



Board of Commissioners

Agenda and Materials

September 16, 2022

STATE BAR OF MICHIGAN
BOARD OF COMMISSIONERS
FRIDAY, SEPTEMBER 16, 2022
THE WESTIN BOOK CADILLAC – DETROIT
CRYSTAL ROOM – 4TH FLOOR
8:30 A.M.
AGENDA

State Bar of Michigan Statement of Purpose

“...The State Bar of Michigan shall aid in promoting improvements in the administration of justice and advancements in jurisprudence, in improving relations between the legal profession and the public, and in promoting the interests of the legal profession in this state.”

Rule 1 of the Supreme Court Rules Concerning the State Bar of Michigan

- I. Call to Order.....Dana M. Warnez, President

CONSENT AGENDA

- II. **Minutes**
A. July 22, 2022 Board of Commissioners meeting*
- III. **President’s Activities**.....Dana M. Warnez, President
A. Recent Activities*
- IV. **Executive Director’s Activities**.....Peter Cunningham, Executive Director
A. Recent Activities*
- V. **Finance**..... Lisa J. Hamameh, Chairperson
A. FY 2021 Financial Reports through July 2022*
- VI. **Professional Standards**Joseph P. McGill, Chairperson
A. Client Protection Fund Claims*
- VII. **Communications and Member Services**Daniel D. Quick
A. CAMS Report**

LEADERSHIP REPORTS

- VIII. **President’s and Executive Director’s Report**Dana M. Warnez, President
Peter Cunningham, Executive Director

A. Strategic Planning Report** – Tom Howlett
- IX. **Representative Assembly Report** Nicholas M. Ohanesian, Chairperson
A. September 17, 2022 Meeting Calendar*
- X. **Young Lawyers Section Report** Kristina A. Bilowus, Chairperson

COMMISSIONER COMMITTEES

- XI. **Public Policy**..... James W. Heath, Chairperson
 - A. Court Rules**
 - B. Legislation**

- XII. **Finance**..... Lisa J. Hamameh, Chairperson
 - A. Financial Report
 - B. Update of the SBM Budget Control Policy**
 - C. Update of the SBM Financial Safety Margin Policy**

- XIII. **Audit**..... Lisa J. Hamameh, Chairperson

- XIV. **Professional Standards**Joseph P. McGill, Chairperson

- XV. **Communications and Member Services**Daniel D. Quick, Chairperson

COMMISSIONER RECOGNITION

- XVI. **Recognition of Retiring Board Members**Dana M. Warnez, President
 - A. Takura N. Nyamfukudza written and presented by Valerie R. Newman
 - B. Samantha J. Orvis written and presented by Kristina Bilowus
 - C. Thomas G. Sinas written and presented by Suzanne C. Larsen
 - D. Danielle Mason Anderson
 - E. Sarah E. Kuchon
 - F. E. Thomas McCarthy

- XVII. **Recognition of President Dana M. Warnez**James W. Heath, President-Elect

FOR THE GOOD OF THE PUBLIC AND THE PROFESSION

- XVIII. **Comments or questions from Commissioners**

- XIX. **Comments or questions from the public**

- XX. **Adjournment**

*Materials included with agenda.

**Materials delivered or to be delivered under separate cover or handed out.

STATE BAR OF MICHIGAN
BOARD OF COMMISSIONERS MEETING MINUTES

President-Elect Heath called the hybrid meeting to order at 9:44 a.m. on Friday, July 22, 2022, online and in the Boardroom at the Michael Franck building in Lansing.

Commissioners present:

Danielle Mason Anderson
David C. Anderson
Yolanda Bennett
Kristina A. Bilowus
Erika L. Bryant
Aaron V. Burrell
Hon. B. Chris Christenson
Thomas P. Clement
Robert A. Easterly
Hon. Kameshia D. Gant
Lisa J. Hamameh, Treasurer
James W. Heath, President-Elect
Thomas H. Howlett
Suzanne C. Larsen
James W. Low
Gerrow D. “Gerry” Mason

E. Thomas McCarthy Jr.
Joseph P. McGill, Secretary
Valerie R. Newman
Takura N. Nyamfukudza
Nicholas M. Ohanesian
Samantha J. Orvis
Hon. David A. Perkins
Colemon L. Potts
Hon. Kristen D. Simmons
Delphia T. Simpson
Thomas G. Sinas
Danielle Walton
Dana M. Warnez, President
Hon. Erane C. Washington
Mark Wisniewski

Commissioners absent:

Sherrie Detzler
Sarah E. Kuchon

Daniel D. Quick, Vice President

State Bar staff present:

Peter Cunningham, Executive Director
Margaret Bossenbery, Executive Coordinator
Nancy Brown, Assistant Executive Director
Michelle Erskine, Research Assistant & Event Specialist
Clifford Flood, Interim General Counsel
Katherine Gardner, UPL Counsel
Tatiana Goodkin, Chief Financial Officer
Robert Mathis, Pro Bono Services & Justice Initiatives Counsel
Molly Ranns, Director, Lawyers & Judges Assistance Program
Marjory Raymer, Director of Communications
Carrie Sharlow, Administrative Assistant
Janna Sheppard, Administrative Assistant
Jeanette Socia, Director of Human Resources
Nathan Triplett, Public Policy Counsel
Anne Vrooman, Program Director, Research & Development

Guests present:

Gerard Mantese, 2022-2023 Board member
David Watson, ED, ICLE

Consent Agenda:

The Board received the minutes from the May 31, 2022, Executive Committee meeting.
The Board received the recent activities of the president.
The Board received the recent activities of the executive director.
The Board received the proposal for the 2023 Michigan Legal Milestone.
The Board received the FY 2021 draft financial reports through May 2022.
The Board received the SBM Retirement Plan Restatement.

Mr. Heath asked the Board if any items needed to be removed from the consent agenda. There were none. A motion was offered and supported to approve the consent agenda. The motion was approved.

The Board went into a closed session at 9:46 a.m. to discuss the report from the General Counsel Search Committee. The Board entered back into open session at 10:11 a.m.

A motion was offered and supported to allow Ms. Warnez, Mr. Heath, and Mr. Cunningham to negotiate a contract as was discussed in the closed session. The motion was approved.

LEADERSHIP REPORTS

President and Executive Director's Report: James Heath, President-Elect and Peter Cunningham, Executive Director.

Mr. Heath shared that he would be conducting the meeting as President Dana Warnez is dealing with challenges with her mother's health.

Mr. Heath asked the chairs of the following work groups to provide an update to the Board.

Work Group Reports

Section Bylaw Amendments

Ms. Bryant informed the Board that there were no comments received to the proposed section bylaw amendments within the 30-day review period. A motion was offered and supported to adopt the proposed bylaw amendments. The motion was approved.

Strategic Planning Committee

Mr. Howlett provided the Board with an overview of the work of the Strategic Planning Committee. He stated that more information will be provided at the September meeting. Recent efforts have been focused on programming, such as Practice Management Resources Center (PMRC) and e-Journal, which align with the goals of the Strategic Plan.

Task Force on Lawyer Wellness

Mr. Cunningham updated the Board on the work of the task force. Ms. Warnez, Mr. Cunningham, and Ms. Ranns will participate in the kickoff meeting on August 9, 2022 and will provide a report at the September Board meeting.

Justice for All (JFA) Commission

Mr. Cunningham provided the Board with an update of the activities of the Justice for All Commission. The full commission met in June. A report on return of investment of funding of civil legal aid is expected soon, which will be beneficial to SBM's advocacy efforts for funding for the Legal Services Corporation. The Debt Collection Workgroup is expected to issue a report in August or September 2022. The Regulatory and Practice Reform Committee is working to have recommendations by the end of the year.

Commission on Diversity Equity and Inclusion

Mr. Cunningham indicated that since the last Board meeting in June, the commissioners for the DEI Commission have all been identified, including Erika Bryant as the State Bar's representative. The commission hopes to meet for the first time in September 2022. An RFP is out to hire a strategic consultant to help the commission develop a strategic plan.

2022-2023 Officer Election

Mr. Heath informed the Board that there were three members who had submitted their names for the position of treasurer: Mr. David Anderson, Mr. Jamie Low, and Ms. Erika Bryant. They were no additional nominations from the floor. Mr. Anderson and Mr. Low withdrew their names from consideration for the Treasurer position. A motion was offered, supported, and approved to elect Ms. Bryant as Treasurer for the 2022-2023 Board year.

A motion was offered to elect Mr. Heath as President of the State Bar of Michigan for the 2022-2023 Board year. The motion was seconded and approved. Mr. Heath accepted the nomination.

A motion was offered to elect Mr. Quick as President-Elect of the State Bar of Michigan for the 2022-2023 Board year. The motion was seconded and approved. Mr. Quick was not present but did offer his acceptance of anticipated nomination.

A motion was offered to elect Mr. McGill as Vice President of the State Bar of Michigan for the 2022-2023 Board year. The motion was seconded and approved. Mr. McGill accepted the nomination.

A motion was offered to elect Ms. Hamameh as Secretary of the State Bar of Michigan for the 2022-2023 Board year. The motion was seconded and approved. Ms. Hamameh accepted the nomination.

Interim Administrator Program (IAP)

Mr. Cunningham provided the Board with an update of the IAP. Since the last Board meeting, the Supreme Court issued an order amending the Rules Concerning the State Bar of and the Court Rules to require attorneys in private practice to provide the name of an attorney or law firm who will act as an interim administrator if they are unable to continue to practice. These new rules will be effective starting with the 2023-24 bar year and were adopted at the request of the State Bar of Michigan. SBM staff worked with Justices Cavanagh, Clement, and Welch to address concerns that the Court had with SBM's original proposal. If a member does not provide the name of an interim administrator when they renew their license, they will be required to pay \$60 to the State Bar to provide them with an interim administrator.

The State Bar will be responsible for making this part of the license renewal process, verifying that the named successor agrees to being named, and to engage volunteers to serve as interim administrators to

those members who do not name a successor and pay for one to be provided. SBM will be hiring the positions which were previously budgeted to implement the IAP.

Representative Assembly (RA) Report: Nicholas M. Ohanesian, Chairperson
Mr. Ohanesian stated he has reviewed some reports from the RA committees regarding reform proposals to the RA. He said that more information will be provided in September.

Young Lawyers Section (YLS) Report: Kristina Bilowus, Chairperson
Ms. Bilowus provided the Board with an update of the YLS activities. YLS has already had 30 programs this year, including several “lunch and learn” sessions and an ABA webinar on student loans. The Pipeline process is doing very well. The YLS annual meeting will occur one week after the SBM Annual Meeting in September in Detroit. There will be a Mock Trial Workshop with a group of high school students in Detroit next week.

