

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

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

September 19, 2024  
3:00 p.m.  
Telephonic Meeting

**Minutes (Approved (10/17/2024))**

**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**

**A – David Rosenbaum**

**T – Diandra Benally**

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

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

**OTHER ATTENDEES:**

**State Bar Staff:**

**T – Joel England**

**T – Jessica Iennarella**

**T – Jennifer Sonier**

**T – Lori Maxwell**

**T – Trish McCarty**

**T – Lisa Panahi**

**T – Roberta Tepper**

**T – Deanna Commack**

**T – Octavius Garrett**

**T – Noah Coakley**

**T – Patricia Seguin**

**Eide Bailly:**

**T – Pam Eggert**

**T – Nick Carlson**

**Lockton Insurance Companies:**

**T – Christian Gurnett (Associate Account Executive)**

**T – Krystle Johnson (Associate Account Executive)**

**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: Consolidated SBA & CPF 2023 Audited Financial Statements**

**Individual(s) addressing the Committee:** Pam Eggert, Nick Carlson

**Discussion:** Pam E. and Nick C. presented the consolidated State Bar of Arizona and Client Protection Fund 2023 audited financial statements, including an overview of the audit process.

**IV. Presentation: Annual Insurance Coverage Review**

**Individual(s) addressing the Committee:** Christian Gurnett, Krystle Johnson

**Discussion:** Christian G. and Krystle J. presented the proposed insurance renewal rates and related coverage for the 2024-2025 policy period, including an overview of the insurance market.

**V. Action/Vote – Approval of Meeting Minutes – 8/29/24**

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

**Discussion:** Chris R. presented the meeting minutes for August 29, 2024, for review and approval.

**Motion/moved by:** Dave B. motioned to approve the August 29, 2024, meeting minutes as presented.

**Seconded by:** Cortez S.

**Motion:** Passed unanimously

**VI. Action/Vote – Contract Approval – 2025 CLE by the Sea Venue**

**Individual(s) addressing the Committee:** Roberta Tepper, Jennifer Sonier

**Discussion:** Roberta T. and Jennifer S. provided a presentation along with Hotel Del Coronado and Marriott Coronado Bay venue renewal terms to host the 2025 CLE by the Sea program.

**Motion/moved by:** Dave B. motioned to authorize Joel E. to enter a contract with Marriott Coronado Bay as the venue for the 2025 CLE by the Sea program under the terms as presented.

**Seconded by:** Mignonne H.

**Motion:** Passed unanimously

**VII. Action/Vote – Contract Approval – IT Monitoring Project**

**Individual(s) addressing the Committee:** Lori Maxwell

**Discussion:** Lori M. provided a presentation on a new cyber security SOC and SIEM related IT project. This project would provide the State Bar of Arizona network monitoring 24 hours a day, 365 days a year. The project would require a 3-year contract, with a 6 – 8 weeks implementation

period. The contract requires Finance and Audit Committee approval due to the cost exceeding \$250K.

**Motion/moved by:** Diandra B. motioned to authorize Joel E. to enter a 3-year contract with Sentinel for the SOC and SIEM services under the terms presented, contingent on investigation into if the Arizona Supreme Court’s system is available to us at no-cost.

**Seconded by:** Cortez S.

**Motion:** Passed unanimously

**VIII. Action/Vote – Capital Expenditure Approval – Repurpose 2024 Budget**

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

**Discussion:** Jessica I. presented a detailed update regarding budgeted 2024 capital projects, including actual and anticipated spend. Requested Finance Committee approve plan to re-distribute 2024 capital funds which will not be spent as originally budgeted to different capital projects, some of which will otherwise be part of the 2025 capital budget.

**Motion/moved by:** Mignonne H. motioned to approve the 2024 capital funds re-purposing as presented.

**Seconded by:** Diandra B.

**Motion:** Passed unanimously

**IX. Discussion – 2025 Budget Timeline**

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

**Discussion:** Jessica I. provided an update on the current progress of the preparation of the 2025 budget. Reminded Finance Committee that initial draft will be presented in October.

**X. Information – Vanguard Investment Performance Update**

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

**Discussion:** Jessica I. provided an update on the current reserve investment balances and recent performance, including current outlook as of mid-September 2024.

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

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

**Discussion:** Jessica I. informed the committee of no significant changes in trends. During the next meeting in October an in-depth financial update will be presented.

**Meeting adjourned by:** Chris Russell at 4:06 p.m.