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Upon motion made, seconded and unanimously adopted, it was

RESOLVED, upon recommendation of the Board Committee on Member Oversight, that the Board hereby amends the charge of the Committee on Professional Liability Insurance, in the form attached to these minutes and made a part hereof.

All members present and recorded on the roll-call slip voted yes on the above matter.

143

Upon motion made, seconded and unanimously adopted, it was

RESOLVED, upon recommendation of the Board Planning, Program Development, and Budget Committee, that the Board hereby adopts the *Advisory Committee Work Plans Review Process and Criteria* in the form attached to these minutes and made a part hereof.

All members present and recorded on the roll-call slip voted yes on the above matter.

144

Upon motion made, seconded and adopted, it was

RESOLVED upon recommendation of the Board Committee on Planning, Program Development and Budget, the Board of Governors hereby sets the annual membership fee for active members in 2005 at three hundred ninety dollars (\$390) and the annual membership fee for inactive members at fifty dollars (\$50); and it is

FURTHER RESOLVED that the penalties imposed on delinquent 2005 annual membership fees be set at ten percent (10%) and then an additional fifteen percent (15%) of the member's unpaid fees; and it is

FURTHER RESOLVED that the penalties on delinquent 2004 annual membership fees of members billed on or after January 16, 2004 and 2005, be set at ten percent (10%) and then an additional fifteen percent (15%) of the member's respective unpaid fees; and it is

FURTHER RESOLVED that said penalties or interest in the preceding paragraphs shall be assessed on two progressive dates: (1) ten percent (10%) of a member's respective unpaid fees on March 15, 2005, and that the date and time for attachment of such penalties or interest be set on March 15, 2005, at 5:00pm PST; and (2) an additional fifteen percent (15%) of a member's respective unpaid fees on May 15, 2005, and that the date and time for attachment of such penalties or interest be set on May 15, 2005, at 5:00pm PST; and the time and date for the attachment of penalties shall not be extended without further action by the Board; and it is

FURTHER RESOLVED that the interest on assessed costs for reimbursement to the Client Security Fund be set at ten percent (10%) as set forth by the Board, pursuant to Business and Professions Code, section 6140.5(c); and it is

FURTHER RESOLVED that the administrative penalty on failure to comply with binding arbitration is charged at a fee not to exceed twenty percent (20%) of the

amount ordered refunded to the client or one thousand dollars (\$1000) whichever is greater; and it is

FURTHER RESOLVED that all payments submitted after the Board of Governors have recommended members' suspension for non-payment of fees must be made by credit card, wire transfer, direct deposit, or certified funds (cash, certified check, money order or cashiers check).

All members present and recorded on the roll-call slip voted yes on the above matter, except Mr. Cavanaugh and Mr. Marcus, who voted no and requested the record so to show.

- 145 After discussion by the Board, this item concerning proposed adoption of the 2005 State Bar General Fund Operating Budget and the 2005 Restricted Fund Operating Budgets was bifurcated, the latter portion of the item, i.e., adoption of the 2005 Restricted Fund Operating Budgets, was unanimously tabled to the Board's September meeting, with the request that staff report back to the Board with an implementation plan for the call center.

- 145 Upon motion made, seconded and adopted, it was

RESOLVED, upon recommendation of the Board Planning, Program Development, and Budget Committee, that the Board hereby adopts the 2005 State Bar General Fund operating budget, in the form attached to these minutes and made a part hereof, whereby:

The 2005 CYLA Budget is increased by \$47,208 to provide additional resources and staff support.

All members present and recorded on the roll-call slip voted yes on the above matter, except Mr. Cavanaugh, Mr. Crabtree and Mr. Marcus, who voted no and requested the record so to show.

- 146 The Board considered the proposal of combining two of the Board Committees, i.e., Stakeholder Relations and Volunteer Involvement. Following lengthy discussion, the president ordered that it be placed on the Board's agenda for action in September.

The Board went into closed session at 10:45 a.m., and those persons present in the meeting, except the Executive Director and members of the Senior Executive Team, left the meeting.

The Board resumed open session at 12:15 p.m.