COMMISSIONER COMMITTEES

Public Policy: James W. Heath, Chairperson

Court Rules

1. ADM File No. 2002-37: Amendment of MCR 1.109

The amendment of MCR 1.109 provides an e-filing court with the authority to determine the most appropriate means of sending notices and other court-issued documents that are generated from its case management or local document management system.

A motion was offered and supported to support ADM File No. 2002-37 as drafted. The motion was approved.

2. ADM File No. 2002-37/2017-28: Amendments of MCR 1.109 and 8.119

The amendments of MCR 1.109 and MCR 8.119 aid in protecting personal identifying information included in Uniform Law Citations, proposed orders, and public documents filed with or submitted to the court.

A motion was offered and supported to support ADM File No. 2002-37/2017-28 as drafted. The motion was approved.

3. ADM File No. 2021-17: Proposed Rescission of Administrative Order No. 1998-1 and Proposed Amendment of MCR 2.227

The proposed rescission of Administrative Order No. 1998-1 and proposed amendment of MCR 2.227 would move the relevant portion of the administrative order into court rule format and make the rule consistent with the holding in *Krolczyk v Hyundai Motor America*, 507 Mich 966 (2021).

A motion was offered and supported to support ADM File No. 2021-17 and recommend that the Court give consideration to the potential conflict in the rules regarding jury demands in transferred cases. The motion was approved.

4. ADM File No. 2022-06: Proposed Amendment of MCR 3.101

The proposed amendment of MCR 3.101 would allow writs of garnishment to be served electronically on the Department of Treasury, subject to current e-filing requirements and guidelines established by the Department of Treasury.

A motion was offered and supported to support ADM File No. 2022-06 as drafted. The motion was approved.

5. ADM File No. 2021-21: Proposed Amendment of MCR 3.613

The proposed amendment of MCR 3.613 would clarify the process courts must use after receiving a request not to publish notice of a name change proceeding and to make the record confidential.

A motion was offered and supported to support the amendment to Rule 3.613 and recommend that the Court make the determination of good cause required by the proposed amendment presumptive for persons whose name change is sought for affirmation of gender identity, and for victims of human trafficking and domestic violence. The motion was approved.

A motion was offered and supported to recommend that language be added to the rule to provide for Court-approved alternative service for the notice of a hearing to noncustodial parents, rather than requiring publication of such notice in a newspaper, and to further recommend that such notice not include a minor child's name. The motion was approved.

6. ADM File No. 2020-33: Proposed Amendment of MCR 3.903

The proposed amendment of MCR 3.903 would clarify the definition of a party in child protective proceedings.

A motion was offered and supported to support ADM File No. 2020-33 as drafted. The motion was approved.

7. ADM File No. 2021-18: Proposed Amendment of MCR 3.943

The proposed amendment of MCR 3.943 would update the definition of "firearm" in juvenile proceedings to be consistent with MCL 8.3t, which contains the definition referenced in the court rule's companion statute, MCL 712A.18g.

A motion was offered and supported to support ADM File No. 2021-18 as drafted. The motion was approved.

8. ADM File No. 2021-16: Proposed Amendment of MCR 7.305

The proposed amendment of MCR 7.305 would clarify that the 28-day timeframe for filing an application for leave to appeal applies to cases where the respondent's parental rights have been terminated.

A motion was offered and supported to support the clarification of Rule 7.305 but recommend that the timeframe for filing an application for leave to appeal be made consistent for all civil appeals, including appeals from orders terminating parental rights, at 42 days. The motion was approved non-unanimously, with Danielle Walton voting in opposition.

9. ADM File No. 2021-13: Proposed Amendment of MCR 8.119

The proposed amendment of MCR 8.119 would clarify that a request for a fee waiver must be filed in accordance with MCR 2.002(B), which requires the request to be made on a form approved by the State Court Administrative Office.

A motion was offered and supported to support ADM File No. 2021-13 as drafted. The motion was approved.

Legislation

HB 4795 Substitute H-2 (Berman) Courts: judges; hearings on emergency motions by defendant in criminal cases; provide for. Amends sec. 1, ch. I of 1927 PA 175 (MCL 761.1) & adds sec. 12 to ch. III.

The Public Policy Committee recommended that the Bar's position opposing HB 4795, as introduced, should continue to apply to the (H-2) substitute.

HJR Q (Allor) Courts: judges; age limit for election of or appointment to a judicial office; amend. Amends sec.19, art. VI of the state constitution.

A motion was offered and supported to authorize the Family Law Section to advocate its position. The motion failed with nine commissioners in support and 21 in opposition.

A motion was offered and supported to request that the Representative Assembly consider this at its next meeting. The motion was approved.

Communications and Member Services (CAMS): Daniel D. Quick, Chairperson
The UMLI and BLI summary report was provided in the Board book.

Professional Standards: Joseph P. McGill, Chairperson
Mr. McGill reported recommendations from the Professional Standards Committee on nominations to several bodies.

There was one seat open in the ABA House of Delegates. A motion was offered to appoint Tom Rombach to this seat. The motion was seconded and approved.

There was one vacancy on the ICLE Board of Directors. There were eight very good candidates. A motion was offered to appoint Takura Nyamfukudza. The motion was seconded and approved.

The Michigan Indian Legal Services Board of Trustees had two positions available. A motion was offered to select Zach Fallstich and Stanette Amy as the two nominees for these positions. The motion was seconded and approved.

Finance: Lisa J. Hamameh, Chairperson
Credit Card Surcharge and Fee Analysis

Ms. Hamameh reported that the Finance Committee recommends the implementation of a 2.5% credit card processing fee on the mandatory license fees in FY 2022-23 to recoup the credit card processing fees that SBM is currently paying to members. In FY 2021-22, 78% of licensing fee payments were made by credit card or debit card, costing SBM over \$200,000 in credit card processing fees. The 2.5% surcharge will only apply to credit card payments on the mandatory portions of license fee renewal, and

there are several payment options to avoid the surcharge, including e-checks, debit cards, and mailing a paper check. A motion was offered and supported to charge a 2.5% surcharge on mandatory fees to recoup the cost from the members who use credit cards. The motion was seconded and approved.

FY 2022 Financial Update

Ms. Hamameh provided the Board with a FY 2022 financial update.

FY 2023 Budget

Mr. Cunningham provided an overview of the proposed FY 2022-23 budget. A motion was offered and supported to approve the budget. The motion was approved.

Audit: Lisa J. Hamameh, Chairperson

There was no report.

FOR THE GOOD OF THE PUBLIC AND THE PROFESSION

Comments or questions from Commissioners

Mr. Howlett stated that he is proud of the diverse slate of officers for the 2022-2023 year. Judge Washington also added that the Board has aligned itself to have the second African American female president of the State Bar of Michigan with the election of Ms. Bryant.

Comments or questions from the public

There were none.

Adjournment

The meeting was adjourned at 12:15 p.m.

President Dana M. Warnez
President's Activities
July 23 through September 30, 2022

Date	Event	Location
August 4	Justice for All (JFA) Non-Lawyer Regulation Sub-Committee meeting	Virtual
August 9	Wellness Task Force meeting	Virtual
August 12	JFA Regulatory Reform Sub-Committee meeting	Virtual
August 17	Women Lawyers of Michigan (WLAM) Leadership Class Graduation	Detroit
August 19	JFA Non-Lawyer Regulation Sub-Committee meeting	Virtual
August 24	JFA Non-Traditional Business Models meeting	Virtual
September 12	JFA Commission meeting	Virtual
September 14	Face of Justice Program	Virtual
September 15	Michigan State Bar Foundation 75 th Anniversary Celebration	Detroit
September 15	Macomb County Bar Association President Lori Smith's Installation	Shelby Township
September 16	Board of Commissioner meeting	Detroit
September 17	Representative Assembly meeting	Lansing
September 21	Michigan Legal Milestone	Allegan
September 29	50 Year Golden Celebration	Novi

Executive Director Peter Cunningham
Executive Director Activities
July 23 through September 17, 2022

Date	Event
July 26	Meeting with David R. Watson, ICLE Executive Director
July 27	Diversity, Equity, and Inclusion (DEI) Commission Executive Team meeting
July 28	State Planning Body meeting
July 28	Decisis Follow-Up meeting
August 2 – 6	National Association of Bar Executives (NABE) Annual Meeting National Conference of Bar Presidents (NCBP) Annual Meeting
August 8	Justice For All (JFA) Commission Executive meeting
August 9	Task Force on Well-Being in the Law Kick-Off meeting
August 10	Meeting with Representative Assembly (RA) Chair Nicholas M. Ohanesian and Parliamentarian Judge John M. Chmura
August 12	Michigan Association of Bar Executives (MABE) meeting
August 16	Meeting with Victoria A. Vuletich , Ethics Squared LLC
August 18	Diversity, Equity, and Inclusion (DEI) Commission Executive Team meeting
August 18	JFA Commission Executive meeting
August 19	Meeting with RA Vice-Chair Gerrow D. Mason
August 25	Committee Appointment Day pre-meeting with President-Elect James W. Heath and Vice-President Daniel D. Quick
September 1	Diversity, Equity, and Inclusion (DEI) Commission Executive Team meeting
September 1	JFA Commission Executive meeting
September 9	Michigan Probate Judges Association (MPJA) Executive Committee meeting
September 12	JFA Commission Resource Committee meeting
September 12	JFA Commission meeting
September 13	Professional Standards meeting
September 14	Face of Justice Program
September 14	Finance Committee meeting
September 14	Audit Committee meeting
September 14	JFA Commission Executive meeting

Date	Event
September 15	Public Policy Committee meeting
September 15	Michigan State Bar Foundation 75 th Anniversary Celebration
September 16	2021-2022 Board of Commissioners meeting 2022-2023 Board of Commissioners meeting
September 17	Representative Assembly meeting

State Bar of Michigan Financial Results Summary

For the Ten Months Ended July 31, 2022
Fiscal Year 2022

Administrative Fund - Summary of Results as of July 31, 2022

Operating Revenue	\$7,714,484
Operating Expense	<u>\$8,502,955</u>
Operating Loss	(\$788,471)
Non-Operating Income (Loss)	<u>(\$743,687)</u>
Change in Net Position	<u><u>(\$1,532,158)</u></u>
Net Position, October 1, 2021	\$11,773,220
Net Position, July 31, 2022	\$10,241,062

As of July 31, 2022, Net Position excluding Retiree Healthcare Trust was \$7,652,749, a decrease of \$770,263 since the beginning of the year. Excluding the loss on investments of the retiree healthcare trust, the decrease was **favorable** to budget by **\$837,231¹**.

YTD Operating Revenue variance - \$45,151, favorable to budget 0.6%:

Operating revenue was higher due to higher license fees and related revenue, higher communications and lawyer referral services revenues, and lower C&F fees.

