

To: Washington Supreme Court
Washington State Bar Association Board of Governors
Cc: Paula Littlewood, WSBA Executive Director
From: WSBA Governance Task Force
Date: June 4, 2013
RE: First Interim Report

In July 2012, the Washington State Bar Association (WSBA) Board of Governors convened a task force “to undertake an in-depth review of the governance of the WSBA.” In accordance with the terms of the Governance Task Force Charter, this memo provides an informal interim report on our progress to date.

Since its origin more than 80 years ago, the governance structure of the WSBA has remained relatively unchanged. Yet, as the Governance Task Force charter notes, the times and circumstances surrounding the operation of the organization have changed dramatically. The membership of the WSBA has grown to more than 35,000. Legal practice has become increasingly specialized and diversified. Women and minorities have joined the profession in larger numbers. Technological advances have changed how attorneys work. And the “practice of law” is being incrementally opened up to various categories of non-attorneys. In parallel, research, experience, and front-page scandals have yielded a wealth of learning and best practices for organizational governance.

In addition, within the past two years, criticisms have been leveled against the WSBA by the Washington Supreme Court, the Bar membership, and the State Legislature. In particular, members of the Supreme Court have questioned certain actions taken by the Board of Governors as possibly exceeding the authority of the WSBA. In 2012, members of the Bar voiced their disapproval of the organization by approving a referendum to reduce significantly the annual License Fee.

As such, it is only appropriate that the WSBA examine whether or not there are opportunities to improve governance of the organization for the benefit of the public and the WSBA membership.

This Interim Report provides an update on the composition of the Governance Task Force as well as a summary of our work and focus.

Composition of the Governance Task Force

In September 2012, the BOG initially appointed then-President Steve Crossland as Chair and seven other attorneys to the Governance Task Force. Those members hailed from a number of different backgrounds (government service, large and small private law firms, in-house counsel, academia, and the judiciary) and geographic areas (Cashmere, Redmond, Seattle, Spokane, Yakima, and the Tri-Cities). Some had extensive experience with the BOG as a Governor or President and others had no experience with the BOG but brought an outside perspective and expertise in other areas.

In March 2013, Mr. Crossland resigned to attend to other obligations. Ellen Conedera Dial (Perkins Coie LLP) resigned also but for other reasons. President Michele Radosevich appointed Rima Alaily to Chair the Task Force and Nancy Isserlis to replace Mr. Crossland. President Radosevich also appointed two additional members to the Governance Task Force: Loren Etengoff and Craig Sims.

As of this Interim Report, the Governance Task Force includes the following individuals:

- Rima Alaily, Microsoft Corporation, Bellevue
- Loren Etengoff, Law Offices of Loren S. Etengoff, Vancouver
- Nancy Isserlis, Office of the City Attorney, Spokane
- Leland Kerr, Kerr Law Group, Kennewick
- Douglas Lawrence, Stokes Lawrence PS, Seattle and Yakima
- Carla C. Lee, King County Prosecuting Attorney's Office, Seattle
- Craig Sims, Seattle City Attorney's Office, Seattle
- Hugh Spitzer, Foster Pepper LLC, Seattle

Governor Paul Bastine serves as the BOG liaison to the Governance Task Force. Jean McElroy, WSBA General Counsel and Chief Regulatory Counsel, and Margaret Shane, Executive Assistant, provide critical ongoing support to the Governance Task Force.

Work and Focus of the Governance Task Force

The Charter of the Governance Task Force is broad. It includes consideration of:

- WSBA overall governance, including but not limited to structure of representation; boards and committees; staff; and financial matters
- Continuity of operations from year to year
- The interrelationship between staff and governing body
- Effective means of reviewing programs and goals

Since November 2012, the Governance Task Force has met monthly, with each meeting typically extending three to five hours. Research has been gathered by members of the Governance Task Force as well as WSBA Staff. President Michele Radosevich, President-Elect Patrick Palace, and WSBA Executive Director Paula Littlewood have also attended several meetings and each has provided additional input and background. In March, 2013, Joe Dunn, CEO of the California State Bar, visited with the Governance Task Force to discuss recent governance reform in California.

As a result of this work, the Governance Task Force is exploring opportunities for improvement in the following areas:

- Providing clarity regarding the role of the BOG vis a vis regulatory and non-regulatory functions of the WSBA;
- Increasing the efficiency and effectiveness of the BOG through adoption of best practices;
- Ensuring that high quality, well-qualified, and knowledgeable candidates are able and willing to commit the time and resources to participate in the BOG; and
- Enhancing institutional knowledge in the BOG and reducing the outflow of experience and expertise that occurs annually with each BOG election.

As the Governance Task Force considers solutions and proposals for change in these areas, we are mindful that the WSBA derives its authority from the State Supreme Court. As the WSBA fulfills the responsibilities assigned to it by the Supreme Court, its paramount duty is to protect and serve the public. At the same time, the WSBA has responsibilities to its membership. In addition, it is critical that governance reform, if any, does not jeopardize progress that has been made with respect to inclusion and diversity in the WSBA and should be consistent with efforts of the WSBA and the Access to Justice Community to improve access to justice. Finally, change should not be undertaken simply for the sake of change. Governance reform, if any, should be carried out only to the extent that it will improve the effectiveness of the WSBA in fulfilling its mission and responsibilities.

Next Steps

Following submission of its Interim Report, our Charter gives the Governance Task Force six months to complete a second Interim Report to the Washington Supreme Court and the WSBA for information and comment. Thirty days later, the final report with recommendations must be submitted to the Supreme Court and WSBA.

In order to fulfill this charge, the Governance Task Force will continue to meet monthly. In addition, over the next six months, we will solicit input and feedback – through multiple means – from a variety of stakeholders. Those include the following at a minimum:

- The Washington Supreme Court;
- Governors and Officers of the WSBA;
- Executive management of the WSBA;
- Limited licensed professionals;
- Members of specialty and minority bar associations and groups;
- Representatives of WSBA Sections, Boards, and Committees;
- Representatives from the Access to Justice community;
- Members of the WSBA; and
- Members of the State Legislature.

Conclusion

The issues under examination by the Governance Task Force are significant. We have spent the past six months learning and seeking to understand the structure and operations of the WSBA. Although the Governance Task Force has begun to explore a variety of proposals, we have not reached any firm conclusions or recommendations. Before we can do so, there is more work to be done. We hope that those who may be affected by our recommendations will engage productively, ask hard questions, and raise their concerns. In that vein, we welcome your input and feedback on this Interim Report. We look forward to discussing it with you in the near future.