.–Fri. meeting pattern)
InterContinental Kansas City at the Plaza
Kansas City, MO

August 6-8, 2014 (in conjunction with the ABA Annual Meeting)
Sheraton Boston
Boston, MA

B. MATTERS OF INDEPENDENT JURISDICTION

3.15 Requests for Co-Sponsorships

The Operations and Communications Committee **approved, with one amendment to 3.15i noted below**, co-sponsorship requests from the following entities. No additional ABA general revenue is requested or required for the co-sponsorships.

a. Commission on Law and Aging: to co-sponsor with the 10 entities listed in the request the “Third World Congress on Adult Guardianship”, May 28-30, 2014, in Washington, DC.


c. Commission on Immigration: to co-sponsor with the Capitol Area Immigrant Rights Coalition a program to recruit and train pro bono attorneys to represent immigration detainees with mental disabilities, February 21, 2013, at the Cooley LLP law firm in Washington, DC.

d. Commission on Women in the Profession: to co-sponsor with DirectWomen the Commission’s Midwest Regional Summit for women general counsel and senior women in-house counsel in March 2013 at ABA headquarters in Chicago, Illinois.

f. **Section of Antitrust Law (Two Requests)**:
   
i. to co-sponsor the “Antitrust Law & Economics Institute for Judges Conference” with the Law & Economics Center of George Mason University School of Law in 2013, 2014, and 2015.

   ii. to co-sponsor competition law sessions with the Inter-Pacific Bar Association (IPBA) during IPBA’s Annual Meeting in Vancouver, Canada, May 8-11, 2014, and during the IPBA’s Annual Meetings in 2015 and 2016 (dates/locations to be confirmed).

g. **Section of Environment, Energy, and Resources**: to continue the “ABA-EPA Law Office Climate Challenge” and work with the Environmental Protection Agency from March 2013-August 31, 2013 (to ensure that the program expiration matches the ABA fiscal year and leadership appointments), and in FY2013-2014, FY2014-2015, and FY2015-2016.

h. **Section of Intellectual Property Law (Two Requests)**:
   

   ii. to co-sponsor USTPO’s Innovation Expo 2013 in June in Alexandria, Virginia.

   i. **Special Committee on Bioethics and the Law**: to partner with the American Society for Bioethics and Humanities for a series of programs and other activities beginning in FY2012-2013. (NOTE: The Operations Committee approved the request for three years only, i.e., FY2013-2013, FY2013-2014, and FY2014-2015.)

4. **PROGRAM, EVALUATION AND PLANNING COMMITTEE**

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

4.1 **Requests to Solicit Outside Funding**

a. **Coalition on Racial and Ethnic Justice**

The Board approved the request of the Coalition on Racial & Ethnic Justice (COREJ), on behalf of its newly formed Stand Your Ground Task Force (Task Force), to conduct fundraising to outside organizations to sponsor the Task Force’s activities (hearings,
meetings, research and programs), with the understanding that any grants received are subject to the new, revised grants policy. (See Exhibit 4.3.) COREJ intends to solicit funding from i) non-profit, community social justice organizations and Federal governmental agencies; ii) regional, state, local, county, minority, and women’s bar associations; iii) regional law schools; iv) regional community and public stakeholders; and v) corporations.

b. Magna Carta 2015 Committee

The Board approved the request of the Magna Carta 2015 Committee to solicit funding from outside the ABA and from individual ABA members to support activities related to the celebration of the 800th anniversary of Magna Carta, with the understanding that any grants received are subject to the new, revised grants policy. (See Exhibit 4.3.) Solicitation will begin during the current Association year and continue through the 2014-2015 Association year. Major activities to be supported by such funding will include i) the repair of the ABA Memorial at Runnymede, and the establishment of an endowment to ensure future maintenance of the Memorial, ii) the development of educational activities in U.S. schools and other organizations, iii) the organization and facilitation of substantive programs throughout the United States and in the United Kingdom, iv) the facilitation of other activities (e.g., a historical series for television) to raise awareness about the rule of law, and v) outreach to other countries.

