

CHARTERS FOR PROPOSED BOARD COMMITTEE STRUCTURE

CHARTER OF BOARD EXECUTIVE COMMITTEE

The Board Executive Committee shall be chaired by the President of the Board of Trustees and its membership will consist of the Chairs of the Regulation and Discipline Committee, the Admissions and Education Committee, the Planning and Budget Committee, the Stakeholders and Access to Justice Committee and the UPL Oversight Committee, two public members, and the Executive Director. The Executive Director shall be a member of the Board Executive Committee but shall have no vote and not count towards a quorum of the Board. The Vice President of the State Bar serves as the Vice Chair of the Board Executive Committee. The Committee shall be responsible for the effective functioning of the State Bar Board of Trustees, for the maintenance and development of Board–Executive Director working relationship, and for oversight of certain high–level internal operational matters. This charter shall be accomplished as follows:

- Oversee the functioning of the Board of Trustees by coordinating the work of the other Board Committees, keeping the Board Mission updated, setting Board Member performance standards and monitoring Board Member performance.
- Oversee the work of the Nominations and Appointments Committee and the Audit Committee and review recommendations for Board action arising from those Committees absent a particular need to refer an item from one of those Committees directly to the Board.
- Inform the legal community about the work of the Board and fashion and execute strategies that encourage qualified and diverse candidates to stand for election or appointment to the Board.
- Develop and oversee execution of a formal Board member capacity building program, including such elements as orientation of new members, continuing education and training, and a mentoring program pairing new members with senior Board members.
- Oversee the Board Secretary function.
- Ensure that the Executive Director/Chief Executive Officer position description is updated as necessary to reflect changing State Bar needs, priorities, and circumstances. Annually negotiate Executive Director performance targets and annually or semi-annually evaluate progress in achieving these targets.
- Address legal issues that have typically come before the former Legal Committee, recommending Board action as appropriate and provide oversight of litigation involving the State Bar.
- Address internal operational issues not falling within the purview of the other Board committees and non-delegable to staff (e.g. ratifying union/management

Memoranda of Understanding and recommending changes to internal rules and regulations such as conflict in interest policies), recommending Board action as appropriate.

- Take action on behalf of the Board in rare emergency situations when it is impractical to convene a full Board meeting.
- Perform such other functions relevant to the committee's subject area as the Board of Trustees may from time to time assign.

CHARTER OF STAKEHOLDERS AND ACCESS TO JUSTICE COMMITTEE

The Stakeholders and Access to Justice Committee shall be responsible for developing, maintaining and/or improving effective relationships with the State Bar's most important stakeholders; maintaining a positive, productive working relationship between the State Bar and its attorney members, and between the State Bar and the Council of State Bar Sections and other groups of the State Bar relating to the scope of this committee's work.

This committee's charter shall encompass attorney member practice issues and service programs for the benefit of or relating to members. This charter shall be accomplished as follows:

- Oversee the development of strategies for building understanding and respect for the State Bar, lawyers, and the legal profession; and for developing and/or maintaining close, positive relationships with key external stakeholders (utilizing the resources of the State Bar's Communications/Media and Information Services, Legislative, and Court Relations programs) — carrying out this responsibility within the State Bar planning process and in coordination with the Planning and Budget Committee.
- Oversee the administration of member/customer/constituency services and surveys, reviewing such surveys, and reporting results to the Board as appropriate.
- Oversee the development and implementation of State Bar operational policies as needed to guide programs and functions dealing with attorney members, so long as these policies do not alter approved goals or results in changes in the adopted budget.
- Help to develop and expand resources for civil and legal services to low- and moderate-income persons.
- Ensure — through detailed strategy formulation and careful monitoring — that the State Bar's working relationship with the Council of State Bar Sections and other groups of the State Bar (relating to the scope of this committee's work) is positive and productive.
- Monitor and develop programs relating to attorney member practice issues and service programs for the benefit of or relating to members, including issues and programs relating to the diversification of the legal profession.

- Oversee the development and implementation of legislative relations policies and strategies.
- Oversee Board member participation in outreach programs in appropriate forums on behalf of the State Bar.
- Work with Board appointed committees and task forces to oversee and develop the Bar's access to justice programs, including identifying and distributing funding and identifying opportunities and challenges for ensuring access to justice by Californians of all income levels and from each of our state's diverse communities.
- Perform such other functions relevant to the committee's subject area as the Board of Trustees may from time to time assign.

