

FINANCE & AUDIT COMMITTEE (F&AC)

State Bar of Arizona
4201 N. 24th Street, Suite 100
Phoenix, Arizona 85016

April 17, 2025
3:00 p.m.
Telephonic Meeting

Minutes (Approved (5/15/2025))

MEMBER ATTENDANCE:

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

A – Chris Russell, Chair

T – Mignonne Hollis, Vice Chair

A – Dave Byers

T – Cortez Smith

T – David Rosenbaum

A – Diandra Benally

T – Jennifer Rebholz (Past Board Member/BLS Task Force Liaison)

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 – Lisa Panahi

T – Roberta Tepper

T – Noah Coakley

A – Lori Maxwell

T – Trish McCarty

A – Joe Hengemuehler

T – Deanna Commack

T – Octavius Garrett

Eide Bailly LLP:

T – Pam Eggert

Minutes taken by: Octavius Garrett

I. CALL TO ORDER:

Called to Order by: Mignonne Hollis

Time: 3:02 p.m.

II. CALL TO THE PUBLIC:

Individuals addressing the Committee: None

Discussion: None

III. Presentation – Audit Kick-Off

Individuals addressing the Committee: Pam Eggert

Discussion: Pam E. presented the 2024 financial statement and 401(k) audit kick off information, including an overview of anticipated timing and procedures.

IV. Action/Vote – Approval of Meeting Minutes – 2/20/25

Individual(s) addressing the Committee: Mignonne Hollis

Discussion: Mignonne H. presented the meeting minutes for February 20, 2025, for review and approval.

Motion/moved by: David R. motioned to approve February 20, 2025, meeting minutes as presented.

Seconded by: Cortez S.

Motion: Passed unanimously

V. Action/Vote – BLS Task Force Funding Request

Individual(s) addressing the Committee: Jennifer Rebholz

Discussion: Jennifer R. provided further cost and timing details to the committee regarding the continued campaign to enhance and develop the Board of Legal Specialization program. Ask included additional funding geared strictly towards advertising components. The previous ask was specific to program website development.

Motion/moved by: David R. motioned to approve funding up to \$120K from the opportunity reserve to enhance advertising for the program.

Seconded by: Cortez S.

Motion: Passed unanimously

VI. Action/Vote – 2024 Annual Surplus - Reserve Account Transfer Timing

Individual(s) addressing the Committee: Jessica Iennarella

Discussion: Jessica I. presented the final 2024 annual surplus figures and reserve allocations approved at the February 2025 Board Meeting. Requested committee vote on the timing of transfers to the reserves.

Motion/moved by: David R. motioned to recommend that the Investment Sub-Committee should meet and discuss the timing of transfers and decide during that meeting on behalf of the Finance & Audit Committee.

Seconded by: Cortez S.

Motion: Passed unanimously

VII. Action/Vote –Capital Budget Amendment – IT Updates

Individual(s) addressing the Committee: Jessica Iennarella

Discussion: Jessica I. addressed the committee requesting an amendment to the 2025 capital budget, due to changes in scope and project needs since capital budget approved. Details provided including current status of all projects.

Motion/moved by: David R. motioned to authorize changes to the 2025 capital budget as presented, with an understanding that any savings for budgeted projects will be used to help offset increase.

Seconded by: Cortez S.

Motion: Passed unanimously

VIII. 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 the end of March 2025.

IX. Information – State Bar of Arizona Financial Update

Individual(s) addressing the Committee: Jessica Iennarella

Discussion: Jessica I. provided an update regarding annual fees collections for 2025 and referenced collection trends involving waivers and late fees. Jessica I. also provided an update regarding the production and distribution timeline for February, March, and April financial statements.

Meeting adjourned by: Mignonne Hollis at 3:40 p.m.