

# Statement of Qualifications, Proposals, and Priorities

## Heather Linn Rosing

*Candidate for the Presidency of the State Bar of California*



Fellow Trustees:

We serve at a time of great need and a time of great opportunity for the State Bar of California. We have accomplished much, but still have far to go. Our strength lies in the recognition of this, and in our willingness to work together to accomplish our vitally important mission.

In nearly four years on the Board, serving as both Treasurer and Vice President, I have learned much about the organization, and have been entrusted with an array of responsibilities and projects. I have dedicated myself to achieving positive change. Through this experience, I have gained great confidence in our staff and in our Board, and believe that we have a solid structure in place to serve the public and improve the profession. The groundwork has been laid, and I ask you to entrust me with the task of helping us to build on these accomplishments, as the next President of the State Bar. I

promise you that I will wholly dedicate myself to the organization, and work with every Trustee to continue to realize our full potential and create a positive impact. I will bring to you bold leadership, a clear vision, and an emphasis on unity.

Thank you for your consideration of this statement.

### A. Qualifications

#### ○ *Background in Board Committee Work*

During my time on the Board, I have served on nearly every committee, giving me a very deep understanding of the organization, its accomplishments, and its challenges.

I have served as the Chair of both the Audit Committee and the Planning and Budget Committee (P&B), which focus on critical areas such as fiscal prudence, financial transparency, best practices, internal controls, and fund accounting principles. The following are a few of our notable accomplishments:

- Selected a new financial statement auditor (Moss Adams) after 7 years with their predecessor, and created a revised process that ensures an unprecedented level of Trustee involvement in the financial audit.
- Embraced the statutory and committee mandate to engage in long-term strategic planning, and engaged in a year-long, highly collaborative process to craft a policy-level plan that reflects very broad consensus among us. (Thank you for your contributions to that!)
- Mandated a periodic internal control review and audit procedure.

- Improved the budgeting process to present more information to the Board upon adoption, and to ensure true accountability at the cost-center level.
- Improved the budget amendment methodology and review of budget-to-actual variances.
- Raised the level of awareness of the lack of necessary funding for the Client Security Fund (CSF), and led a structured effort to identify and analyze solutions.
- Reviewed and recommended improvements in our fund accounting practices, to ensure appropriate fund balances and reserves, in part to ensure the appropriateness of the membership fee.

Craig Holden, Michael Colantuono, and I were also appointed to serve on a Governance Working Group to examine the officer roles and effectiveness of the Board committee structure. We examined the history of the committees in depth, and worked to restructure them to use Board talent and staff resources most efficiently. We recommended many notable reforms, such as the creation of the Admissions and Education Committee, the elevation of the Audit Committee function to the Executive Committee level, and the delineation of responsibilities for the statutorily-mandated officers.

One of my most fulfilling leadership roles to date was serving as the Chair of the Regulations, Admissions, and Discipline Oversight Committee (now the Regulations and Discipline Committee). Utilizing the considerable talents of Vice-Chair Dennis Mangers and Chief Trial Counsel Jayne Kim, as well as our Trustees, we instituted a series of changes, opened up new lines of communication, and improved the reporting mechanisms. Within a very short period of time, this active committee:

- Established a new and robust structure for regular meetings with OCTC, CSF, and the State Bar Court, to review performance, fulfill our oversight role, and offer assistance.
- Worked closely with the Presiding Judge of the State Bar Court to examine the relationship between RAD and the State Bar Court, to ensure both an effective, efficient system and an independent judiciary.
- Provided a high degree of oversight of the development of the OCTC CMS system, with a recommendation for the retention of an outside consultant to assist in structuring the project.
- Developed a new and even more transparent system of monthly reporting to the RAD Committee, with an emphasis on the metrics of OCTC, CSF, and the State Bar Court.

#### ○ *Service in Two Officer Roles—Treasurer and Vice President*

I was elected Treasurer and served in 2013-2014.<sup>1</sup> As just the second Board Treasurer following adoption of SB 163, I spent significant time working on the structure and responsibilities for the position, to give it meaning and accountability. Together with Craig Holden and Michael Colantuono, I helped develop the description for the position adopted by the Board. We gave substantial attention and consideration to the Treasurer's role in budgeting, internal controls, and stewardship of the State Bar's assets.

Working with Craig Holden as the P&B Chair, I helped develop a procedure for educating Trustees on the budget process; worked on a policy to address year-end balances in the general fund; examined the

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<sup>1</sup> The Legislature mandated this position, as well as the other two officer positions (Vice President and President), as part of the SB 163 governance reform process.

CSF funding challenges; and explored methodologies for ensuring consistent attention to internal controls.

As your Vice President in 2013-2014, I have worked closely—often on a daily basis—with officers and staff on numerous, wide-ranging issues of great importance to the organization, from the State Audit, to the fee bill, to our Town Halls, to operational funding issues, to the media and perception-related issues faced by the organization.

The Vice President also has the honor of leading the January Strategic Planning Session. I collaborated with every Senior Trustee to structure our substantive sessions. Most importantly, with the input of all Trustees and management staff in attendance, we developed the core of a new strategic plan. That core has evolved into a comprehensive statement of our public protection mission, including admissions, discipline, education, stewardship, diversity, and access to justice.

This is the first time in many years—and certainly the first time since the enactment of SB 163 in 2012—that the Board has focused on the critical elements of the organization, tied those elements into our public protection mission, and captured it all in a document that will support action planning, with corresponding performance measures and a reporting structure. I would implement it next year with your support.