YTD Operating Expense variance - \$777,486, favorable to budget (8.4%):

Salaries and Employee Benefits/ Payroll Taxes – \$123,980, favorable (2%)

- Under budget in salaries and benefits due to vacancies and health care.

Non-Labor Operating Expenses - \$653,506, favorable (21.1%)

- Legal - \$34,000, favorable (20.5%) – Under budget mainly due to lower expenses for C&F.
- Public and Bar Services - \$226,928, favorable (28.8%) – Under budget primarily in IT and Outreach, partially due to timing.

¹ Including the loss on investments of the retiree healthcare trust, the total budget to actual variance through July 31, 2022 was favorable \$51,450.

- Operations and Policy - \$392,578, favorable (18.3%) – Under budget primarily in Finance due to depreciation expense, Bar Journal, Digital, General Communications, EO/BOC, and Facilities, partially due to timing.

YTD Non-Operating Revenue Budget Variance - \$771,187 unfavorable to budget:

- Operating investment income is favorable to budget by \$14,594 (53.1%).
- Retiree Health Care Trust net investment loss of \$785,781 (this amount is *not* budgeted).

Cash and Investment Balance

As of July 31, 2022, the cash and investment balance in the State Bar Admin Fund (net of “*due to Sections, Client Protection Fund, and Retiree Health Care Trust*”) was \$6,356,763, a decrease of \$1,315,121 from the beginning of the year.

SBM Retiree Health Care Trust

As of July 31, 2022, the SBM Retiree Health Care Trust investments were \$3,969,021, a decrease of \$761,892 since the beginning of the year. The change was a result of the investment loss of \$771,475, SBM contributions of \$23,889, and investment advisor fees of \$14,306.

Capital Budget

As of July 31, 2022, YTD capital expenditures totaled \$190,589, with \$131,211 remaining in the budget and allocated to spending in future months.

Client Protection Fund

The Net Position of the Client Protection Fund as of July 31, 2022 totaled \$2,086,749, an increase of \$252,630 from the beginning of the year. Claims expenses totaled \$181,575.

SBM Membership

As of July 31, 2022, the active, inactive, and emeritus membership in good standing totaled 46,749 attorneys, a net increase of 226 attorneys since the beginning of the year; the number of paying attorneys increased by 161. A total of 820 new attorneys have joined the SBM since the beginning of the year.

**STATE BAR OF MICHIGAN
ADMINISTRATIVE FUND**

Unaudited and For Internal Use Only

**FINANCIAL REPORTS
July 31, 2022**

FY 2022

Note: License fee revenue is recognized and budgeted as earned each month throughout the year.

State Bar of Michigan
Statement of Revenue, Expense and Net Assets
For the Ten Months Ending July 31, 2022

YTD FY 2022 Increase (Decrease) in Net Position Summary

	Actual	Budget	Variance	Percentage	Prior Year	Variance	Percentage
	YTD	YTD			Actual YTD		
Operating Revenue							
- License Fees, Dues & Related	6,445,775	6,411,708	34,067	0.5%	6,510,632	(64,857)	(1.0%)
- All Other Op Revenue	1,268,709	1,257,625	11,084	0.9%	1,234,820	33,889	2.7%
Total Operating Revenue	7,714,484	7,669,333	45,151	0.6%	7,745,452	(30,968)	(0.4%)
Operating Expenses							
- Labor-related Operating Expenses							
Salaries	4,519,789	4,558,349	(38,560)	(0.8%)	4,201,007	318,782	7.6%
Benefits and PR Taxes	1,542,487	1,627,907	(85,420)	(5.2%)	1,486,427	56,060	3.8%
Total Labor-related Operating Expenses	6,062,276	6,186,256	(123,980)	(2.0%)	5,687,434	374,842	6.6%
- Non-labor Operating Expenses							
Legal	131,751	165,751	(34,000)	(20.5%)	101,685	30,066	29.6%
Public and Bar Services	560,355	787,283	(226,928)	(28.8%)	626,848	(66,493)	(10.6%)
Operations and Policy	1,748,573	2,141,151	(392,578)	(18.3%)	1,800,251	(51,678)	(2.9%)
Total Non-labor Operating Expenses	2,440,679	3,094,185	(653,506)	(21.1%)	2,528,784	(88,105)	(3.5%)
Total Operating Expenses	8,502,955	9,280,441	(777,486)	(8.4%)	8,216,218	286,737	3.5%
Operating Income (Loss)	(788,471)	(1,611,108)	822,637	(51.1%)	(470,766)	(317,705)	67.5%
Non-operating Revenue (Expenses)							
Investment Income	42,094	27,500	14,594	53.1%	62,153	(20,059)	(32.3%)
Investment Income - Ret HC Trust	(785,781)	-	(785,781)	N/A	890,735	(1,676,516)	N/A
Loss on Disposal of Capital Asset	-	-	-	N/A	-	-	N/A
Net Non-operating Revenue (Expenses)	(743,687)	27,500	(771,187)	(2,804%)	952,888	(1,696,575)	(178%)
Increase (Decrease) in Net Position	(1,532,158)	(1,583,608)	51,450	N/A	482,122	(2,014,280)	N/A
Net Position - Beginning the Year	11,773,220	11,773,220	-	0.0%	11,571,907	201,313	1.7%
Net Position - Year-to-Date	10,241,062	10,189,612	51,450	0.5%	12,054,029	(1,812,967)	(15.0%)
Increase (Decrease) in Net Position Excluding Ret HC Trust Investment Income (Loss)	(746,377)	(1,583,608)	837,231	(52.9%)	(408,613)	(337,764)	82.7%

State Bar of Michigan
Statement of Net Position
Administrative Fund
For the Ten Months Ending July 31, 2022

	6/30/2022	7/31/2022	Increase (Decrease)	%	Beginning of FY 2022 10/1/21
ASSETS AND DEFERRED OUTFLOWS					
Cash	\$1,487,903	\$908,994	(\$578,909)	(38.9%)	\$4,696,954
Investments	9,212,453	8,959,664	(252,789)	(2.7%)	5,979,540
Accounts Receivable	28,111	28,944	833	3.0%	73,941
Due from (to) CPF	(295)	(458)	(162)	55.0%	(21,276)
Due to Sections	(3,616,566)	(3,511,438)	105,128	(2.9%)	(2,983,335)
Prepaid Expenses	289,449	301,736	12,287	4.2%	466,629
Capital Assets	3,198,003	3,182,487	(15,516)	(0.5%)	3,343,587
SBM Retiree Health Care Trust	3,740,296	3,969,021	228,726	6.1%	4,730,914
Total Assets	<u>\$14,339,353</u>	<u>\$13,838,951</u>	<u>(\$500,402)</u>	<u>(3.5%)</u>	<u>\$16,286,954</u>
Deferred outflows of resources related to pensions	38,551	38,551	-	0.0%	38,551
Deferred outflows of resources related to OPEB	779,487	779,487	-	0.0%	779,487
Total Deferred outflows of resources	<u>818,038</u>	<u>818,038</u>	<u>-</u>	<u>0.0%</u>	<u>818,038</u>
Total Assets and Deferred Outflows of Resources	<u>15,157,391</u>	<u>14,656,989</u>	<u>(500,402)</u>	<u>(3.3%)</u>	<u>17,104,992</u>

	6/30/2022	7/31/2022	Increase (Decrease)	%	Beginning of FY 2022 10/1/21
LIABILITIES, DERERRED INFLOWS AND NET POSITION					
Liabilities					
Accounts Payable	\$38	\$40	\$2	5.6%	\$299,588
Accrued Expenses	667,668	596,833	(70,835)	(10.6%)	629,109
Deferred Revenue	1,847,082	1,256,393	(590,689)	(32.0%)	1,840,416
Net Pension Liability	402,467	402,467		0.0%	402,467
Net OPEB Liability	1,381,131	1,381,131		0.0%	1,381,131
Total Liabilities	4,298,386	3,636,863	(661,522)	(15.4%)	4,552,710
Deferred Inflows of resources related to OPEB	779,062	779,062	-	0.0%	779,062
Total Deferred inflows of resources	779,062	779,062	-	0.0%	779,062
Total Liabilities and Deferred Inflows	5,077,448	4,415,925	(661,522)	(13.0%)	5,331,772
Net Assets					
Invested in Capital Assets, Net of Related Debt	3,198,003	3,182,487	(15,516)	(0.5%)	3,343,587
Restricted for Retiree Health Care Trust	2,359,589	2,588,315	228,726	9.7%	3,350,208
Unrestricted	4,522,352	4,470,262	(52,090)	(1.2%)	5,079,425
Total Net Position	10,079,944	10,241,064	161,120	1.6%	11,773,220
Total Liabilities, Deferred Inflows and Net Position	\$15,157,391	\$14,656,989	(\$500,402)	(3.3%)	\$17,104,992
Net Position <u>excluding</u> the impacts of retiree health care	\$7,720,355	\$7,652,749	(\$67,606)	(8.1%)	\$8,423,012

Note: Cash and investments actually available to the State Bar Administrative Fund, after deduction of the "Due to Sections" and "Due to CPF" and not including the "Retiree Health Care Trust" is \$6,356,763 (see below)

	6/30/2022	7/31/2022	Increase (Decrease)	%	Beginning of FY 2022 10/1/21
CASH AND INVESTMENT BALANCES					
Cash (including CD's and Money Market)	\$1,487,903	\$908,994	(\$578,909)	(38.9%)	\$4,696,954
Investments	9,212,453	8,959,664	(252,789)	(2.7%)	5,979,540
Total Available Cash and Investments	10,700,357	9,868,658	(831,698)	(7.8%)	10,676,495
Less:					
Due to Sections	3,616,566	3,511,438	(105,128)	(2.9%)	2,983,335
Due to CPF	295	458	162	55.0%	21,276
Due to Sections and CPF	3,616,861	3,511,896	(104,966)	(2.9%)	3,004,611
Net Administrative Fund Cash and Investment Balance	7,083,495	6,356,763	(726,732)	(10.3%)	7,671,884

State Bar of Michigan
Statement of Revenue, Expense, and Net Assets
Administrative Fund
For the Ten Months Ending July 31, 2022

