

WISCONSIN TRUST ACCOUNT FOUNDATION, INC.
Board of Directors Meeting
American Family Insurance, Madison, WI
October 6, 2010

APPROVED MINUTES

Attending: Dean Dietrich, President; N. Lynnette McNeely, Vice President; Hon. Glenn Yamahiro, Secretary; Tricia Knight, Treasurer; Joel Bailey; Thomas Basting, Sr.; Kristin Bergstrom; John Bermingham; Sarah Fry Bruch; G. Jeffrey George; Hon. Marc Hammer; Nicholas Zales. Also attending were De Ette Tomlinson, Executive Director and Rebecca Murray, Program Manager.

Excused: Lee Atterbury

Unexcused: Robert Wachuta

Guests: Jim Brennan, Catholic Charities of the Archdiocese of Milwaukee, Barb Graham, Catholic Charities of the Archdiocese of Milwaukee; Jeff Brown, State Bar of Wisconsin; Tom Cannon, Legal Aid Society of Milwaukee; Rosemary Elbert, Wisconsin Judicare; Colin Good, AIDS Network; Anita Cruise, KidsMatter; Brynne McBride, ABC for Health; Jason Mishelow, Centro Legal; John Ebbott, Legal Action of Wisconsin; Deedee Rongstad, Legal Action of Wisconsin; Grisel Santiago-Rivera, Wisconsin Coalition Against Domestic Violence; Jennifer Binkley, Community Justice, Inc.; Alyssa Mahaffay, Community Justice, Inc.; Chuck Berendes, Catholic Charities of the Diocese of La Crosse

Meeting Materials:

- Cover Memo - 10/06/2010 Board of Directors Meeting
- Agenda - 10/06/2010 Board of Directors Meeting
- May 6, 2010 Unapproved Board meeting minutes
- Executive Director Report
- August 31, 2010 Balance Sheet
- 2003-2010 Monthly IOLTA Income
- August 31, 2010 Profit and Loss v. Budget by Class
- 2010 v. 2009 YTD Profit and Loss Comparison
- 2011 Proposed Budget
- 2008-2012 Rotating Budget
- 2011 Proposed Budget Narrative
- 2011 Grant Recommendations Summary Memo
- 2011 IOLTA & PILSF and 2011-2012 State Appropriation Grant Recommendations
- Map To American Family Insurance Training Center, Building A
- Conflict of Interest Statement (please complete and return to Becky or De Ette)
- 2010-2011 Updated Board List (for your records)
- February 5, 2010 Approved Board Minutes (for your records)

I. Call to Order

The meeting was called to order by President Dietrich at 1:35 p.m.

II. Approval of Minutes

There were no corrections to the May 6, 2010 minutes. Upon a motion by Bermingham/Basting, the May 6, 2010 WisTAF Board meeting minutes were unanimously approved.

III. Officers' Reports

- A. President's Report.** President Dietrich reported that he attended the Legal Services Corporation (LSC) reception held in Milwaukee on July 29, 2010.

President Dietrich also reported that 25 percent of the 2010-2011 State of Wisconsin Civil Legal Services State Appropriation funding had been distributed to grantees. Discussions with the Wisconsin Department of Administration re. distribution of the remaining funding are currently taking place. This matter will be discussed further in the executive session.

Legal Action of Wisconsin submitted a civil Gideon petition with the Wisconsin Supreme Court on Thursday, September 30, 2010. President Dietrich anticipated that a hearing on the petition will take place in the spring of 2011.

Three of four newly appointed members of the WisTAF Board of Directors have been oriented and WisTAF's committee work has begun.

- B. Treasurer's Report.** This report was deferred to the Finance/Investment Committee Report.
- C. Executive Director's Report.** Tomlinson reported that the only additions to her print Executive Director's report contained in the original meeting materials are that the Wisconsin Equal Justice Fund, Inc. (WEJF) grant disbursement process was expedited after receiving WisTAF Executive Committee approval.