- 149 Upon motion made, seconded and unanimously adopted, it was

RESOLVED, upon recommendation of the Board Planning, Program Development, and Budget Committee, that the Board hereby receives the audited Statement of Chargeable and Nonchargeable Expenses and report of the independent auditor, in the form attached to these minutes and made a part hereof, and directs staff to publish in December 2004 the statement and report in the *California Bar Journal* and on the State Bar's Web site.

ADVISORY COMMITTEE WORK PLAN REVIEW PROCESS AND CRITERIA
(Adopted by the Board of Governors July 24, 2004)

1. Proposed Work Plans

- a. **Purpose.** Proposed Work Plans are developed annually by advisory committees and staff to assist the Board in developing a proposed budget for the upcoming budget development year.
- b. **Contents of Proposed Work Plans.** Proposed Work Plans should contain the following elements:
 - An identification of possible new strategies or activities for inclusion in the Board's Strategic Plan;
 - An evaluation of the costs, benefits, and consequences/trade-offs of alternative activities;
 - Recommendation of strategy and activities to be undertaken;
 - Step-by-step description of tasks, timeline, responsible entity and resources (existing and/or new) needed for implementation.
- c. **Role of Planning, Program Development, and Budget Committee.** The Planning, Program Development, and Budget Committee (PPDB) reviews advisory committee and staff Proposed Work Plans and presents summarized information regarding those work plans, including proposals for new activities and resource needs, to the Board at its annual strategic planning session. The PPDB, within its budgetary scope, must review the advisory committee work plans regarding budgetary assumptions, proposed allocation schedules, and related budgetary issues, and must ensure that proposed advisory committee budgets are fiscally in alignment with Board of Governors' objectives, policies, and long-range strategic plan. The Board considers the information presented and provides direction for communication by PPDB to the advisory committees and staff related to future work activities and budget implications. Based on Board direction, adjustments are made to the Proposed Work Plans, which then become the Approved Work Plans for the budget year.
- d. **Criteria for Review of Proposed Work Plans.** PPDB reviews Proposed Work Plans annually and considers the following questions in presenting information to the Board for consideration:
 - How are the activities in the Proposed Work Plan consistent with and supportive of achieving the goals and objectives in the strategic and operational plans?
 - What range of options regarding proposed activities has been provided for consideration?
 - What are the resource implications of the proposed activities?
 - Are there opportunities for collaboration or otherwise leveraging the use of resources that have not been addressed by the proposed work plan?

- e. **Calendar Implications.** PPDB directs development of advisory committee Proposed Work Plans so that they are timely prepared for summarization and presentation to the Board at its annual January strategic planning session.
- f. **Periodic Review of Need for Advisory Committees.** Every five years each advisory committee must report in writing to the PPDB Committee, and any Board committee with oversight responsibility about whether the advisory committee should continue to exist and whether it should maintain its current structure. The PPDB may make a recommendation to the Board to continue, modify, or do away with the committee and/or its charge.

2. **Adopted Work Plans**

- a. **Purpose.** Adopted Work Plans are Proposed Work Plans that have been considered by the Board and have been approved as submitted or with Board directed changes to guide the activities of advisory committees and staff during the budget year for which they were developed.
- b. **Role of Oversight Committees.** Oversight Committee(s) are responsible for assessing accomplishments of advisory committees and staff by using established performance measures to evaluate program performance, track progress against the plan, identify improvements, and recognize/reward performance.
 - **Criteria for Review of Accomplishments related to Adopted Work Plans.** Oversight Committee(s) will review accomplishments related to adopted work plans annually and will consider the following questions in presenting information to the Board for consideration:
 - Has the advisory committee or staff provided required information related to established input, output, outcome, efficiency and quality program performance measures?
 - If sufficient information has been presented, what program accomplishments were achieved and what program accomplishments were not achieved and why?
 - If insufficient information has been presented related to the performance measures, what additional information is needed and when can that information feasibly be provided?
 - What changes, if any, should be made to the direction and desired outcomes related to the program?
- c. **Reporting Requirement to Board Oversight Committee** - Each advisory committee must periodically report to the Board committee with oversight responsibility on its continuing work and must provide status reports on activities as requested by pertinent Board oversight committee.

The connection between the Proposed and Adopted Work Plans and their relationship to the Board's annual strategic planning session are graphically depicted in the Work Plan Flow Chart below.