4.2 Standing Committee on Lawyer Referral and Information Service Request to Create Program Support Fund

The Board approved the request of the Standing Committee on Lawyer Referral and Information Service to create a Program Support Fund (PSF) to support the Standing Committee’s legal education activities. Revenue sources for the PSF will be monies generated from educational programs underwritten by the PSF including, but not limited to, registration fees and sponsorships. The PSF will be used to develop educational materials, training sessions, and programs to support local and regional public service lawyer referral programs and their panel attorneys.

4.3 Request for Approval of Revised Grants Policy

The Board approved, with two additional changes, the request of the Council of the Fund for Justice and Education for revisions to the grants policy that was adopted in October 2010. In pertinent part, the revisions provide a) for a certification process regarding the indirect cost recovery rate, which includes a discussion of any material issues implicated by acceptance of the grant or which create any material risk to the entity, the Association or its members, as well as b) a process for resolution of conflicts between entities submitting grant applications to conduct programs in the same substantive area or in the same category of programs identified by a potential funder. (Note: Grants existing at the time of adoption of the revised policy are not required to seek approval under the revised process. However, any new extension or expansion of the existing grant will be subject to the revised process.)
4.4 Council of the Fund for Justice and Education Request to Approve Naming Opportunity for Legal Opportunity Scholarships

The Board approved the request of the Council of the Fund for Justice and Education to name Legal Opportunity Scholarships in honor of an organization or ABA entity if it meets the following criteria: a) the organization or entity must contribute a minimum amount, which will support one full scholarship; b) the naming opportunity will exist for a period of three years (or the completion of one recipient’s law school term in the case of part-time students) for each contribution; c) the naming opportunity will be subject to renewal if the organization or entity commits an additional contribution; and d) the organization or entity will be contractually committed to funding the full amount of the scholarship.

4.5 Request to Approve 19 Outside Funding Requests Received Through the FY2013-2014 Annual Planning Process

Following review by the Office of the Fund for Justice and Education and the Office of the General Counsel, the Board approved the following 19 requests to seek outside funding that were received from various ABA entities through the FY2013-2014 Annual Planning Process, with the understanding that any grants received are subject to the new, revised grants policy. (See Exhibit 4.3.):

a. ABA Day in Washington Planning Committee
b. ABA Rule of Law Initiative (Various)
c. Center for Human Rights (1)
d. Center for Professional Responsibility (2)
e. Standing Committee on Client Protection (3)
f. Standing Committee on Professional Discipline (2)
g. Standing Committee on Professionalism (1)
h. Standing Committee on Specialization (1)
i. Criminal Justice Section (3)
j. Standing Committee on Federal Judicial Improvements (1)
k. Standing Committee on Gun Violence (1)
l. Commission on Immigration (2)

B. MATTERS OF INDEPENDENT JURISDICTION

The Program, Evaluation and Planning Committee (Program Committee) discussed the process and developed a list of criteria to use for its March 1st meeting to develop recommendations for the Finance Committee for the budget.

The Program Committee also discussed a template for development of an ABA Strategic Plan.
5. **FINANCE COMMITTEE**

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

5.1 **Request for Authority to Borrow Money and/or Liquidate Investments**

The Board a) authorized the Deputy Executive Director and Chief Financial Officer (CFO), in consultation with the Treasurer and Executive Director, to a) determine the most effective method of providing funding of ABA operational and capital expenses during the 12 month period commencing on the date of such authorization, b) authorized the Deputy Executive Director and CFO and/or Executive Director, based on the determination of funding method, to execute the appropriate paperwork with one or more of the ABA’s existing banking relationships to borrow money or to liquidate investments during such 12 month period, provided that the aggregate amount of investments liquidated pursuant to such authorization and the amount of debt incurred pursuant to such authorization that is outstanding at any one time does not exceed the amount authorized by the Board.