- *Background in Leadership, Service, and Legal Ethics*

Within my own law firm—at which I have worked for almost 20 years—I rose from a law clerk to the CFO and Managing Shareholder of 130 attorneys and staff. I achieved this through perseverance, patience, long hours, and hard work. I learned a lot about listening, collaborating, recognizing the contributions of others, and leading by example.

My firm experience mirrors that of my participation in the legal community, where I began as a junior member of the legal ethics committee, and ultimately became president of the San Diego County Bar Association (SDCBA). In that role, I led a countywide campaign to encourage civility and professionalism, and spearheaded the establishment of a first-of-its-kind pro bono program to assist San Diego's active duty military personnel. I have been fortunate to hold many other leadership, service-oriented, and diversity-related roles, listed in part at [www.heatherrosing.com](http://www.heatherrosing.com).

On a final biographical note, legal ethics has always been my passion, and was a big motivator to seek a position on this Board. I have volunteered many hundreds of hours of time to educating the profession about the rules and standards, and the important role attorneys serve in society. I am very proud to have utilized this expertise heavily in my Trustee-related work, and look forward to the continued success of our current task force on the Rules of Professional Conduct.

## **B. Proposals and Priorities**

Every indication we have received from the Legislature, the Supreme Court, and the State Auditor is that we must continually focus on our core mission, and ensure stability in this organization, even as the Board turns over from year to year. It is up to us to prove that the organization is not one of volatility, subject to the whim of a changing Board and changing political pressures from within and without, but

rather one of steadiness, with best practices firmly institutionalized. We must listen to our supporters and critics alike, to ensure a lasting and stable legacy.

As your President, I propose to focus on these four priorities:

### *1. Planning*

As the Legislature recognized through SB 163, it is not enough to do good work in the moment. We need a long-range strategic plan that not only gives meaning to our public protection mission, but gives every new Trustee and every stakeholder a clear roadmap of the work of the organization. This roadmap is vital so that work continues seamlessly from Board year to Board year, and does not start on a blank slate each fall. While we made great progress this Board year, our work is just beginning. The next step is translating the strategic plan into action plans that are realistic, cost effective, and prioritized. I am committed to this effort, and will ensure that it happens with your help and support.

It is also incumbent on us as a Board to give significant attention to succession planning. We have many talented and dedicated high-level managers and executives who serve the State Bar well every day; some are nearing retirement. We now need to give careful thought to how we can ensure continuity, preserve the institutional knowledge, and adapt to changing challenges and priorities.

### *2. Ensuring a Competent and Ethical Profession*

#### *○ The Discipline System*

Without question, I have great confidence in our discipline system. As even the State Auditor acknowledged, we instituted substantial reforms and structural changes within OCTC and with the RAD oversight of OCTC since the Supreme Court remands in 2011. The State Auditor has now made a variety of recommendations on how we can improve the system. These recommendations range from ensuring consistency and transparency in the Annual Discipline Report, to internal goal setting, to guaranteeing independence of the Audit and Review Unit. Dennis, Miriam, and Jayne have been doing a tremendous job of analyzing and exploring these recommendations and options. My detailed knowledge of the discipline system and my experience as the RAD chair will serve us well to support this work as President. I am excited to help implement these ideas and further demonstrate the effective nature of our discipline process. As our discipline system rises in stature, and as we examine our compensation structure in OCTC, it is my hope that we will be able to attract, develop, and retain even more talent there.

#### *○ The Office of Professional Competence*

This is an under-recognized part of our organization, and one that I would endeavor to highlight. The accomplishments of this office and the related committee (COPRAC) are notable, including the ethics hotline, educational programming, highly informative ethics articles and opinions, and development of the Rules of Professional Conduct. I would work with Trustees to explore expansion of this office, as part of the effort to ensure a competent and ethical profession. There is so much more we can do if the resources are made available, including—potentially—the development of a State Bar practice guide on

legal ethics. The more we do to keep practitioners out of our discipline system, the more we protect the public.

### *3. Ensuring Fiscal Planning and Prudence*

This work is well under way, as described above in the context of the P&B efforts. At the same time, we need to focus on two areas in particular going forward: (1) further development of policy in the area of fund delineation, balances, and reserves, with an emphasis on the relationship of balances and long-term operational needs, particularly as they relate to our building and IT projects, and (2) enhanced oversight of improvement, use and maintenance of our information technology systems.

### *4. Educating the Public*

Educating the profession is critical to our public protection mission, but continued efforts to reach out to the public to develop partnerships, spread the word on fraud prevention, and provide fundamental information about retaining a lawyer and navigating the justice system are equally critical. We have a great start in this regard, with our Town Halls, our growing relationships with other regulatory agencies, and our various publications. There are many people to thank for this. But our Board needs to give more attention to this work. Brainstorming must continue. There *will* be another crisis like the loan modification crisis. We need to be at the forefront of preventing it through education and outreach.

## **C. Conclusion**

On a final note, as we prepare to welcome a new Executive Director, I wanted to share a few observations. I assumed the Presidency of the SDCBA when our new Executive Director began her tenure. It was a year of learning, hard work, building trust, welcoming change, and—most importantly—collaboration. This experience will be critical as our Board faces these same challenges in the coming year.

As the 2015-2016 State Bar President, you have my unwavering commitment to not only assist the Executive Director, but to collaborate with the entire Board to further its efforts and effectuate its decisions. While we do not want or expect every Board member to agree on every point, we are truly fortunate to have such a talented, dedicated group of volunteers who are committed to realizing our potential. I look forward to working with you and taking this organization to new heights as President.