

Dunn sues State Bar after his ouster

By Don J. DeBenedictis

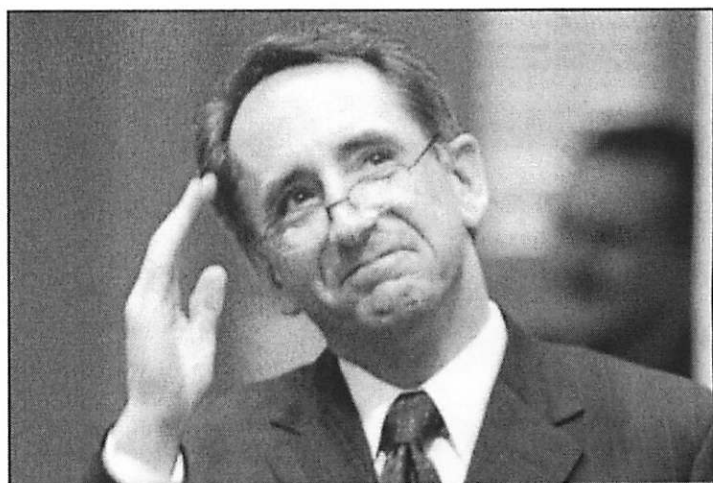
In a sparse statement Thursday, the California Bar announced it had fired Executive Director Joseph L. Dunn. Almost immediately, Dunn responded with a lawsuit that demanded his job back and punitive damages.

The morning's events exploded into public a dispute brewing behind the scenes for several months. The bar gave no reason for Dunn's termination. The full statement read:

"The State Bar of California announced today that the employment of State Bar Executive Director Joseph Dunn will end upon the expiration of a 30-day notice pursuant to his employment contract.

"Dunn is no longer acting as executive director, and the State Bar Board of Trustees has directed President Craig Holden and Deputy Executive Director Robert Hawley to exercise immediate executive oversight of the State Bar on an interim basis."

Dunn's lawsuit, filed in Los Angeles County Superior Court by high profile litigator Mark J. Geragos, provided some information about the dispute. *Dunn v. State Bar of California*, (L.A. Super. Ct., filed Nov. 13, 2014).



Associated Press

Immediately after the State Bar announced it has fired Joseph L. Dunn as executive director, Dunn filed suit.

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The suit, also filed on behalf of seven unnamed "whistleblowers," accuses the bar of "glaring injustices, unethical conduct and massive cover-up that has crippled the State Bar's ability to function."

It claims one reason Dunn, a former state senator, was fired was so new Bar President Craig Holden might take over executive director himself.

The lawsuit also says Jayne Kim, the bar's chief discipline prosecutor, had filed a personnel complaint against Dunn. "To this date, the State Bar has not provided a copy or summary of Ms. Kim's complaint to Senator Dunn," the suit says.

The bar Board of Trustees and a special subcommittee have been holding closed meetings since September on a matter described on board agendas as "Personnel Complaint Re Employees." One meeting during the bar annual conference in mid-September last 5 1/2 hours.

Holden acknowledged in an emailed statement last month that the bar had hired Munger, Tolles & Olson LLP "as independent counsel to conduct the internal investigation" because "of the nature and number of issues raised."

Two Munger Tolles partners, Mark B. Helm and Bart Williams, participated in the board meeting in September. Helm said later he could not discuss the matter.

Kim's personnel complaint may concern alleged improprieties in expenses Dunn submitted for reimbursement or his use of a bar credit card, several sources have said. These sources wish to remain anonymous because they were not authorized to speak about the matter.

The bar board's audit committee held a meeting Nov. 5 to discuss whether to adjust bar "policies regarding management staff expenses and procurement card usage," including possibly replacing the bar's chief financial officer as the person who approves the executive director's expenses.

Trustees and other bar leaders have repeatedly refused to discuss the matter. Los Angeles trustee Miriam Krinsky, who headed the special board subcommittee, declined Thursday morning to comment.

Neither Holden nor Dunn returned calls seeking comment.

But Geragos' lawsuit is not so reticent. It charges that Dunn was fired after he filed a whistleblower complaint on Nov. 3 accusing Kim of falsifying and manipulating statistics indicating that her office had kept down backlog of discipline complaints. The falsification was repeated and "shockingly rampant," the lawsuit alleges.

In his lawsuit, Dunn takes credit for leading the bar to initially eliminate the discipline backlog, a backlog repeatedly criticized by the Legislature and by the State Auditor's office.

The lawsuit also accuses Kim's office of refusing to enforce a new law Dunn and the bar put through to toughen penalties for the unauthorized practice of law, including against "notaries" and other nonlawyers preying on immigrants.

Her "failure to comply with the legislative mandate was so egregious" that the author of the legislation, Assemblywoman Lorena Gonzalez, D-San Diego, wrote a letter of complaint.

The lawsuit accuses the State Bar of spending upwards of \$300,000 on Munger Tolles without going through the bar's Office of General Counsel as required by administrative rules. Three partners working on the matter each billed \$800 per hour, it says.

"The retention of the private firm, in addition to being an utter waste of State Bar membership dues, violated State Bar protocol," the suit contends.

The board hired Munger Tolles, the suit charges, because Krinski, a former assistant U.S. attorney and president of the Los Angeles County Bar Association, had "a close personal and professional relationship" with the lead Munger partner on the matter. Geragos said in an interview that partner is Williams.

The lawsuit seeks an injunction or order to show cause why Dunn should not be given back his job. It also seeks general and punitive damages.

Meanwhile, the bar board has scheduled another closed meeting for Nov. 20 to personnel complaints and a "Matter With Significant Exposure to Litigation," according to the agenda.

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