5.2 **Standing Committee on Audit Report: Request for Acceptance and Approval of Audited Financial Statements**

The Board approved and accepted the American Bar Association consolidated financial statements, details of consolidation and other information for the years ended August 31, 2011 and 2012, with the report of the independent auditor (Financial Statements), in the form submitted to the Board of Governors at the February 2013 meeting of the Board.

Further, the Board approved and accepted the Single Audit Reports for the American Bar Association for the year ended August 31, 2012, with the reports of the independent auditor (Single Audit Reports), in the form submitted to the Board of Governors at the February 2013 meeting of the Board.

5.3 **Recommendation Regarding Dissolution of The James O. Broadhead Corporation**

The Board adopted a resolution recommending that the Directors of The James O. Broadhead Corporation (Corporation) authorize the dissolution of the Corporation and the transfer of the Corporation’s assets to the ABA.

5.4 **Request to Create Pricing Strategy Advisory Group**

The Board a) approved the creation of a Pricing Strategy Advisory Group (Group) i) to assess the effectiveness of the current ABA dues structure and make recommendations to the Finance Committee and to the Board on how the ABA should configure its dues structure for the future, and ii) to make periodic reports to the Finance Committee and the Board of Governors, with a final report and recommendation to the Finance Committee and to the Board of Governors no later than the Fall 2014 Finance Committee and Board meetings; b) authorized the President and President-elect to
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appoint up to twenty (20) members, including Board and non-Board members, to constitute the Group; and c) approved the expenditure of funds to support the work of the Group.

New Item 5.5 Report and Recommendations of the A-E-F-C Pension Plan Administration Committee

The Board approved the first amendment to the A-E-F-C Pension Trust Agreement to permit instructions, directions, and other communications to be given to the Plan Trustee, The Northern Trust Company, in electronic format, and authorized the proper officers to execute the amendment.

New Item 5.6 Report of the A-E-F-C Pension Plan Administration Committee

The Board authorized the Treasurer to take the following actions on behalf of the Plan Sponsor of the A-E-F-C Pension Plan:

a) Move the pension contribution that is currently scheduled for 9-15-13 up to a date that is on or before 4-15-13, adjust it for interest as determined by the plan’s actuary, and consider it to be a contribution for the 2012 plan year.

2. Move the pension contribution that is currently scheduled for 10-15-13 up to a date that is on or before 9-15-13, adjust it for interest as determined by the plan’s actuary, and consider it to be a contribution for the 2012 plan year.

3. Consider the contributions that are due by 4-15-13 and 7-15-13 to be for the 2012 plan year.

4. Add any amount that could be considered an "excess contribution" for the 2012 plan year to the plan’s Credit Balance as of 1-1-13 in time so that it can be used to satisfy the plan’s 4-15-13, 7-15-13, and 10-15-13 quarterly contribution requirements.

5. To the extent possible, use the plan’s 1-1-13 Credit Balance to satisfy the 2013 plan year quarterly contribution amounts that are due on 4-15-13, 7-15-13, and 10-15-13.

New Item 5.7 Finance Committee FY2014 Budget

The Board directed management of the ABA to submit a consolidated budget to the Finance Committee at its April 2013 meeting, the budget to include a balanced General Operations budget that includes as revenue: a) 5% of the average fair market value of the Permanent Reserve at the times specified under current ABA policy; b) 5.5% of the General Fund as specified under current ABA policy; (3) 5.5% of the average of the amounts reflected in the Long Term Investments from D.C. Building line item of the ABA financial statements at the end of each of the consecutive calendar quarters from the date of the sale of the D.C. Building to the beginning of FY2014; and d) funds from ABA unrestricted undesignated net assets.
New Item 5.8  Investment Policy Update

The Board updated the ABA’s investment policy to provide that the asset allocation policy may incorporate the following alternative asset classes: a) Hedge Funds; b) Alternative mutual funds; c) Commodities; and d) Real Estate.