

**MINUTES OF THE MEETING OF THE  
BOARD OF LAW EXAMINERS  
June 8, 2012**

1. Call to Order/Determination of Quorum/Excused Absences. The meeting of the Board of Law Examiners was convened in open session by John Simpson, Chair, on Friday June 8, 2012 at 9:00 a.m. in the Board's offices, located in the Tom C. Clark Building, 205 W. 14<sup>th</sup> Street, Suite 500, Austin, Texas.

Members present and constituting a quorum were: John Simpson, Michael Sokolow, Dan Pozza, Lee Parsley, Sandra Zamora, Al Odom, Augustin Rivera, Jr., Teresa Ereon Giltner and Laura R. Swann.

2. Approval of Minutes and Certified Agendas. Upon motion made and seconded, the Board voted to approve the minutes and/or certified agendas of the following meetings.

February 10, 2012 Hearings Panel (Sokolow);  
March 9, 2012 Hearings Panel (Simpson);  
March 9, 2012 Hearings Panel (Zamora);  
March 23, 2012 Finance Committee Meeting;  
March 23, 2012 Board Meeting;  
March 23, 2012 Certified Agenda of Executive Session Proceeding;  
April 13, 2012 Hearings Panel (Zamora); and  
April 13, 2012 Hearings Panel (Pozza).

3. Report of Accountant.

- a. Investment Report. The Chief Accountant, Rod Shaheen, explained and the Board reviewed the Investment Reports dated April 30, 2012 (contained in the meeting book) and May 31, 2012 (distributed at the meeting).
- b. Financial Reports. Rod Shaheen explained and the Board reviewed the Financial Reports, covering the period from September 1, 2011 through April 30, 2012; Summary Explanations of Variances Budget to Actual Revenues and Expenditures Fiscal Year-to-date; Balance Sheet; Budget Report Summary; Budget Detail; and Management Report.

4. Review and Approve Proposed Budget for Fiscal Year 2013.

Rod Shaheen and Julia Vaughan reviewed the highlights of the proposed budget for FY 2013 and detailed the revenue and expense projections included in the meeting book.

Ms. Vaughan announced that Celia Eaves has been hired as an Administrative Assistant and will begin work on Monday, June 11, 2012. Ms. Vaughan also announced that Bruce Wyatt will be retiring effective July 31, 2012. Accordingly, the panel hearings scheduled for Mr. Wyatt in September and October will need to be cancelled. The attorney opening is expected to be filled in time for November panels to be held as scheduled.

Ms. Vaughan distributed a Confidential Memo to board members, containing details as to projected revenues and expenses for FY 2013, several years of prior year-end profit and loss figures, and reserve account usage, as well as a recommendation for staff salary increases.

From the budget detail contained in the meeting book, it was noted that most of the Board's additional projected expenses in FY 2013 will be exam-related. Approximately \$12,000 more must be paid to the National Conference of Bar Examiners for the Multistate Bar Exam and approximately

\$15,000 more will be required for July 2013 exam facilities rental. After holding down the cost of exam facilities rental for a number of recent years, it appears that BLE will be unable to avoid a substantial increase in July of 2013 that we expect to be temporary. The George Brown Convention Center in Houston will not be available to us in July 2013, so we must rely upon our second choice, Reliant Center, which is substantially more expensive. This is not anticipated to become a permanent change. BLE will also incur about \$7,000 more in one-time costs to complete the iPad grading project, which has been under development during the current fiscal year. Accordingly, about \$34,000 more in exam-related expenses will be required in FY 2013 than in the current fiscal year. An extraordinary expenditure of \$9,000 for a new server will also be required in FY 2013. The only material cost increases projected for FY 2013 that are not exam-related include employee benefits (mandated by ERS), which will increase by \$13,429 (8.7%) and compensation increases totaling 2.7% for a total increase in this category of approximately 3.2% projected for FY 2013.

Ms. Vaughan noted staff efforts to reduce or eliminate discretionary expenses, as well as many exam-related costs such as reducing shipping costs, whenever possible, in favor of transporting exam materials to and from exam sites in rented vans and by phasing out the shipping of exam answer booklets to Board members and graders via the iPad grading project. Advertising and outside legal budgets have been eliminated entirely, attributable to the availability of free job postings on widely used government job banks and the fact that no outside legal services have been required absent extraordinary circumstances such as the Kastner matter, which is presently winding its way through the appeals courts.