	Actual YTD	Budget YTD	Variance	Percentage	Prior Year YTD	Variance	Percentage
Revenue							
Legal							
Ethics	\$2,025	\$4,875	(\$2,850)	(58.46%)	\$7,050	(\$5,025)	(71.28%)
Character & Fitness	258,370	348,667	(90,297)	(25.90%)	304,910	(46,540)	(15.26%)
Legal Total	260,395	353,542	(93,147)	(26.35%)	311,960	(51,565)	(16.53%)
Public and Bar Services							
Lawyer Services	176,633	168,750	7,883	4.67%	179,944	(3,311)	(1.84%)
Bar Leadership Forum	13,605	11,725	1,880	16.03%	-	13,605	0.00%
Upper Michigan Legal Institute	20,363	12,500	7,863	62.90%	-	20,363	0.00%
Practice Management Resource Center	200	2,917	(2,717)	(93.14%)	1,375	(1,175)	(85.45%)
Lawyer Referral Service	172,680	125,000	47,680	38.14%	126,478	46,202	36.53%
Diversity	5,000	-	5,000	n/a	-	5,000	0.00%
LJAP	40,697	50,000	(9,303)	(18.61%)	45,091	(4,394)	(9.74%)
Public and Bar Services Total	429,178	370,892	58,286	15.72%	352,888	76,290	21.62%
Operations and Policy							
License Fees	6,445,775	6,411,708	34,067	0.53%	6,510,632	(64,857)	(1.00%)
Other Revenue	311,286	309,058	2,228	0.72%	313,179	(1,893)	(0.60%)
Bar Journal Directory	-	-	-	0.00%	13,889	(13,889)	(100.00%)
Bar Journal	146,218	129,383	16,835	13.01%	133,531	12,687	9.50%
Print and Design	40,997	30,833	10,164	32.96%	37,289	3,708	9.94%
e-Journal	26,720	23,500	3,220	13.70%	25,520	1,200	4.70%
Digital	53,915	40,417	13,498	33.40%	46,564	7,351	15.79%
Operations and Policy Total	7,024,911	6,944,899	80,012	1.15%	7,080,604	(55,693)	(0.79%)
Non-Operating Revenue							
Investment Income - SBM Operations	42,094	27,500	14,594	53.07%	62,153	(20,059)	(32.27%)
Investment Income - Ret HC Trust	(785,781)	-	(785,781)	0.00%	890,735	(1,676,516)	(188.22%)
Total Non-Operating Revenue	(743,687)	27,500	(771,187)	(2,804.32%)	952,888	(1,696,575)	(178.05%)
Total Revenue	6,970,797	7,696,833	(726,036)	(9.43%)	8,698,340	(1,727,543)	(19.86%)

State Bar of Michigan
Statement of Revenue, Expense and Net Assets
Administrative Fund
For the Ten Months Ending July 31, 2022

	Actual YTD	Budget YTD	Variance	Percentage	Prior Year YTD	Variance	Percentage
Expense							
Legal							
Ethics	\$1,818	\$8,245	(\$6,427)	(77.95%)	\$2,124	(\$306)	(14.41%)
Client Protection Fund Dept	10,637	4,642	5,995	129.15%	2,378	8,259	347.31%
Character & Fitness	29,284	50,467	(21,183)	(41.97%)	44,601	(15,317)	(34.34%)
UPL	2,695	10,000	(7,305)	(73.05%)	3,219	(524)	(16.28%)
General Counsel	46,801	49,139	(2,338)	(4.76%)	13,359	33,442	250.33%
Human Resources	1,583,003	1,671,165	(88,162)	(5.28%)	1,522,431	60,572	3.98%
Salaries	1,002,918	1,057,960	(55,042)	(5.20%)	946,602	56,316	5.95%
Legal Total	2,677,156	2,851,618	(174,462)	(6.12%)	2,534,714	142,442	5.62%
Public and Bar Services							
Inaugural and Awards Luncheon (Formerly Annual Meeting)	-	-	-	0.00%	4,894	(4,894)	(100.00%)
Lawyer Services	24,043	30,653	(6,610)	(21.56%)	28,851	(4,808)	(16.66%)
Bar Leadership Forum	23,755	34,500	(10,745)	(31.14%)	-	23,755	0.00%
UMLI	21,459	31,400	(9,941)	(31.66%)	-	21,459	0.00%
50 Yr. Golden Celebration	-	2,400	(2,400)	(100.00%)	1,468	(1,468)	(100.00%)
Practice Management Resource Center	5,644	7,655	(2,011)	(26.27%)	2,224	3,420	153.78%
Lawyer Referral Service	1,541	1,167	374	32.05%	6,407	(4,866)	(75.95%)
Outreach	45,516	103,247	(57,731)	(55.92%)	26,598	18,918	71.13%
Diversity	11,019	21,267	(10,248)	(48.19%)	21,396	(10,377)	(48.50%)
LJAP	6,320	14,083	(7,763)	(55.12%)	4,148	2,172	52.36%
Technical Services	421,058	540,911	(119,853)	(22.16%)	530,862	(109,804)	(20.68%)
Salaries	1,665,076	1,620,529	44,547	2.75%	1,474,649	190,427	12.91%
Total Public and Bar Services	2,225,431	2,407,812	(182,381)	(7.57%)	2,101,497	123,934	5.90%

	Actual YTD	Budget YTD	Variance	Percentage	Prior Year YTD	Variance	Percentage
Operations and Policy							
Administration	89,279	88,532	747	0.84%	73,333	15,946	21.74%
Financial Services	697,862	849,627	(151,765)	(17.86%)	819,606	(121,744)	(14.85%)
Bar Journal Directory	-	-	-	0.00%	1,573	(1,573)	(100.00%)
Bar Journal	272,425	318,814	(46,389)	(14.55%)	290,633	(18,208)	(6.26%)
Print and Design	35,011	41,517	(6,506)	(15.67%)	30,277	4,734	15.64%
Digital	94,319	114,517	(20,198)	(17.64%)	75,809	18,510	24.42%
e-Journal	10,953	13,505	(2,552)	(18.90%)	28,424	(17,471)	(61.47%)
General Communications	4,828	21,433	(16,605)	(77.47%)	10,544	(5,716)	(54.21%)
Executive Office	28,847	55,328	(26,481)	(47.86%)	23,185	5,662	24.42%
Board of Commissioners	54,298	82,040	(27,742)	(33.82%)	12,876	41,422	321.70%
Representative Assembly	12,541	19,850	(7,309)	(36.82%)	2,322	10,219	440.09%
Governmental Relations	47,636	57,300	(9,664)	(16.87%)	46,643	993	2.13%
Research and Development	1,056	12,707	(11,651)	(91.69%)	994	62	6.24%
Facilities Services	271,256	334,267	(63,011)	(18.85%)	256,966	14,290	5.56%
Justice Initiatives	128,262	131,714	(3,452)	(2.62%)	127,066	1,196	0.94%
Salaries	1,851,795	1,879,860	(28,065)	(1.49%)	1,779,756	72,039	4.05%
Operations and Policy Total	3,600,368	4,021,011	(420,643)	(10.46%)	3,580,007	20,361	0.57%
Total Expense	8,502,955	9,280,441	(777,486)	(8.38%)	8,216,218	286,737	3.49%
Increase (Decrease) in Net Assets	(\$1,532,158)	(\$1,583,608)	\$51,450	(3.25%)	\$482,121	(\$2,014,279)	(417.80%)

	Actual YTD	Budget YTD	Variance	Percentage	Prior Year YTD	Variance	Percentage
Human Resources Detail							
Payroll Taxes	333,427	346,453	(13,026)	(3.76%)	309,410	24,017	7.76%
Benefits	1,209,060	1,281,454	(72,394)	(5.65%)	1,177,017	32,043	2.72%
Other Expenses	40,516	43,258	(2,742)	(6.34%)	36,004	4,512	12.53%
Total Human Resources	1,583,003	1,671,165	(88,162)	(5.28%)	1,522,431	60,572	3.98%
Financial Services Detail							
Depreciation	351,690	466,667	(114,977)	(24.64%)	441,014	(89,324)	(20.25%)
Other Expenses	346,172	382,960	(36,788)	(9.61%)	378,591	(32,419)	(8.56%)
Total Financial Services	697,862	849,627	(151,765)	(17.86%)	819,605	(121,743)	(14.85%)
Salaries							
Legal	1,002,918	1,057,960	(55,042)	(5.20%)	946,602	56,316	5.95%
Public and Bar Services	1,665,076	1,620,529	44,547	2.75%	1,474,649	190,427	12.91%
Operations and Policy	1,851,795	1,879,860	(28,065)	(1.49%)	1,779,756	72,039	4.05%
Total Salaries Expense	4,519,789	4,558,349	(38,560)	(0.85%)	4,201,007	318,782	7.59%
Non-Labor Expense Summary							
Legal	131,751	165,751	(34,000)	(20.51%)	101,685	30,066	29.57%
Public and Bar Services	560,355	787,283	(226,928)	(28.82%)	626,848	(66,493)	(10.61%)
Operations and Policy	1,748,573	2,141,151	(392,578)	(18.33%)	1,800,251	(51,678)	(2.87%)
Total Non-Labor Expense	2,440,679	3,094,185	(653,506)	(21.12%)	2,528,784	(88,105)	(3.48%)

State Bar of Michigan
Administrative Fund
FY 2022 Capital Expenditures vs Budget
For the Ten Months Ending July 31, 2022

	YTD Actual	YTD Budget	YTD Variance	Notes and Variance Explanations	Total Approved FY 2022 Budget	FY 2022 Year-End Forecast	Projected Year-end Variance
FACILITIES, FURNITURE & OFFICE EQUIPMENT							
Meeting room upgrades for virtual capabilities	16,589	16,589	-		\$ 20,000	\$ 16,600	\$ (3,400)
Replacement of Floor Copiers/Scanners	-	-	-	Ordered, waiting for delivery.	\$ 35,000	\$ 27,000	\$ (8,000)
Total Facilities, Furniture & Office Equipment:	16,589	16,589	-		\$ 55,000	\$ 43,600	\$ (11,400)
INFORMATION TECHNOLOGY							
<u>IT Infrastructure:</u>							
Replacement of ethernet switches for rooms 2, 3, 4 and garden level	-	-	-	Ordered, waiting for delivery.	\$ 58,000	\$ 52,000	\$ (6,000)
<u>Application Software Development:</u>							
Receivership /Interim Administrator Program data portal	3,000	3,000	-	Pending MI Supreme Court program approval.	35,000	20,000	(15,000)
E-commerce Store	50,600	50,600	-		15,000	50,600	35,600
E-commerce Events	14,900	14,900	-	Not budgeted, to be offset by other projects	-	20,000	20,000
E-commerce License Fee Updates	20,000	20,000	-	Not budgeted, to be offset by other projects	-	20,000	20,000
e-Services Application to Court e-Filing (mi-File)	-	-	-		-	-	-
Firm Administration and Billing	46,000	46,000	-		30,000	30,000	-
Unauthorized Practice of Law Portal	-	-	-		20,000	-	(20,000)
Client Protection Fund Portal	-	-	-		20,000	-	(20,000)
Website Functionality Enhancements	11,800	11,800	-		28,800	28,800	-
Volunteer Application Portal	2,500	2,500	-		2,500	2,500	-
Character & Fitness Application Module (for BLE)	17,400	17,400	-		12,000	19,000	7,000
Character & Fitness Hearings Module	-	-	-		35,500	-	(35,500)
Consumer Portal (LRS)	7,800	7,800	-		10,000	17,900	7,900
Total Information Technology:	\$ 174,000	\$ 174,000	\$ -		\$ 266,800	\$ 260,800	\$ (6,000)
Total Capital Budget:	\$ 190,589	\$ 190,589	\$ -		\$ 321,800	\$ 304,400	\$ (17,400)

**STATE BAR OF MICHIGAN
CLIENT PROTECTION FUND**

Unaudited and For Internal Use Only

**FINANCIAL REPORTS
July 31, 2022**

FY 2022

Note: License fee revenue is recognized and budgeted as earned each month throughout the year.