Tomlinson also reported that the ABA has asked all IOLTA program board of directors members to act as liaisons with their state bar associations and access to justice commissions regarding advocating for the extension of unlimited insurance coverage on IOLTA accounts that was mistakenly omitted from legislation enacted earlier this year.

The Eighth Annual Howard B. Eisenberg Lifetime Achievement Award Dinner, hosted by WEJF, will take place in Milwaukee on November 13, 2010. Tomlinson asked WisTAF board members to contact her with any interest in donating the price of an event ticket in exchange for recognition of WisTAF in the event program.

President Dietrich questioned whether WisTAF had moved forward with plans to distribute grants electronically. Tomlinson responded that M&I offers a Treasury Management product that currently is being looked into for this purpose. The process would result in grantees receiving their funding immediately as well as the implementation of better internal financial controls. Birmingham asked what this would mean for the requirement that an officer "sign" grant checks. Tomlinson proposed that she draft a memo authorizing such electronic transactions that the president could sign off on. McNeely questioned whether this process change would necessitate a formal policy change. Tomlinson responded that she is in the process of drafting finance policies and would be happy to incorporate the required language, if needed.

IV. Committee & Liaison Reports

- A. Executive Committee.** President Dietrich reported that the Grants/Evaluation Committee reviewed WEJF's letter of August 3, 2010 and recommended that the 2010 WEJF grants be made per the amounts requested in the letter. The Executive Committee approved the distribution of recommended WEJF funds in order to release them as quickly as possible. He also informed the Board that the Executive Committee does not intend to conduct business, rather, the bulk of WisTAF's work is to be conducted at the Board level. [A copy of the August 3, 2010 WEJF letter is attached to these minutes. The Grants/Evaluation Committee recommendation was approved by the Executive Committee on September 17, 2010.]

President Dietrich asked that Board members sign and return their conflict of interest statements to Tomlinson or Murray as soon as possible.

- B. Finance & Investment Committee.** Treasurer Knight summarized highlights contained in the balance sheet, profit & loss statement, and actual-to-date v. budget report (distributed as part of meeting materials).
- C. Grants & Evaluation Committee.** President Dietrich reported that the Grants/Evaluation Committee met on September 8, 2010 to make grant recommendations based on the applications received. The G/E Committee sent its recommendation report to the Board following the meeting.

Grants/Evaluation Committee Chair Bermingham reported that there were no concerns with any of the 2010 grantees raised via the spring site visits. Based on this, along with the fact that the available 2011 funding for grants was consistent with 2010 levels, the G/E Committee used 2010 grant amounts as a starting point in determining recommended 2011 grant amounts. The factors used in making 2011 grant recommendations remained consistent with past years and included: geographic coverage in relation to service needs; the degree to which an agency is able to recruit and use pro bono attorneys; the ability of an agency to generate non-WisTAF funding; and the level of past WisTAF support.

Zales questioned whether any grantee appeals had been received. Tomlinson reported that she had received none.

Bermingham/Zales moved that the 2011 grant recommendations be approved as presented to the Board. Discussion followed regarding the likelihood of release of the 2011-2012 state appropriation funds from the Wisconsin Dept. of Administration and how this may impact grant amounts.

Judge Yamahiro commented that while the G/E Committee used 2010 grant levels as a starting point for making 2011 grant recommendations, the September 8 meeting was quite comprehensive and discussion took place regarding the need to look at potential holes in service delivery across the state that are being met by smaller providers.

Motion passed unanimously. [A copy of the approved 2011 IOLTA and PILSF grants and approved provisional 2011-2012 state appropriation grants is attached to these minutes.]

