

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

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

October 19, 2023  
3:00 p.m.  
Telephonic Meeting

**Minutes (Approved (01/18/2024))**

**MEMBER ATTENDANCE:**

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

**T – Doreen McPaul, Chair**

**T – Mignonne Hollis, Vice Chair**

**T – Dave Byers**

**T – Denis Fitzgibbons**

**A – David Rosenbaum**

**T – Chris Russell**

**T – Elizabeth Schmitt**

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

**T – Benjamin Taylor (President – Board of Governors)**

**T – Sandra Bensley (HR Subcommittee Chair)**

**T – Kelsi Lane (Wellness Task Force Chair)**

**OTHER ATTENDEES:**

**State Bar Staff:**

**T - Joel England**

**T – Kathy Gerhart**

**T - Maret Vessella**

**A - Joe Hengemuehler**

**T – Deanna Commack**

**T - Lori Maxwell**

**T - Lisa Panahi**

**T – Roberta Tepper**

**T – Carrie Sherman**

**T – Trish McCarty**

**T – Jessica Iennarella**

**Mayer Hoffman McCann:**

**T – Allan Klose (Shareholder)**

**T – Kristen Bass (Tax Senior Manager)**

**Eide Bailly:**

**T – LeAnn Rudolph (Partner)**

**T – Brenda Blunt (Partner)**

**Minutes taken by: Jessica Iennarella**

**I. CALL TO ORDER:**

**Called to Order by:** Doreen McPaul

**Time:** 3:00 p.m.

**II. CALL TO THE PUBLIC:**

**Individuals addressing the Committee:** None

**Discussion:** None

**III. Presentation – Mayer Hoffman McCann**

**Individual(s) addressing the Committee:** Allan Klose, Kristen Bass

**Discussion:** Allan K. and Kristen B. presented Mayer Hoffman McCann’s proposal for providing audit and tax services to the State Bar of Arizona for the next five years.

**IV. Presentation – Eide Bailly**

**Individual(s) addressing the Committee:** LeAnn Rudolph, Brenda Blunt

**Discussion:** LeAnn R. and Brenda B. presented Eide Bailly’s proposal for providing audit and tax services to the State Bar of Arizona for the next five years.

**V. Action/Vote – Auditor RPF – Auditor Selection**

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

**Discussion:** Jessica I. provided an update regarding responses received from five accounting firms to whom a RPF for audit and tax services was sent. Presented staff recommendation for selection.

**Motion/moved by:** Dave B. motioned to select Eide Bailly as the accounting firm to provide audit and tax services to the State Bar of Arizona for the next five years.

**Seconded by:** Mignonne H.

**Motion:** Passed unanimously

**VI. Action/Vote – Approval of Meeting Minutes – 6/29/2023, 8/17/2023**

**Individual(s) addressing the Committee:** Doreen McPaul

**Discussion:** Doreen M. presented the meeting minutes for June 29, 2023, and August 17, 2023, for review and approval.

**Motion/moved by:** Mignonne H. motioned to approve the meeting minutes for June as presented.

**Seconded by:** Elizabeth S.

**Motion:** Passed unanimously

**Motion/moved by:** Chris R. motioned to approve the meeting minutes for August as presented.

**Seconded by:** Mignonne H.

**Motion:** Passed unanimously

**VII. Discussion – HR Annual Compensation & Benefit Review**

**Individual(s) addressing the Committee:** Sandra Bensley

**Discussion:** Sandra B. presented information reviewed by the HR Subcommittee with regards to the 2024 wages, merit pool and benefits. Joel E., Kathy G. and Trish M. also highlighted various aspects of the package as approved by the HR subcommittee. Finance Committee members confirmed no concerns with moving forward with open enrollment based on HR subcommittee recommendation.

**VIII. Action/Vote – 2024 Wellness Task Force Update**

**Individual(s) addressing the Committee:** Kelsi Lane, Roberta Tepper

**Discussion:** Kelsi L. and Roberta T. provided an update regarding the work performed by the Wellness Task Force since the September Finance Committee meeting, including the program recommendations made by the task force.

**Motion/moved by:** Dave B. motioned for the Finance Committee to recommend the Board authorize use of the Opportunity Fund for amounts of between \$5,000 and \$210,000 per year for a wellness initiative for a three-year period, but with review of the program after two years for health of the program and to confirm continuation into third year. The Finance Committee is not voting to select a specific program(s).

**Seconded by:** Elizabeth S.

**Motion:** Passed unanimously

**IX. Discussion – 2024 Budget – 1<sup>st</sup> Draft**

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

**Discussion:** Joel E. provided a high-level update to the Committee regarding the trends and plans considered in preparing the first draft of the 2024 budget. Jessica I. reviewed the 1<sup>st</sup> draft of the budget in detail, including highlighting key areas which will be evaluated in detail prior to November. Also presented comparative data to 2023 projections.

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

**Individual(s) addressing the Committee:** Kathy Gerhart

**Discussion:** Kathy G. provided an update on the current reserve investment balances and recent performance, including current outlook as of mid-October 2023.

**XI. Information – State Bar of Arizona August 2023 Financial Update**

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

**Discussion:** Jessica I. provided an update regarding significant financial activities through August 2023, including Convention results, CLE performance and operating expenses.

**Meeting adjourned by:** Doreen McPaul at 5:02 p.m.