State Bar Of Michigan
Client Protection Fund
Comparative Statement of Net Assets
For the Ten Months Ending July 31, 2022

	6/30/2022	7/31/2022	Increase (Decrease)	%	Beginning of FY 2022 10/1/21
Assets					
Cash-Checking	\$10,457	\$12,549	\$2,092	20.0%	\$51,336
Savings	1,202,806	193,010	(1,009,797)	(84.0%)	2,134,669
Investments	996,311	1,992,837	996,526	100.0%	-
Due From SBM	295	458	162	55.0%	21,276
Total Assets	\$2,209,870	\$2,198,854	(\$11,016)	(0.5%)	\$2,207,281
Liabilities					
Accounts Payable*	\$500	\$500	-	0.0%	\$241,237
Deferred Revenue	164,363	111,605	(52,758)	(32.1%)	131,925
Total Liabilities	164,863	112,105	(52,758)	(32.0%)	373,162
Fund Balance					
Fund Balance at Beginning of Year	1,834,119	1,834,119	-	0.0%	1,635,719
Net Income (Expense) Year to Date	210,888	252,630	41,742	19.8%	198,400
Total Fund Balance	2,045,007	2,086,749	41,742	2.0%	1,834,119
Total Liabilities and Fund Balance	\$2,209,870	\$2,198,854	(\$11,016)	(0.5%)	\$2,207,281

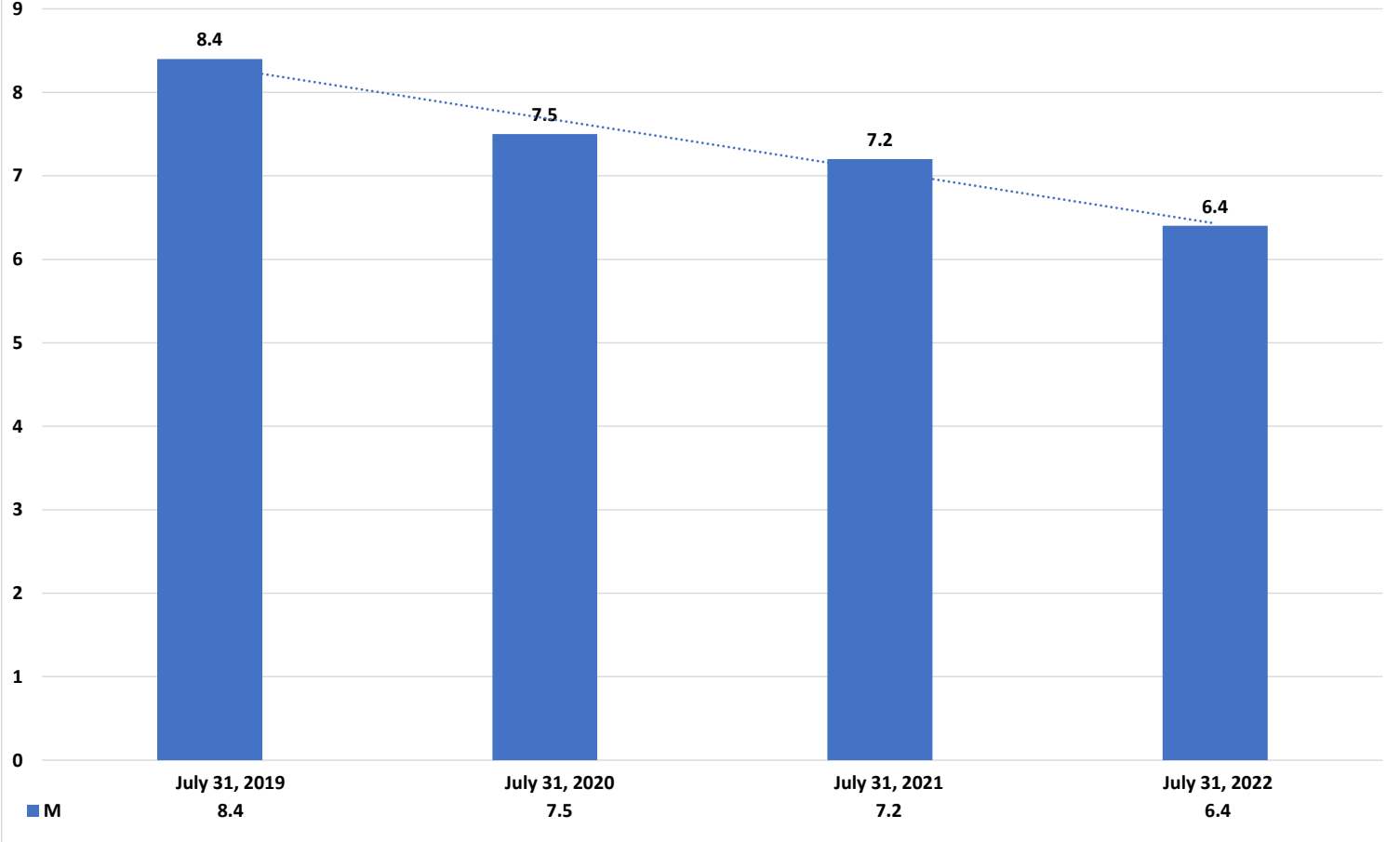
*There are \$500 authorized but unpaid claims awaiting signatures of subrogation.

Client Protection Fund
Statement of Revenue, Expenses, and Changes in Net Assets □
For the Ten Months Ending July 31, 2022

	2022 YTD	2021 ⁽¹⁾ YTD
Income:		
3-7-00-000-0005 Contributions Received	1,916	6,025
3-7-00-000-0050 License Fees Assessment	533,620	528,005
3-7-00-000-0051 Pro Hac Vice Fees	9,675	10,995
3-7-00-000-0890 Claims Recovery	29,129	28,032
3-7-00-000-0891 Claims Income	-	-
Total Income	574,341	597,585
Expenses:		
3-9-00-000-0200 Claims Payment	181,575	101,961
3-9-00-000-0910 Administrative Fee	143,750	137,639
3-9-00-000-0994 Bank Service Charges	350	357
Total Expenses	325,675	418,882
3-7-00-000-0921 Gain or Loss on Investment	1,889	-
3-7-00-000-0920 Interest and Dividends	2,075	3,505
	3,964	3,505
Increase/(Decrease) in Net Position	252,630	182,208
3-5-00-000-1010 Fund Balance	1,834,119	1,635,718
Net Position, End of Period	2,086,749	1,817,926

⁽¹⁾ In FY 2022 CPF is recording claim recoveries on cash basis and claim expenses as they are approved. FY 2021 is restated to show both years consistently.

State Bar of Michigan Cash & Investments
Excluding Sections, Client Protection Fund and Retiree Health Care Trust
For the Ten Months Ending July 31, 2022
\$6.4M



Note: The State Bar of Michigan has no bank debt outstanding

Summary of Cash and Investment Balances by Financial Institution

7/31/2022

Assets	Bank Rating	Financial Institution Summary	Interest Rates	Fund Summary
		SBM Chase Checking \$ 261,461.00		Client Protection Fund \$ 2,198,396
		SBM Chase Credit Card \$ 4,957.50		State Bar Admin Fund \$ 9,868,658
		SBM Chase E Checking \$ 4,417.50		(including Sections)
		SBM Chase Payroll \$ -		Attorney Discipline System \$ 3,557,418
		SBM Chase Savings \$ 260,469.73	0.05%	SBM Retiree Health Care Trust \$ 3,969,021
		ADS Chase Checking \$ 17,054.99		ADB Retiree Health Care Trust \$ 1,318,040
		ADS Chase Petty Cash \$ 5,590.79		AGC Retiree Health Care Trust \$ 4,156,908
		CPF Chase Checking \$ 12,549.28		
		CPF Chase Savings \$ 40,454.07	0.05%	Total \$ 25,068,442
\$3.5 Trillion	5 stars	** Chase Total \$ 606,954.86		
		SBM Horizon Bank Money Market \$ 10,039.51	0.15%	
\$7.4 Billion	5 stars	Horizon Bank Total w/CD \$ 1,510,039.51		
		SBM Fifth Third Commercial Now \$ 36,083.89	0.30% *	
\$210 Billion	4 stars	Fifth Third Total \$ 36,083.89		
		Grand River Bank Money Market \$ 10,043.35	0.28%	
\$477 Million	5 stars	Grand River Bank Total w/CD \$ 755,043.35		
		MSUCU Savings \$ 56.09	0.00%	
		MSUCU Checking \$ 8,830.11	0.00%	
		MSU Credit Union Total \$ 8,886.20		
\$6.8 Billion	5 stars	MSU Credit Union Total w/CD \$ 2,001,010.12		
		LAFUCU Savings \$ 5.00		
\$960 Million	5 stars	LAFUCU Total w/CD \$ 5.00		
		CASE Cr Un \$ 6.00		
		CASE Cr Un Total w/CD \$ 6.00		
		SBM Flagstar ICS Checking \$ 115,996.05	1.30%	
		ADS Flagstar ICS Checking Account \$ 517,645.73	1.30%	
		CPF Flagstar ICS Checking \$ 152,555.64	1.30%	
\$23 Billion	5 stars	Flagstar Bank FDIC Insured \$ 786,197.42		

State Bar Admin Fund Summary	
Cash and Investments	\$ 9,868,658
Less:	
Due (to)/from Sections	\$ (3,511,438)
Due (to)/from CPF	\$ (458)
Due to Sections and CPF	\$ (3,511,896)
Net Administrative Fund	\$ 6,356,763

SBM Average Weighted Yield:	0.89%
ADS Average Weighted Yield:	1.15%
CPF Average Weighted Yield:	1.30%

Notes:

