

Draft 8/2/22

Chesapeake Legal Alliance
Minutes of the Meeting of the Board of Directors
June 27, 2022

The Board of Directors (“Board”) of the Chesapeake Legal Alliance (“CLA” or “Organization”) convened both in person and by Zoom Conferencing.

Participating were:

Board of Directors and Board of Advisers:

Tom Barba, Patrick Coyne, Charlie Garlow, Ridge Hall, Richard Hinds, Rick Hoffman, Deborah Jennings, Steve Kurzman, Hal Marcus, David Menotti, Lois Schiffer, Joyce Schlesinger, Skip Shipman, Marty Siegel, Russ Stevenson, Nancy Merrill Sullivan and Dave Weinberg.

Executive Director:

David Reed

Staff:

Denise Swol, Eugene Wilson, Molly Brown, Patrick DeArmey, Angela Haren, Will Hanon and Evan Isaacson.

Russ Stevenson called the meeting to order at 5:00 p.m. Russ welcomed everyone to the meeting.

Executive Director’s Report

Dave presented the litigation summary of the Executive Directors’ Report. He also described recent Education Center programs involving CLA staff. Denise Swol then provided a status report on philanthropic activities, including that a mid-year mailing would be going out the following week, the annual report is now available on CLA’s website, major donor and staff development meetings have recently been held, and Board trainings with Due East will take place in the Fall. Finally, Eugene Wilson reported on CLA operations, including efforts to streamline financial processes so as to track expenses in real time, to improve budget processes and to resolve

various software issues.

Finance Committee Report and Draft Budget FY 2023

Joyce and David presented the report of the Finance Committee and the draft 2023 fiscal year budget, a copy of which had been circulated to the Board prior to the meeting. Joyce first noted that the Committee had only today received CLA's financials through May, and that Eugene will be working to improve these processes going forward. Joyce then stated that while CLA doesn't currently have a cash flow problem per se, it does have an expense problem and a \$250K potential budget shortfall subject to receiving additional attorney fee recoveries in various pending litigation matters. There followed a robust discussion among Board members and David regarding the adequacy of funds in reserve, the predictability of attorney fee recoveries, and the need for conservative spending for the time being (including the possible delayed hiring of a Pennsylvania attorney). David and Joyce each emphasized that CLA needs to build up additional grants and individual donor gifts in order to improve its cash position going forward.

Upon a motion made by Russ, and further discussion by the Board, the Board unanimously approved the Draft Budget Fiscal Year 2023 on a preliminary basis and subject to further review by the Executive Committee to reduce CLA's costs in fiscal year 2023. A copy of the Draft Budget Fiscal Year 2023 is attached to these minutes.

Strategic Planning Committee Report

Ridge presented the report of the Strategic Planning Committee, including a draft 2-year strategic roadmap, copies of which had been circulated to the Board prior to the meeting. Ridge noted that final performance measures still needed to be determined by the committee as the committee wants to implement the appropriate incentives and measures of progress and performance. David concurred with Ridge's recommendation and noted that the criteria must be tied to what CLA actually does. Russ added that the performance numbers needed to be broad rather than too specific.

Governance and Nominations Committee Report

Russ stated that a potential new candidate for the Board is Mariah Davis, but that she will be formally considered at a subsequent

meeting.

Upon a motion made by Russ, the Board unanimously approved reelecting to the Board all Board members whose terms would be expiring in 2022, other than Ken Weinstein.

The meeting was thereafter adjourned at approximately 6:30 p.m.