

**FINANCE & AUDIT COMMITTEE (F&AC)**

State Bar of Arizona  
4201 N. 24<sup>th</sup> Street, Suite 100  
Phoenix, Arizona 85016

August 29, 2024  
3:00 p.m.  
Telephonic Meeting

**Minutes (Approved (9/19/2024))**

**MEMBER ATTENDANCE:**

**P = present in person; T = present telephonically; A= absent.**

**T – Chris Russell, Chair**

**T – Mignonne Hollis, Vice Chair**

**T – Dave Byers**

**T – Cortez Smith**

**T – David Rosenbaum**

**T – Diandra Benally**

**T – Cliff Hill (Client Protection Fund Board Liaison/Non-voting F&AC member)**

**T – Ted Schmidt (President – Board of Governors)**

**OTHER ATTENDEES:**

**State Bar Staff:**

**T – Joel England**

**T – Jessica Iennarella**

**T – Maret Vessella**

**T – Joe Hengemuehler**

**T – Lori Maxwell**

**T – Trish McCarty**

**T – Lisa Panahi**

**T – Roberta Tepper**

**T – Deanna Commack**

**T – Octavius Garrett**

**T – Noah Coakley**

**University of Arizona:**

**T – Jess Findley**

**Arizona Supreme Court:**

**T – Marcus Reinkensmeyer**

**Minutes taken by: Octavius Garrett**

**I. CALL TO ORDER:**

**Called to Order by:** Chris Russell

**Time:** 3:02 p.m.

**II. CALL TO THE PUBLIC:**

**Individuals addressing the Committee:** None

**Discussion:** None

**III. Presentation: Finance & Audit Committee Introduction**

**Individual(s) addressing the Committee:** Chris Russell, Jessica Iennarella

**Discussion:** Brief introduction of the committee purpose and the members of the committee.

**IV. Action/Vote – Approval of Meeting Minutes – 5/16/24**

**Individual(s) addressing the Committee:** Chris Russell

**Discussion:** Chris R. presented the meeting minutes for May 16, 2024, for review and approval.

**Motion/moved by:** Dave B. motioned to approve the May 16, 2024 meeting minutes as presented.

**Seconded by:** David R.

**Motion:** Passed unanimously

**V. Action/Vote – Sponsorship Requests – Los Abogados, Arizona Black Bar, AZ Justice Project**

**Individual(s) addressing the Committee:** Joel England, Jessica Iennarella

**Discussion:** Joel E. and Jessica I. discussed the details of each sponsorship request received from Los Abogados, Arizona Black Bar, and AZ Justice Project, including request history and rationale for approving requests over the \$2,500 limit Joel E. can approve.

**Motion/moved by:** Dave B. motioned to authorize Joel E. to approve the sponsorship requests from Los Abogados, Arizona Black and AZ Justice Project at levels recommended by staff.

**Seconded by:** David R.

**Motion:** Passed unanimously

**VI. Action/Vote – 2025 Budget Guidelines Memorandum**

**Individual(s) addressing the Committee:** Jessica Iennarella, Joel England

**Discussion:** Jessica I. and Joel E. presented the 2025 Budget Guidelines Memorandum, including variances from the memorandum as presented in 2024. Jessica I. and Joel E. also noted that this Memorandum still needs approval from the Executive Committee and full Board.

**Motion/moved by:** Mignon H. motioned to approve the 2025 Budget Guidelines Memorandum as presented.

**Seconded by:** David R.

**Motion:** Passed unanimously

**VII. Action/Vote – Funding Request – Lawyer Apprentice Program & Rural Lawyer Intern Program**

**Individual(s) addressing the Committee:** Dave Byers

**Discussion:** Dave B. of the Arizona Supreme Court gave a presentation regarding both the Lawyer Apprentice and Rural Lawyer programs. Dave B. is requesting \$65K each year, for two years to support the Lawyer Apprentice Program, and up to \$50K for one year to support the Rural Lawyer Program. Funding to be taken from the Opportunity Reserve.

**Motion/moved by:** David R. motioned to approve both funding requests. The Rural Program for \$50K for one year, and the Lawyer Apprentice Program for \$65K a year for two years at which point the results of the program should be assessed.

**Seconded by:** Cortez S.

**Motion:** Passed unanimously

**VIII. Discussion – 24<sup>th</sup> Street Leasing Activity**

**Individual(s) addressing the Committee:** Jessica Iennarella

**Discussion:** Jessica I. provided an update regarding our current vacancy status. Currently there is communication between the Bar and a technology holding company to lease Ste 150 starting in October 2024.

**IX. Discussion – 2023 Financial Audit Update**

**Individual(s) addressing the Committee:** Jessica Iennarella

**Discussion:** Jessica I. provided an update regarding the 2023 financial statement audit. The audit process is in the final stages. A draft of the statements to review should be received the week of September 9<sup>th</sup>, with final statements issued prior to the September 19<sup>th</sup> Finance & Audit Committee meeting. The auditors will present at the September meeting.

**X. Discussion – Investment Subcommittee – Performance Update & Member Appointment**

**Individual(s) addressing the Committee:** Jessica Iennarella, Chris Russell

**Discussion:** Jessica I. and Chris R. provided a status update regarding investment performance for the Bar's reserves. An overview of the purpose of the Investment Subcommittee was provided and a minimum of two volunteers to serve on the committee for the 2024/2025 Board year were requested. Mignonne H. and Cortez S. volunteered to serve.

**XI. Information – State Bar of Arizona July 2024 Financial Update**

**Individual(s) addressing the Committee:** Jessica Iennarella

**Discussion:** Jessica I. provided an update regarding significant financial activities through July 2024, including membership fees and the personnel budget.

**XII. Information – Client Protection Fund Second Quarter 2024 Financial Update**

**Individual(s) addressing the Committee:** Jessica Iennarella

**Discussion:** Jessica I. provided an update regarding the 2024 second quarter operating results for the Client Protection Fund, including the status of claims processing.

**Meeting adjourned by:** Chris Russell at 3:59 p.m.