- Average weighted yields exclude retiree health care trusts
- All amounts are based on reconciled book balance and interest rates as of 07/31/2022
- CDARS when used are invested in multiple banks up to the FDIC limit for each bank
- Funds held in bank accounts are FDIC insured up to \$250,000 per bank
- The SBM funds held with Charles Schwab in the Retiree Health Care Trusts are invested in 74% equity securities, 24% in bonds, and 2% in money market funds
- As of 07/31/2022, the funds held by SBM attributable to ADS were \$25,659.66
- Bank Star rating from Bauer Financial.
- Lockbox fees are offset by 0.30% p.a. on average monthly balance (**)
- Actual unreconciled Chase balance per statements was \$732,938.45 (**)

Assets	Rating	Financial Institution Summary	Interest Rates	Maturity
N/A	N/A	SBM US Treasuries		
		S67 \$ 249,960.52	0.77%	08/04/22
		L64 \$ 249,858.68	0.88%	08/11/22
		XN4 \$ 499,368.65	2.06%	08/23/22
		T66 \$ 998,165.83	0.63%	09/01/22
		M89 \$ 995,870.42	1.84%	10/06/22
		W47 \$ 488,656.77	2.22%	05/18/23
		SBM US Treasuries Total \$ 3,481,880.87		
		CPF US Treasuries		
		U56 \$ 996,966.67	0.91%	09/22/22
		M89 \$ 995,870.42	1.84%	10/06/22
		CPF US Treasuries Total \$ 1,992,837.09		
		ADS US Treasuries		
		XL8 \$ 999,550.83	1.34%	08/09/22
		L64 \$ 999,434.72	0.88%	08/11/22
		W62 \$ 992,481.25	1.47%	11/17/22
		ADS US Treasuries Total \$ 2,991,466.80		
		US Treasuries Total \$ 8,466,184.76		
		SBM Flagstar Savings \$ 222,287.78	1.03%	n/a
		\$ 222,287.78		
\$23 Billion	5 stars	SBM - Grand River Bank \$ 250,000.00	0.85%	08/09/22
		SBM - Grand River Bank \$ 250,000.00	0.85%	08/11/22
\$477 Million	5 stars	SBM - Grand River Bank \$ 245,000.00	0.60%	09/29/22
		SBM - Grand River Bank \$ 245,000.00	0.60%	09/29/22
		SBM-CD First National Bank of America \$ 245,659.68	0.65%	10/12/22
\$3.4 Billion	3.5 stars	SBM-CD First National Bank of America \$ 250,000.00	0.65%	10/16/22
		SBM-CD First National Bank of America \$ 250,000.00	0.65%	10/16/22
		SBM-CD First National Bank of America \$ 250,000.00	0.65%	10/16/22
		SBM-CD MSU Credit Union \$ 250,530.98	0.60%	10/28/22
\$6.8 Billion	5 stars	SBM-CD MSU Credit Union \$ 250,530.98	0.60%	10/28/22
		SBM-CD MSU Credit Union \$ 250,530.98	0.60%	10/28/22
		SBM-CD MSU Credit Union \$ 250,530.98	0.60%	10/28/22
		SBM-CD MSU Credit Union \$ 250,000.00	0.60%	11/21/22
		SBM-CD MSU Credit Union \$ 250,000.00	0.60%	11/21/22
		SBM-CD MSU Credit Union \$ 250,000.00	0.60%	11/21/22
		SBM-CD MSU Credit Union \$ 240,000.00	0.50%	11/21/22
\$392 Million	5 stars	SBM - Case Credit Union \$ -	0.40%	07/01/22
		SBM - Case Credit Union \$ -	0.40%	07/01/22
		SBM - Case Credit Union \$ -	0.40%	07/01/22
		SBM - Case Credit Union \$ -	0.40%	07/01/22
		Horizon Bank \$ 250,000.00	0.57%	08/09/22
\$7.3 Billion	5 stars	Horizon Bank \$ 250,000.00	0.57%	08/09/22
		Horizon Bank \$ 250,000.00	0.57%	08/09/22
		Horizon Bank \$ 250,000.00	0.57%	08/09/22
		Horizon Bank \$ 250,000.00	0.67%	08/18/22
		Horizon Bank \$ 250,000.00	0.67%	08/18/22
		Bank CD Totals \$ 5,477,783.60		
		Total Cash & Investments (excluding Schwab) \$ 15,624,472.37		
		SBM - Charles Schwab (Ret HC Trust) \$ 3,969,021.49	Mutual Funds	
		ADB - Charles Schwab (Ret HC Trust) \$ 1,318,039.73	Mutual Funds	
		AGC - Charles Schwab (Ret HC Trust) \$ 4,156,908.49	Mutual Funds	
		Charles Schwab Totals \$ 9,443,969.71		
		Grand Total (including Schwab) \$ 25,068,442.08		
		Total amount of cash and investments (excluding Schwab) not FDIC insured \$ 4,618,707.52	29.56%	

Assets & Ratings updated 7/12/2022

Monthly SBM Attorney and Affiliate Report - July 31, 2022

FY 2022

Attorneys and Affiliates In Good Standing	September 30 2014	September 30 2015	September 30 2016	September 30 2017	September 30 2018	September 30 2019	September 30 2020	September 30 2021	July 31 2022	FY Increase (Decrease)
Active	41,093	41,608	41,921	42,100	42,342	42,506	42,401	42,393	42,438	45
Less than 50 yrs serv	40,036	40,490	40,725	40,833	40,973	41,036	40,559	40,504	40,701	197
50 yrs or greater	1,057	1,118	1,196	1,267	1,369	1,470	1,842	1,889	1,737	(152)
Voluntary Inactive	1,211	1,218	1,250	1,243	1,169	1,139	1,192	1,097	1,058	(39)
Less than 50 yrs serv	1,184	1,195	1,230	1,217	1,142	1,105	1,149	1,055	1,019	(36)
50 yrs or greater	27	23	20	26	27	34	43	42	39	(3)
Emeritus	1,552	1,678	1,841	1,973	2,204	2,447	2,727	3,033	3,253	220
Total Attorneys in Good Standing	43,856	44,504	45,012	45,316	45,715	46,092	46,320	46,523	46,749	226
Fees paying Attorneys (Active & Inactive less than 50 yrs of Serv)	41,220	41,685	41,955	42,050	42,115	42,141	41,708	41,559	41,720	161
Affiliates										
Legal Administrators	14	13	13	13	10	10	8	5	5	-
Legal Assistants	413	425	405	400	401	393	317	219	254	35
Total Affiliates in Good Standing	427	438	418	413	411	403	325	224	259	35
Total Attorneys and Former Attorneys in the Database										
State Bar of Michigan Attorney and Affiliate Type	September 30 2014	September 30 2015	September 30 2016	September 30 2017	September 30 2018	September 30 2019	September 30 2020	September 30 2021	July 31 2022	FY Increase (Decrease)
Attorneys in Good Standing:										
ATA (Active)	41,093	41,608	41,921	42,100	42,342	42,506	42,401	42,393	42,438	45
ATVI (Voluntary Inactive)	1,211	1,218	1,250	1,243	1,169	1,139	1,192	1,097	1,058	(39)
ATE (Emeritus)	1,552	1,678	1,841	1,973	2,204	2,447	2,727	3,033	3,253	220
Total Attorneys in Good Standing	43,856	44,504	45,012	45,316	45,715	46,092	46,320	46,523	46,749	226
Attorneys Not in Good Standing:										
ATN (Suspended for Non-Payment of Dues)	5,427	5,578	5,743	5,888	6,072	6,246	6,416	6,472	6,615	143
ATDS (Discipline Suspension - Active)	407	415	418	430	439	440	445	449	454	5
ATDI (Discipline Suspension - Inactive)	12	11	18	19	19	24	25	25	25	-
ATDC (Discipline Suspension - Non-Payment of Court Costs)	1	3	3	16	15	16	16	14	14	-
ATNS (Discipline Suspension - Non-Payment of Other Costs)	83	92	99	94	95	98	100	102	105	3
ATS (Attorney Suspension - Other)*	1	1	1	-	1	1	2	-	-	-
ATR (Revoked)	521	517	534	562	583	596	613	623	632	9
ATU (Status Unknown - Last known status was inactive)**	2,088	2,076	2,074	2,070	2,070	2,070	2,070	2,070	2,047	(23)
Total Attorneys Not in Good Standing	8,540	8,693	8,890	9,079	9,294	9,491	9,687	9,755	9,892	137
Other:										
ATSC (Former special certificate)	136	140	145	152	155	157	158	164	166	2
ATW (Resigned)	1,429	1,483	1,539	1,612	1,689	1,798	1,907	2,036	2,125	89
ATX (Deceased)	8,127	8,445	8,720	9,042	9,287	9,524	9,793	10,260	10,627	367
Total Other	9,692	10,068	10,404	10,806	11,131	11,479	11,858	12,460	12,918	458
Total Attorneys in Database	62,088	63,265	64,306	65,201	66,140	67,062	67,865	68,738	69,559	821

* ATS is a new status added effective August 2012 - suspended by a court, administrative agency, or similar authority

** ATU is a new status added in 2010 to account for approximately 2,600 attorneys who were found not to be accounted for in the iMIS database
The last known status was inactive and many are likely deceased. We are researching these attorneys to determine a final disposition.

N/R - not reported

Notes: Through July 31, 2022 a total of 820 new attorneys joined SBM.

TO: Board of Commissioners

FROM: Professional Standards Committee

DATE: September 16, 2022, BOC Meeting

RE: Client Protection Fund Claims for Consent Agenda

Rule 15 of the Client Protection Fund Rules provides that “claims, proceedings and reports involving claims for reimbursement are confidential until the Board authorizes reimbursement to the claimant.” To protect CPF claim information as required in the Rule, and to avoid negative publicity about a lawyer subject to a claim, which has been denied and appealed, the CPF Report to the Board of Commissioners is designated “confidential.”

**CONSENT AGENDA
 CLIENT PROTECTION FUND**

Claims recommended for payment:

Consent Agenda

	<u>Claim No.</u>	<u>Amt. Recommended</u>
1.	CPF 3668	\$3,500.00
2.	CPF 3682	\$5,000.00
3.	CPF 3720	\$7,125.00
4.	CPF 3721	\$2,500.00
5.	CPF 3730	\$2,500.00
6.	CPF 3734	\$10,000.00
7.	CPF 3759	\$1,710.00
8.	CPF 3764	\$7,500.00
9.	CPF 3765	\$1,000.00
10.	CPF 3766	\$2,300.00
11.	CPF 3771	\$500.00
12.	CPF 3778	\$750.00
13.	CPF 3782	\$2,000.00
14.	CPF 3787	\$1,100.00
15.	CPF 3797	\$2,500.00
16.	CPF 3878	<u>\$6,545.92</u>
	TOTAL	\$56,530.92

The Professional Standards Committee recommends payment of these claims by the State Bar of Michigan Client Protection Fund:

1. CPF 3668 \$3,500.00

Respondent was retained to represent Claimant in a criminal matter for a flat fee of \$3,500. Respondent requested three postponements of Claimant's sentencing hearing before abandoning the representation. Respondent failed to appear for Claimant's sentencing hearing and failed to notify the court or Claimant of Respondent's unavailability. A public defender completed the representation.