Lee Parsley summarized his review of the Board's financials over the past five years and he concluded that the Board has conserved on expenses, has secured the needed exam fee increase, and is on track to accomplishing the goal of balancing revenues and expenses without depending too heavily on reserve funds for normal operations. Mr. Parsley recommended that the proposed FY 2013 budget be approved.

Dan Pozza reminded board members that, although national exam materials have increased in cost many times in the past twelve years, these cost increases have not been passed on via an exam fee increase to applicants until the current budget cycle. He agreed that the proposed budget should be approved.

After discussion by the Board, upon motion made and seconded, the Board unanimously approved the proposed Fiscal Year 2013 budget in the form attached to the minutes.<sup>1</sup>

5. Report of Executive Director.

- a. Calendar Update. Julia Vaughan reviewed the calendar and reminded Board members that the September and October, 2012 panel hearings assigned to Bruce Wyatt would be cancelled.
- b. Ms. Vaughan reviewed the articles of interest contained in the meeting book and discussed the 2014 opening of the new University of North Texas law school in Dallas. She also pointed out the letter from the State Auditor's Office indicating that the Board was "fully compliant" with the Public Funds Investment Act.

Lee Parsley and Board members discussed the article from the March, 2012 Bar Examiner which reviewed a ten year period of nationwide bar passage rates.

Board members also discussed the possibility of reviewing the psychometric report of Dr. Stephen Klein at the November Board meeting and that we attempt to have Dr. Klein discuss his report by telephone.

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<sup>1</sup> See attached Budget Order for FY 2012.

6. Report of Director of Character and Fitness.

- a. License Conversions. Allison Drish summarized the Report in the meeting book on conversions from probationary licensure to regular licensure.

7. Report of Director of Eligibility and Examinations.

- a. Test Administration. Josh Henslee summarized NCBE test administration requirements as contained in the meeting book.
- b. Selected Answers. Josh Henslee asked Board members who have not yet sent their selected answers from the February 2012 exam to do so at their earliest convenience so they can be posted on the Board website.

Mr. Henslee thanked Augie Rivera and Laura Swann for representing the Board at the last two swearing in ceremonies.

- c. Assignments for July 2012 Texas Bar Exam. Josh Henslee also expressed the staff's appreciation for volunteers to cover the July 2012 exam sites. The Board members agreed to site assignments for July 2012 as follows:

Lee Parsley,	Austin
Dan Pozza	Arlington – Tuesday
Teresa Ereon Giltner	Arlington - Wednesday
Michael Sokolow, Al Odom	Houston – divide responsibilities
John Simpson	Lubbock
Sandra Zamora	San Antonio - divide responsibilities
Augie Rivera	
Laura Swann	Waco

8. Report of Staff Attorney. Bruce Wyatt summarized his Litigation Update Memo contained in the Meeting Book.

9. Communications from the Public. The Chair called for communications from the public. No members of the public were present.

Augie Rivera asked about the letter received from Beverly Tarpley, requesting volunteer Board members to serve on NCBE Committees. Ms. Vaughan agreed to assist Mr. Rivera in determining which NCBE Committees might be of interest to him and to pass along his area of interest to the NCBE.

At approximately 10:00 a.m., John Simpson called for a brief recess.

10. Question Review. At 10:20 a.m., John Simpson declared the meeting closed to the public, pursuant to the provisions of Sec. 82.003(b) Tex. Gov. Code Ann., whereupon the Board proceeded to meet in Executive Session for the purpose of reviewing and editing the questions to be used on future Texas Bar Examinations. All members were present.

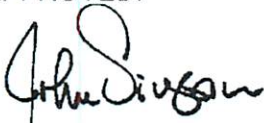
11. Adjournment/Formal Reviews. There being no further business, the Executive Session of the Board of Law Examiners was concluded at 1:05 p.m., the meeting was reconvened in open session, and adjournment was called at approximately 1:05 p.m. All Board Members were present. Mr.

Simpson announced that Formal Reviews of failing February 2012 applicants' written answers would now begin and continue until approximately 7 p.m. (*Such reviews are not conducted in a "meeting" of the Board and thus are not open meetings, since each review consists of an individual session in which only one Board member and one or more failing examinees are present*). See attached list of February 2012 examinees by examination number who participated in formal reviews of their examination performance in separate sessions with individual Board Members.<sup>2</sup>

Respectfully submitted,

  
Julia Vaughan,  
Executive Director

APPROVED:

  
John Simpson, Chair

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<sup>2</sup> See attached Formal Review List.