CHARTER FOR REGULATION AND DISCIPLINE COMMITTEE

The Regulation and Discipline Committee is a performance-monitoring committee without planning responsibilities. It is accountable for monitoring the operational and financial performance of the State Bar's Regulation and Discipline functions such as monitoring the work of the Client Security Fund Administration, the State Bar Court, Discipline Enforcement, and Mandatory Fee Arbitration. The Regulation and Discipline Committee is accountable for the following functions in the area of Regulation and Discipline:

- Establish the key elements of a programmatic and financial reporting process, including the content, format, and frequency of performance reports to the Board, and overseeing implementation of the process.
- Oversee (as provided by statute: Bus. & Prof. Section 6079.5), the work of the Chief Trial Counsel, who reports to and serves under this Board committee.
- Review performance reports in committee meetings and report program and financial performance to the full Board.
- Identify needed corrective actions in ongoing programs and functions that do not require revision in approved program and functional goals or changes in the approved budget, and overseeing the implementation of such actions.
- Oversee the development and implementation of State Bar operational policies as needed to guide programs and functions dealing with Regulation and Discipline, so long as these policies do not alter approved goals or result in changes in the adopted budget.
- Oversee the preparation of in-depth assessments of program/function effectiveness for presentation at the annual strategic work session.
- Present an overall assessment of the past year's fiscal and program performance at the annual strategic work session.

- Review internal and external audit reports as they relate to the Regulation and Discipline functions of the Bar and overseeing corrective actions.

CHARTER FOR ADMISSIONS AND EDUCATION COMMITTEE

The Admissions and Education Committee is a performance-monitoring committee for the operational and financial performance of the State Bar's admissions and education functions, such as monitoring the work of the Committee of Bar Examiners, Professional Competence, and Special Admissions (Foreign Legal Consultants; Practical Training of Law Students, Pro Hac Vice & Out-Of-State Attorney Arbitration Counsel), Legal Specialization, and Pre-licensing and continuing education. The Admissions and Education Committee is accountable for the following functions:

- Establish the key elements of a programmatic and financial reporting process, including the content, format, and frequency of performance reports to the Board, and overseeing implementation of the process.
- Review performance reports in committee meetings and reporting program and financial performance to the full Board.
- Identify needed corrective actions in ongoing programs and functions that do not require revision in approved program and functional goals or changes in the approved budget, and overseeing the implementation of such actions.
- Oversee the development and implementation of State Bar operational policies as needed to guide programs and functions dealing with Admissions and Education, including Mandatory Continuing Legal Education (MCLE) requirements, so long as these policies do not alter approved goals or result in changes in the adopted budget.
- Oversee the preparation of in depth assessments of program/function effectiveness for presentation at the annual strategic work session.
- Perform such other functions relevant to the committee's subject area as the Board of Trustees may from time to time assign.

CHARTER FOR PLANNING AND BUDGET COMMITTEE

This Committee's charter is to develop and lead the Board's participation in all State Bar planning, budget preparation, and program implementation. The Treasurer of the State Bar shall serve as Chair or Vice Chair of the Planning and Budget Committee and shall report to the Board regarding matters involving the budget and internal financial controls through the Planning Committee. This charter is to be accomplished as follows:

- In consultation with the President, Vice President and Executive Director on the detailed design of the State Bar's planning and budget development cycle -- with special attention to the Board's role in planning -- and on the annual planning calendar, and ensuring that the Board participates fully and proactively in the planning process.

- Coordinating with the President and Vice President the overseeing and preparation for, and hosting, the annual strategic work session.
- Recommending to the full Board the strategic issues that will be added annually to the State Bar's Strategic Plan, updated values, vision, and mission statements, operational planning priorities, the annual budget, and other strategic and policy-level products that merit full Board attention.
- Ensuring as part of the annual operational planning/budget preparation process that all program plans include both financial and programmatic performance targets that the Performance Oversight Committees can use in monitoring the programmatic and financial performance of all State Bar programs and operating units.
- Designing appropriate input and participation of State Bar non-governing standing committees (e.g., Committee on Administration of Justice) in the State Bar planning process.
- Perform such other functions relevant to the committee's subject area as the Board of Trustees may from time to time assign.

CHARTER FOR UPL COMMITTEE

This Committee's charter is to develop and lead the Board's participation in all State Bar Unauthorized Practice of Law enforcement for the protection of the public. This charter is to be accomplished as follows: The Board UPL Oversight committee develops policy for implementation of the Bar's UPL enforcement activities and to review the performance of the UPL unit. It shall have a majority of members who are not licensed attorneys and may include non-Trustees to accomplish that majority.