Respondent did not complete the legal services before checking into a treatment center, thus Claimant was assigned a public defender. A flat fee is not earned until the conclusion of the representation and must be held in trust until earned.¹ A respondent's failure to safeguard the funds in an attorney trust account until the conclusion of the representation, which is when the fees are earned, violates MRPC 1.15. Respondent's failure to return the unearned fee constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1), 9(C)(6) and 11(B).

2. CPF 3682 \$5,000.00

Respondent was retained to represent Claimant's son in a criminal matter for a \$7,500. Respondent met with Claimant, spoke with Claimant by phone, met with Claimant's son a few times and drafted a power of attorney. Respondent was admitted into a treatment center abandoning several matters without notice. Claimant's son proceeded with a court-appointed attorney.

Respondent contends that the retainer was non-refundable, however, cannot provide a copy and Claimant states the fee was a flat fee. Further, Claimant was provided with a receipt, as such it seems unlikely that the law firm would retain a copy of the receipt but not the retainer agreement. Without evidence that the retainer was non-refundable, and the requirement under *Grievance Adm'r v Cooper*, 757 NW2d 867 (Mich 2008), that the retainer be in writing and unambiguous, staff instead analyzed this claim under RI-69, which provides that the retainer is not earned until the legal services are complete. Respondent did not complete the legal services before abandoning the matter. A flat fee is not earned until the conclusion of the representation and must be held in trust until earned.² A respondent's failure to safeguard the funds in an attorney trust account until the conclusion of the representation, which is when the fees are earned, violates MRPC 1.15. Although the ADB ordered Respondent to pay \$7,500 in restitution to Claimant, Claimant estimates that Respondent earned \$2,500. Respondent's failure to return the unearned portion of the retainer fee constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1), 9(C)(6) and 11(B).

3. CPF 3720 \$7,125.00

Respondent was retained to file a claim of appeal for a flat fee of \$7,500. Respondent emailed Claimant stating Respondent would provide Claimant with a legal services agreement and begin work once \$5,000 had been paid. Claimant reported an agreement was never received; therefore, this claim is being handled as if it were a flat fee agreement.

¹ RI-069

² RI-069

Respondent filed the claim of appeal and paid the \$375 filing fee but died before completing the services. In claims involving a deceased respondent, the death of the respondent is not considered dishonest conduct. However, the death of the respondent leads to the discovery of dishonest conduct. Unless an attorney has a written fee agreement that comports with *Cooper*,³ the fee is refundable and must be held in an attorney trust account. A flat fee is not earned until the conclusion of the representation and must be held in trust until earned.⁴ Respondent did not complete the legal services before passing away or safeguard the retainer fee in an attorney trust account until the fees were earned, in violation of MRPC 1.15. The failure of a respondent's law firm or estate to reimburse claimant after Respondent's death is a failure to return an unearned fee in violation of MRPC 1.15 and is a reimbursable loss payable to Claimant for \$7,125 [\$7,500 - \$375 filing fee] under CPF Rule 9(C)(1) and Rule 9(D)(6).

4. CPF 3721 \$2,500.00

Respondent was retained to represent Claimant's son in two criminal matters for a fee of \$2,500. Respondent failed to file an appearance and appear for either of the two pretrial hearings. Respondent completed no legal services before the representation was terminated. Respondent's failure to return the unearned legal fee constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(C)(6).

5. CPF 3730 \$2,500.00

Respondent was retained to update Claimant's estate documents for a flat fee of \$1,795. Claimant also provided an additional \$2,500 to be held in an escrow account to fund the trust when it became effective.

Respondent met with Claimant, reviewed Claimant's estate documents, and provided Claimant with the updated documents to review, earning the \$1,795. Receiving conflicting information from Respondent's office as to where the escrow funds were deposited, Claimant requested the escrow funds be returned. Respondent claims a \$2,500 check was mailed to Claimant. Claimant states the check was never received. Although requested, Respondent has failed to provide a copy of the canceled check or any other documentation to support the return of the \$2,500. Respondent's failure to return the \$2,500 in escrow funds constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C).

6. CPF 3734 \$10,000.00

Respondent was retained to assist Claimant in a pending dog bite lawsuit, property line dispute, trespassing dispute, dispute with the U.S. Dept. of Agriculture, lease of property with a bank, abuse of police authority and prosecutorial misconduct, FOIA complaint, in re-establishing a medical marijuana business for \$10,000.

³ *Grievance Adm'r v Cooper*, 757 NW2d 867 (2008), the Michigan Supreme Court ruled as follows regarding a nonrefundable retainer: As written, the agreement clearly and unambiguously provided that the respondent was retained to represent the client and that the minimum fee was incurred upon execution of the agreement, regardless of whether the representation was terminated by the client before the billings at the stated hourly rate exceeded the minimum. So understood, neither the agreement nor the respondent's retention of the minimum fee after the client terminated the representation violated existing MRPC 1.5(a), MPRC 1.15(b) or MRPC 1.16(d).

⁴ RI-069

Respondent prepared an appearance for the criminal case, but never filed it or any other documents. While Respondent dealt with a personal matter, Claimant got the criminal charges dismissed, then terminated the attorney-client relationship. Respondent did not provide an invoice explaining what amount of the retainer was earned, demonstrate progress in any of the objectives, or return the unearned portion of the retain fee. Respondent completed no notable legal services before termination. Upon termination, Respondent did not provide a detailed statement reflecting the fees earned, if any. Respondent's failure to return the unearned fee constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1), 9(C)(6), and 11(B).

7. CPF 3759 \$1,710.00

Respondent was retained to represent Claimant in a personal property dispute over the shared care of two dogs for \$2,700. Per the fee agreement, there was no set cost for representation, fees are based solely on Respondent's determination of the value of services rendered. The agreement also provides that any payments made are non-refundable but does not address refund of unearned fees if the representation is terminated before completion.

Respondent filed a Complaint and Motion for Possession Pending Judgment, met with Claimant a few times, attended two hearing, and responded to some of Claimant's calls and texts messages. No statement for services rendered was provided. The Attorney Discipline Board ordered Respondent to return the \$2,500 received from Claimant, determining that this amount was not earned by Respondent. Based on Respondent's failure to effectuate Respondent's responsibilities and the ADB discipline order; this claim was recommended for payment refunding the amount Claimant paid to Respondent after the representation was terminated under CPF Rule 9(F).

8. CPF 3764 \$7,500.00

Respondent was retained to represent Claimant in a commutation and potentially a post-conviction appeal for \$12,000 plus costs. Respondent received \$17,000, representing \$12,000 in attorney fees and \$5,000 in expert fees. Respondent reviewed case documents and transcripts, met with the Governor's legal counsel on commutation cases, and located an independent medical examiner who authored a report stating that the autopsy utilized at trial was inaccurate medical science which was to be the basis of new evidence supporting a Motion from Relief from Judgment, also called a ".6500 motion." However, Respondent executed a Stipulation in which he agreed to pay the unearned portion of the fee, \$7,500, to Claimant.

Claimant's claim application was filed on August 21, 2021, three-years after Respondent's license to practice law was suspended, contrary to the one-year time period in CPF Rule 9(B). However, the documentation reflects that Claimant was informed of the Fund by the CPF staff for the first time by letter dated July 19, 2021. It is policy for the Committee to exercise its discretion under Rule 9(F) to waive the one-year filing requirement, if the AGC has not notified a claimant about the Fund in writing and there is no evidence to otherwise indicate that the claimant knew about their right to file a claim. Based on this policy and the law library resources being unavailable to inmates during COVID "lockdown," it is recommended that the one-year filing requirement be waived. Respondent's failure to return the unearned portion of the retainer fee constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1), 9(D)(6), and 11(B).

9. CPF 3765 \$1,000.00

Respondent was retained to represent Claimant's son in three criminal matters for a fee of \$1,000. No retainer agreement covers this representation. Respondent completed no legal services other than filing an appearance before the suspension and eventual revocation of Respondent's license to practice law. Respondent's failure to return the unearned fee constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(C)(6).

10. CPF 3766 \$2,300.00

Respondent was retained to represent Claimant in a criminal matter for a flat fee of \$6,000 up to trial. Claimant paid Respondent \$8,300 for the representation. Respondent reviewed discovery, appeared in court a few times, consulted with Claimant, and spoke with the district attorney, representing Claimant through Claimant's first sentencing hearing, which resulted in a one-year delayed sentencing.

Discovering an overpayment, Claimant requested the return of \$2,800. Respondent responded that Claimant still owed \$3,500; however, Respondent's accounting is incomplete and inaccurate. Claimant provided banking records supporting the payment of \$8,300 or an overpayment of \$2,300. Based on the documentation provided, Respondent's failure to document the additional fees charged, and his failure to complete the legal services, the additional \$2,300 in legal fees is deemed unsubstantiated. Respondent's failure to return the unearned attorney fees constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(C)(6).

11. CPF 3771 \$500.00

Respondent was retained to represent Claimant in a personal injury matter for a fee of \$500, plus 25% of any settlement, adjustment, or award for damages. Fourteen days after retention, Respondent's license to practice law was suspended. Respondent completed no legal services on Claimant's behalf. Respondent's failure to return the unearned fee constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(C)(6).

12. CPF 3778 \$750.00

Respondent was retained to draft estate plan documents for Claimant and Claimant's spouse for a flat fee of \$750. Respondent telephoned Claimant once before abandoning the matter. Respondent's failure to return the unearned fee constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(C)(6).

13. CPF 3782 \$2,000.00

Respondent was retained to represent Claimant in a property matter for a nonrefundable flat fee of \$2,000. During the first six weeks, Respondent kept Claimant updated, then he abandoned the matter.

The Retainer Agreement states "The fee for representing you in this matter is a nonrefundable retainer of \$2,000.00. This nonrefundable flat rate retainer plus fee is for representation of you through jury trial ..." Nonrefundable retainers are ethically permissible if the fee agreement is unambiguous.⁵ The Agreement only addresses the premature termination of the representation by

⁵ In *Grievance Adm'r v Cooper*, 757 NW2d 867 (Mich 2008), the Michigan Supreme Court ruled as follows regarding a nonrefundable retainer:

Claimant before completion. The Agreement is silent as to the early termination by Respondent. Since Respondent did not provide the agreed upon services, the nonrefundable flat fee may be deemed unreasonable or excessive contrary to MPRC 1.5(a).