- D. Personnel Committee.** Personnel Committee Chair McNeely reported that the executive director annual evaluation had been conducted online and that the results of the evaluation would be shared during the executive session.
- E. Access to Justice Commission.** Judge Yamahiro reported that he attended the July 27, 2010 Access to Justice Commission meeting in Stevens Point. At the meeting, it was reported that the State Bar of Wisconsin approved the Commission's 2011 budget request and authorized support from Pro Bono Coordinator Jeff Brown. After lengthy discussion re. the Commission's purpose and scope, it was determined that the Commission's charge was broad; innovation was important; priorities needed to be established; and outcomes of quality, not just access to the courtroom, were important.

Four committees were created to further this purpose: Public Awareness and Justice Education; Delivery of Services; Courts and Administrative Tribunals; and Research and Resource Development. Judge Yamahiro is a member of the Public Awareness and Justice Education Committee and the Courts and Administrative Tribunals Committee, while Tomlinson has applied to be on the Research and Resource Development Committee.

V. Old Business

- A. Update on TANF Funds.** Tomlinson reported that she sent a letter to the Department of Children and Families in spring 2010 requesting the \$100,000 TANF funds contained in the state budget. She has not yet received a response and will follow-up. McNeely offered to help in any capacity needed.

VI. New Business

- A. 2011 Budget and Grant Levels.** Knight reported on WisTAF's 2011 budget proposal, which she thought reflected a conservative budget. Expenses in the areas of comparable interest implementation (marketing), conference attendance, and salaries (excluding the executive director position) were increased over 2010 levels. The line of credit interest expense was reduced due to a drop in interest rates.

Projected 2011 revenue and expense associated with IOLTA, PILSF and state appropriation remained consistent with 2010 levels. President Dietrich questioned whether there was a need to revisit projected PILSF revenue based on the State Bar's announcement that it had received 150 hardship waivers this year compared to the approximately 40 waivers normally received in a year. Tomlinson responded that her understanding is that 150 waivers had been requested but that the number doesn't reflect those actually granted. She also informed the Board that she typically leaves a buffer in the PILSF revenue projection from one grant year to the next.

President Dietrich questioned whether WisTAF was hurting itself by carrying a line of credit balance. Bailey responded that it depended on how investments perform. In the long-term WisTAF has a good balance and it made sense to keep some liquidity. The issue will be visited during the financial advisor RFP process later this year.

2011 IOLTA, PILSF and State Appropriation revenue and expense projections remained consistent with 2010 levels at \$250,000 (IOLTA), \$870,000 (PILSF) and \$2,546,100 (State Appropriation).

Upon motion by Knight/Birmingham, the 2011 budget was approved as presented. Motion passed unanimously. [A copy of the approved 2011 WisTAF budget is attached to these minutes.]

- B. Election of Member-at-Large to Executive Committee.** Thomas Basting, Sr. agreed to be nominated to fill the vacancy for the position of Executive Committee Member-at-Large. Upon motion by George/McNeely, the nomination was approved. Motion passed unanimously.
- C. Prime Partner Project.** Murray reported on current efforts to promote WisTAF's Prime Partner program to IOLTA-participating financial institutions. As part of that effort, Board members will be asked to voluntarily contact their banks and encourage them to become Prime Partners. The campaign will begin in mid-November.
- D. WisTAF's 25th Anniversary.** Tomlinson reported that staff have begun discussion of how and when to commemorate WisTAF's 25th anniversary. Several milestone options exist including the date WisTAF was established by the Wisconsin Supreme Court (March 21, 1986); the date WisTAF made its first grant decisions (November 26, 1987); and the date grant funds were first distributed to grantees (January 1, 1988). After discussion the Board determined that it would prefer to memorialize the foundation's primary purpose and activity (distribution of grants) and recognize both service providers and past board members in the most cost-effective and meaningful way possible. Further planning will take place at the staff level.

VII. Executive Session and Adjournment

Board entered into executive session at 3:15 p.m. Tomlinson and Murray participated until 4:15 p.m.

Board moved back into open session at 4:45 pm. and the meeting was immediately adjourned.

Approved on: February 16, 2011

Signed by: Tricia Knight, Secretary Date Signed: _____