CHARTER FOR AUDIT COMMITTEE

I. Delegation of Authority to the State Bar Audit Committee

A. Charge: The State Bar Audit Committee is charged with the following responsibilities:

1. Selecting the independent auditor for the State Bar's annual financial statement audit;
2. Monitoring the progress of the financial statement audit;
3. Evaluating the results of the financial statement audit;
4. Ensuring that control weaknesses and legal compliance violations identified in the course of the financial statement audit are promptly and effectively remedied;
5. Serving as a direct communications link between the Board of Trustees and the independent auditor; and
6. Monitoring the adequacy of the State Bar's internal control structure on an ongoing basis.

B. Access to Information: The State Bar Audit Committee may request any independent auditor, expert, officer, trustee, agent or employee of the State Bar to appear before it to report on the financial condition of the State Bar and answer any questions the Committee might have, relating to the accomplishment of its responsibilities enumerated under section I.A.

II. Role and Responsibility of the State Bar Audit Committee

A. Oversight Scope Defined: The role and responsibility of the State Bar Audit Committee is oversight, not preparation or operation. State Bar Management is responsible for preparing the financial statements, governmental and other reports of the State Bar, for operating the State Bar, including its financial and accounting systems, and for assuring compliance with applicable laws and with policies and procedures established by the Board. The outside auditors are responsible for auditing the financial statements and such other functions as they are specifically engaged to audit.

B. Reliance on Management, Auditor, and Advisory Information: In carrying out its oversight function, the State Bar Audit Committee is not expected to provide expert or special assurance as to the State Bar's financial statements or professional certification as to the work of the State Bar's staff or of the outside auditors. In discharging their duties, the members of the State Bar Audit Committee may rely on information, opinions, reports or statements, including financial statements or other financial data, prepared or presented by officers, employees, internal or external counsel, public accountants, committees of the board duly designated with authority in particular areas, or other persons whom the member believes are reliable and competent in the matters presented, provided that in so relying the member is acting in good faith and with that degree of diligence, care and skill which ordinarily prudent the State Bar Audit Committee members would exercise under similar circumstances. The Chief Financial Officer is charged with presenting all material matters to the State Bar Audit Committee not satisfactorily resolved by State Bar Management, including expedient contact with the State Bar Audit Committee Chairperson when necessary.

III. Customary Activities of the State Bar Audit Committee

The following functions are appropriate common recurring activities of the State Bar Audit Committee in carrying out its oversight function.

A. External Audit:

1. Recommend appointment of the external auditors, taking into account the recommendation of the Executive Director and Chief Financial Officer, for approval by the full Board of Trustees.
2. Review and approve the annual audit scope and fees of the external auditors.
3. Evaluate the independence of the external auditors, including their recent or planned future engagement by the State Bar for non-audit services.
4. Evaluate the report of the external auditors regarding the results of the annual audit including, but not limited to:
 - a. The audited financial statements and management letter recommendations and Management's responses thereto.
 - b. The adequacy of the State Bar's system of internal controls.
 - c. Management's cooperation with the external auditors.

d. The adequacy of the State Bar's accounting policies and practices, including the level of compliance with governmental regulations and with recent professional pronouncements and their impact on the financial statements.

B. Financial Management:

1. Review and evaluate Management's determination of the adequacy of the State Bar's system of internal controls and the extent to which recommendations made by external auditors have been implemented.

2. Review the results of the biennial performance audit conducted by the State Bureau of Audits.

3. Review reports of external auditors or consultants engaged for specific purposes.

C. Other Functions of the State Bar Audit Committee:

1. Provide advice and counsel to the Executive Director and Chief Financial Officer.

2. Perform such specific oversight functions as expressly requested by the Board of Trustees.

The Audit Committee is chaired by the Treasurer and should have the goal of including at least one public member of the Board of Trustees.

CHARTER OF NOMINATIONS AND APPOINTMENTS COMMITTEE

The Nominations and Appointments Committee is responsible for advising the Board on its responsibilities to nominate and appoint members of Bar and non-Bar bodies and its charge includes:

- Recommending non-disciplinary appointments to the State Bar's standing committees, section executive committees, special committees, boards and commissions, and external entities (formerly the responsibility of the appointments Committee of the Board of Trustees).
- Ensuring adequate public notice of appointment opportunities to ensure a well-qualified and diverse field of applicants.
- Perform such other functions relevant to the committee's subject area as the Board of Trustees may from time to time assign.