Respondent did not complete the legal services before he was suspended from the practice of law and later disbarred. Respondent's failure to return the unearned fee constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(C)(6).

14. CPF 3787 \$1,100.00

Respondent was retained to represent Claimant in a probation matter for \$1,100. Respondent consulted with Claimant twice and prepared for Claimant's arraignment. Respondent died on his way to the arraignment in a car accident.

Absent a written fee agreement, the agreement between the parties presumes a flat or fixed fee, which is not earned until the conclusion of the representation and must be held in trust until the matter is resolved.⁶ Respondent's failure to safeguard the funds in an attorney trust account and his estate's and law firm's failure to return the funds to Claimant violates MRPC 1.15. This dishonest conduct is a reimbursable loss under CPF Rule 9(C)(1) and Rule 9(D)(6).

15. CPF 3797 \$2,500.00

Respondent was retained to represent Claimant to contest the Army's efforts to recoup Claimant's medical school tuition costs for a fee of \$5,000. There is no written retainer agreement for this matter.

Respondent earned half of the advanced fee, \$2,500, when he filed an initial and final appeal with the Army Medical Corps, both of which were denied. However, the remaining \$2,500 was to provide further representation, including a determination of whether suing the Army was a viable option. Respondent claims he discussed the possibility of suing the Army to discharge Claimant's medical school obligation with Claimant, however, Respondent provided no support for this claim despite requests from both the Attorney Grievance Commission and the Client Protection Fund. Respondent did not complete the legal services before Claimant terminated the representation and failed to refund the unearned portion of the retainer fee. Respondent's failure to return the remaining \$2,500 unearned fee constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(C)(6).

As written, the agreement clearly and unambiguously provided that the respondent was retained to represent the client and that the minimum fee was incurred upon execution of the agreement, regardless of whether the representation was terminated by the client before the billings at the stated hourly rate exceeded the minimum. So understood, neither the agreement nor the respondent's retention of the minimum fee after the client terminated the representation violated existing MRPC 1.5(a), MRPC 1.15(b) or MRPC 1.16(d).

⁶ RI-069

16. CPF 3878

\$6,545.92

Respondent's associate was retained to represent Claimant in a personal injury matter under a one-third contingency fee agreement. Suit was filed and a settlement was reached for \$25,000 in October 2016. Claimant received a summary of the settlement. Throughout 2018, Claimant was unable to obtain the settlement funds and Respondent's associate left the firm.

Claimant filed a Request for Investigation. Respondent admitted the settlement funds were due Claimant. Over the next year, neither the Attorney Grievance Commission (AGC) nor Respondent could contact Claimant. Claimant admits being unreachable dealing with a personal issue.

In July 2022, Respondent, in conjunction with the AGC, contacted the Client Protection Fund requesting the settlement funds be held by Fund while CPF staff attempted located Claimant.

By August 10, 2022, the check had been deposited into Fund, Claimant contacted, and a completed claim application received. The fund is holding \$6,545.92 in settlement proceeds due to Claimant that must be remitted to her.

Total payments recommended: \$56,530.92

CALENDAR
STATE BAR OF MICHIGAN REPRESENTATIVE ASSEMBLY
SATURDAY, September 17, 2022

Crowne Plaza, 925 S. Creyts Road, Lansing, MI 48917

*Denotes Action Items

9:30 A.M. MEETING BEGINS

- 9:30 a.m. 1. Introductory Matters
- A. Call to order by Chair Nicholas M. Ohanesian with Parliamentarian the Honorable John M. Chmura
- Mr. Nicholas M. Ohanesian, Chair, Representative Assembly
[Social Security Administration, Office of Hearings Operations, 1925 Breton Rd. SE, Ste. 200, Grand Rapids, MI 49506
phone: (616) 920-3589; email: nickohanesian@yahoo.com]
- Hon. John M. Chmura, Parliamentarian
[37th District Court, 8300 Common Rd., # 104, Warren, MI 48093
phone: (586) 574-4925; email: jchmura@37thdistrictcourt.org]
- B. Certification that a quorum is present by Assembly Clerk, Ms. Yolanda M. Bennett
[Lansing Board of Water and Light, 1201 S. Washington Ave., P.O. Box 13007, Lansing, MI 48910
phone: (517) 702-7056; email: yolanda.bennett@lbwl.com]
- C. Adoption of proposed calendar by Rules & Calendar Chair, Ms. Mary Alexis Bowen
[City of Lansing, 124 W. Michigan Ave. Fl 5, Lansing, MI 48933-1670
phone: (517) 483-4320; email: mary.bowen@lansingmi.gov]
- D. Approval of the April 9, 2022 Summary of Proceedings
- 9:35 a.m. 2. *Filling Vacancies
- Mr. Mark W. Jane, Chair, Nominating & Awards Committee
[Butzel Long, PC, 301 E. Liberty St., Ste. 500, Ann Arbor, MI 48104
phone: (734) 995-3110; email: jane@butzel.com]
- 9:40 a.m. 3. Presentation of the Unsung Hero Award to Ms. Angela M. Cole
- Presenter:
Mr. Christopher G. Komara
[Christopher G. Komara, PLC, 221 W. Wackerly St., Midland, MI 48640
phone: (989) 546-5226; email: ckomara@komaralawplc.com]
- 9:45 a.m. 4. Presentation of the Michael Franck Award to Mr. George W. Gregory
- Presenter:
Mr. Eric W. Gregory
[Dickinson Wright, PLLC, 2600 W. Big Beaver Rd., Ste. 300, Troy, MI 48084
phone: (248) 433-7669; email: egregory@dickinsonwright.com]

- 9:55 a.m. 5. Chair's Report
 Presenter:
 Mr. Nicholas M. Ohanesian, Chair, Representative Assembly
 [Social Security Administration, Office of Hearings Operations, 1925 Breton Rd. SE,
 Ste. 200, Grand Rapids, MI 49506
 phone: (616) 920-3589; email: nickohanesian@yahoo.com]
- 10:00 a.m. 6. Representative Assembly 50th Anniversary Acknowledgement
 Presenter:
 Mr. Edward L. Haroutunian, Member, Representative Assembly
 [Haroutunian Licata Haroutunian, PC, 30600 Telegraph Rd., Ste. 3250, Bingham Farms,
 MI 48025-5719
 phone: (248) 594-9071; email: elh@hlhpc.com]
- 10:05 a.m. 7. Challenges and Opportunities for the Representative Assembly
 Presenters:
 Mr. Patrick D. Crandell, Chair, Assembly Review Committee
 [Collins Einhorn Farrell, PC, 4000 Town Ctr., Ste. 909, Southfield, MI 48075-1408
 phone: (248) 351-6022; patrick.crandell@ceflawyers.com]
- Ms. Nicole A. Evans, Chair, Special Issues Committee
 [54B District Court, 101 Linden St., East Lansing, MI 48823-4311
 phone: (517) 336-8645; email: nevans@54BDistrictCourt.com]
- Mr. Mark W. Jane, Chair, Nominating & Awards Committee
 [Butzel Long, PC, 301 E. Liberty St., Ste. 500, Ann Arbor, MI 48104
 phone: (734) 995-3110; email: jane@butzel.com]
- Mr. Michael P. Hanrahan, Chair, Outreach & Hearings Committee
 [CBH Attorneys & Counselors, PLLC, 25 Division Ave., S. Ste. 500, Grand Rapids, MI
 49503-4233
 phone: (616) 608-3061; email: mike@cbhattorneys.com]
- 10:30 a.m. 8. *Consideration of Inconsistent Advocacy Request by Family Law Section
 Presenter:
 Mr. Nicholas M. Ohanesian, Chair, Representative Assembly
 [Social Security Administration, Office of Hearings Operations, 1925 Breton Rd. SE,
 Ste. 200, Grand Rapids, MI 49506
 phone: (616) 920-3589; email: nickohanesian@yahoo.com]
- 10:45 a.m. 9. *Consideration of Proposal to Amend MRPC 6.1 – Voluntary Pro Bono Standard
 Proponents:
 Ms. Jamie Hochman Herz, Member, Justice Initiatives Committee
 [Bodman, 201 S. Division St., Ste. 400, Ann Arbor, MI 48104-2259
 phone: (734) 930-2402; email: jhochmanherz@bodmanlaw.com]
- Ms. Ashley E. Lowe, Chair, Justice Initiatives Committee
 [Lakeshore Legal Aid, 35 W. Huron St., Ste. 701, Pontiac, MI 48342-2128
 phone: (248) 530-9330; email: alowe@lakeshorelegalaid.org]
- Ms. Heidi A. Naasko
 [Dykema Gossett, PLLC, 2723 S. State St., Ste. 400, Ann Arbor, MI 48014-6188
 phone: (734) 214-7710; email: hnaasko@dykema.com]

- 11:05 a.m. 10. *Consideration of Proposal to Amend MCR 8.120 – Expanding Supervised Practice to Individuals Already Licensed in Other States to Civil Legal Services & Programs
Proponents:
Ms. Elisa Gomez, Member, Civil Procedure & Courts Committee
[Lakeshore Legal Aid—Cass Corridor Office, 2727 2nd Ave., Ste. 301, Detroit, MI 48201-2679
phone: (313) 242-0811; egomez@lakeshorelegalaid.org]
- Ms. Lore A. Rogers, Co-Chair, Access to Justice Policy Committee
[Division of Victim Services, MI DHHS, 235 S. Grand Ave., Ste. 1108, Lansing, MI 48933-1805
phone: (517) 449-6052; email: rogersL4@michigan.gov]
- 11:20 a.m. 11. *Nomination and Election of Assembly Clerk
- 11:25 a.m. 12. Recognition of Assembly members completing their terms of service and Committee Chairs.
Mr. Nicholas M. Ohanesian, Chair, Representative Assembly
[Social Security Administration, Office of Hearings Operations, 1925 Breton Rd. SE, Ste. 200, Grand Rapids, MI 49506
phone: (616) 920-3589; email: nickohanesian@yahoo.com]
- 11:30 a.m. 13. Introduction by Nicholas M. Ohanesian of the Honorable Brian K. Zahra.
- 11:35 a.m. 14. Swearing in of Gerrow D. Mason as the 2022-2023 Chairperson of the Representative Assembly.
[Justice Brian K. Zahra, Michigan Supreme Court, P.O. Box 30052, Lansing, MI 48909-7552]
- 11:40 a.m. 15. Presentation of Recognition to the Immediate Past Assembly Chair.
- 11:45 a.m. 16. Adjournment

Please note that the Representative Assembly meets next on Saturday, April 29, 2023.

SBM

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